



Supports Item No. 4
P&E Committee Agenda
January 22, 2010

POLICY REPORT
DEVELOPMENT AND BUILDING

Report Date: January 4, 2010
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Meeting Date: 2010-01-19

TO: Vancouver City Council
FROM: Director of Planning, in consultation with Director of Housing Policy
SUBJECT: Historic Area Height Review: Conclusion and Recommendations

RECOMMENDATION

- A. THAT Council affirm the importance of the "Historic Area" as defined in the Historic Area Height Review (HAHR), including its distinctive sub-areas, for its social, cultural, economic and built form value contributing to Vancouver's civic identity, and affirm that building height and scale for the Historic Area should generally continue to reinforce the prevailing heritage context, including the existing heritage buildings, fine grain character and generally low to mid-rise development scale.
- B. THAT the appropriate building heights for the Historic Area be generally between 50' to 120' based on respective sub-areas' zoning, design guidelines and rezoning policies, noting the existing maximum building height range is 50'-100'.

AND THAT mid-rise development continues to be the primary form for new developments complementing heritage building rehabilitation in the Historic Area, considering its existing building scale, public realm, smaller lot pattern and the fragmented property ownership pattern.

FURTHER THAT Council direct staff to prepare and report back with amendments to the Zoning and Development By-law, Design Guidelines and the Vancouver Building By-law and related by-laws and policies in order to provide a more supportive regulatory framework to facilitate development on smaller frontages (75' frontage or less) and mid-rise development scale (up to 120' in height) in the Historic Area.

- C. THAT Council endorse a moderate height increase in Chinatown and Downtown Eastside Oppenheimer District Sub-Area 1 (Main and Hastings) to support and enhance existing policy objectives in these sub-areas.

FURTHER THAT Council direct staff to:

- C.1. prepare and report back on the following zoning and policy changes in Chinatown as part of the residential intensification strategy as identified in the Chinatown Community Plan:

- (i) amendments to the HA1 and HA1A District Schedules of the Zoning and Development By-law and Design Guidelines to increase maximum heights:

- HA1: maximum height increase from 50' - 65' to 50'-75'
- HA1A: maximum height increase from 70' to 90'

- (ii) a Rezoning Policy for HA1A with a maximum height up to 120' in order to consider innovative heritage, cultural and affordable housing projects in Chinatown.

- (iii) amendments to the Transfer of Density Policy and Procedure to allow density to be transferred into HA1A.

- C.2. prepare and report back on an interim Rezoning Policy for Downtown Eastside Oppenheimer District Official Development Plan (DEOD ODP) Sub-Area 1 with a maximum height up to 120' in order to consider special opportunities for affordable housing projects before completion of the DEOD ODP Review.

- D. THAT a maximum of three additional higher buildings as 'high points of the pattern' be proposed to provide additional strategic new development with resulting public benefits, within height limits that still reflect the prevailing mid-rise development pattern;

AND THAT for every supported higher building, a significantly higher standard of architectural and urban design excellence will be required;

AND THAT Council endorse that the maximum of three higher buildings above the prevailing height of 50'-120' may be considered with heights generally in the range of 150', having considered urban design and other performance factors including View Corridors Policy, shadowing considerations, compatibility with adjacent heritage building context and provision of public benefits.

FURTHER THAT Council adopt the Draft Urban Design Criteria for Three Higher Buildings in the Historic Area as attached in the Appendix E, and direct staff to prepare and report back with a Rezoning Policy for the Three Higher Buildings in the Historic Area, based on the adopted Criteria.

- E. Subject to the approval of A, B and C1, staff update the Chinatown Community Plan to incorporate the approved changes. (see RTS 6478 "Chinatown Community Plan: summary of Council policies and directions")

GENERAL MANAGER'S COMMENTS

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

CITY MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

COUNCIL POLICY

In June 2008, Council through approval of the EcoDensity Initial Actions (Action B1) directed staff to include consideration of additional density and corresponding height in suitable locations in Gastown, Hastings, Chinatown and Victory Square, as part of the "Historic Precinct Height Study".

There are many existing policies in the Historic Area, including the following:

- Downtown Eastside Oppenheimer District Official Development Plan (1982)
- Gastown Heritage Management Plan (2002)
- Chinatown Vision and Chinatown Community Plan (2002/2005)
- Victory Square Concept Plan (2005)
- Downtown Eastside Housing Plan (2005)
- Heritage Building Rehabilitation Program and Transfer of Density Review (2009)

SUMMARY

The Historic Area presents a coherent and legible urban fabric, and enjoys a diversity of architectural forms, a unique scale of low-to mid-rise developments on smaller frontage lots, and a wide variety of social and cultural activities. It is also a neighbourhood with a rooted community infrastructure for a low-income population. With more than forty years of heritage conservation policies, the Historic Area is now a community of communities. The sub-areas within the Downtown Eastside are more than the designated heritage districts of Gastown and Chinatown; they also include Victory Square and Hastings Street.

However, the Historic Area has undergone recent decline. To address the decline, the planning philosophy of "Revitalization without Displacement" has been the guiding principle behind the City's policy for development and program delivery in the Downtown Eastside over the past ten years. With this guiding principle, policies have also been developed for each of the sub-areas such as Chinatown Vision, Victory Square Policy Plan and the DTES Housing Plan. These policies outline the broader planning issues - other than built form - that affect the social, cultural and economic future of these founding neighbourhoods.

With interest in and pressure for new development and building rehabilitation increasing in the Historic Area, many have asked how development activities in this neighbourhood can be done in a way that benefits the whole community and brings about change that is inclusive, respectful and with a pace that is manageable. There are different views, and new approaches are being tried.

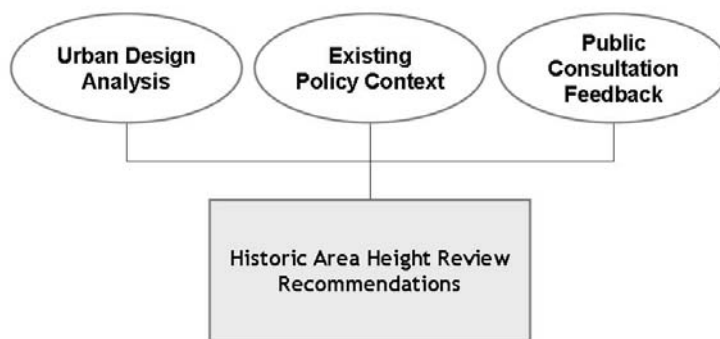
It is with these questions and within the aforementioned complex policy context that Council directed staff to undertake the Historic Area Height Review (HAHR) with the study boundary as identified in Figure 1. In response to Council's direction, staff undertook a detailed technical analysis of urban design, height, density and forms of development in the Historic Area, including input from a number of external consultants.

Throughout Spring 2009 staff undertook an extensive HAHR public consultation process on the HAHR to seek public feedback on the ideas presented for discussion. Specifically, people were asked to comment on the objectives of the study, General Height options, and the concept of Special Sites, including the role, height, and number of taller buildings appropriate for the Historic Area.

Staff heard diverse opinions about approaches to revitalization and development in the Historic Area. The following themes were predominantly voiced, not only within the community but also shared by the City's professional advisory bodies:

- Maintenance of the heritage character and scale of the neighbourhood was the most important objective of the Study;
- Some tolerance for general height increases in certain sub-areas; and
- Overwhelming opposition to tower form development as proposed in the range of 150' - 300', crossing over diverse interest groups and sub-sections of the population.

Informed by the initial public consultation, staff identified further options and evaluated choices based on the urban design context of the overall Historic Area and respective policy contexts and needs in each of the sub-areas. (See diagram below.)



A set of recommendations was finalized and is presented in this report. It is based on following three key conclusions by Planning staff:

- 1) Low to mid-rise development (up to 120' in height) should continue to be the primary form of new development in the Historic Area. Development projects on smaller frontage lots (up to 75' in width) will be facilitated through a supportive regulatory framework. This recommendation is to enhance the existing urban development pattern, character, and scale of the Historic Area.
- 2) Moderate pattern height increases should be permitted in Chinatown and DEOD Sub-Area 1 (Main and Hastings) in order to support and enhance existing or emerging goals and objectives set out in comprehensive policies for those sub-areas.

- 3) Three additional higher buildings as 'high points of the pattern' (not in tower form) can be proposed to provide additional strategic new development opportunities in ways that deliver public benefits within height limits that still reflect the prevailing mid-rise development pattern.

This approach toward growth and change focuses on a long-term outlook for the Historic Area. Preservation of this young city has never been about freezing us in a place in time, but rather always looking to the future in a way that strengthens the things we hold dear.

PURPOSE

This report presents the conclusion of the Historic Area Height Review and a set of policy recommendations based on Council direction, public feedback and staff analysis.

BACKGROUND

The Historic Area: Vancouver's Roots

The Historic Area presents a coherent and legible urban fabric, and enjoys a diversity of architectural forms, a unique scale of low-to mid-rise developments on smaller frontage lots, and a wide variety of social and cultural activities. It is also a neighbourhood with a rooted community infrastructure for a low-income population. With more than forty years of heritage conservation policies, the Historic Area is now a community of communities. The sub-areas within the Downtown Eastside are more than the designated heritage districts of Gastown and Chinatown; they also include Victory Square and Hastings Street.

The Historic Area represents Vancouver's roots - where the City started and the community organized. From the early beginnings of Vancouver as a settlement through to the grass-roots mobilization against the freeway development through Strathcona and Chinatown in the 1970s, this area not only started a grounded advocacy for heritage conservation policies, but also shaped Vancouver's unique civic identity both in terms of urban form and culture.

Revitalization without Displacement: impact of new development

The Historic Area has undergone decline with similar social and economic challenges as faced by many other north American cities' inner-city neighbourhoods. To address that decline, the planning philosophy of "Revitalization without Displacement" has been the guiding principle behind the City's policy for development and program delivery in the Downtown Eastside over the past ten years (Appendix A: Backgrounder: 10 years of revitalization in the DTES). It is an approach that recognizes the issues of gentrification and potential displacement in light of revitalization efforts, emphasises the importance of balancing the pace of improving infrastructure with quality of life, and supports ongoing community engagement in planning processes.

With interest in and pressure for new development and building rehabilitation increasing in the Historic Area, many have asked how development activities in this neighbourhood can be done in a way that benefits the whole community and brings about change that is inclusive and respectful. There are different views, and new approaches are being tried.

Some believe the only way is to use inclusionary zoning for social housing, such as the 20% social housing requirement for all projects in the Downtown Eastside Oppenheimer District (DEOD). Some advocate for residential intensification to bring 'body heat' to a

neighbourhood like Chinatown, where traditional shop-house buildings with residents living above storefronts contribute to the vibrancy of the neighbourhood. Implementation of innovative projects and programs like Woodward's and the Heritage Building Rehabilitation Program (HBRP) are now raising more questions: when it comes to development issues, should they be the 'model' to be repeated or a unique 'catalyst' to change, not to be replicated, as initially intended?

The Historic Area Height Review (HAHR)

It is with these questions and many people's varying responses that Council directed staff to undertake the Historic Area Height Review with the specific Council direction and study boundary as identified in Figure 1. In response to Council's direction, staff undertook a detailed technical analysis of urban design, height, density and forms of development in the Historic Area, including input from a number of external consultants.

The Council Direction was worded as follows:

Staff be directed to include consideration of policies for additional density and corresponding height in suitable locations in Gastown, Hastings, Chinatown and Victory Square, as part of the Historic Precinct Height Study. The intent of this direction is to support heritage conservation projects, to provide replacement low-income housing, and/or to support other public benefits and amenities. Suitable, carefully considered locations, densities and heights will be determined through careful analysis and extensive public consultation to ensure the appropriate scale in the historic areas is maintained, while also being consistent with the City's housing objective for the area. - EcoDensity Initial Action B-1 (June 2008)

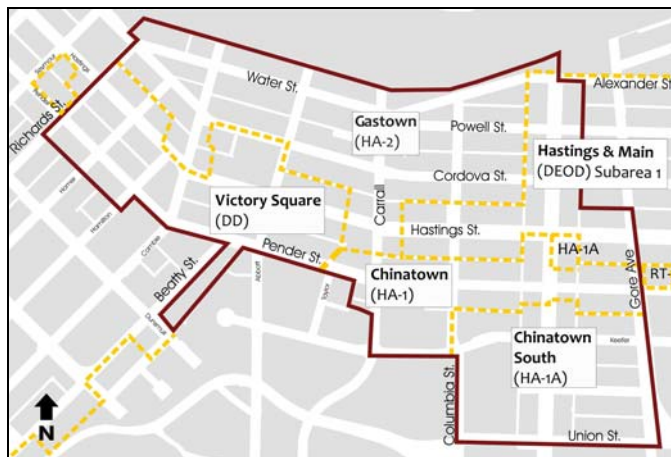


Figure1: Historic Area Height Review Council Direction and Study Boundary

The following objectives have guided the HAHR and informed the policy recommendations in this report:

- To provide direction for growth and development in the Historic Area;
- To maintain the Historic Area's character and general building scale; and
- To ensure that any development potential resulting from this Review generates opportunities for public benefits and amenities for this Area.

In order to initiate and frame a discussion for public consultation on the concept of additional height and density, staff prepared and presented the following concepts:

- Maintain maximum height limits in current zoning regulations (*General Height - Option 1*)
- Allow a moderate increase in height through rezoning (*General Height - Option 2*)
- Consider possible roles and heights for taller buildings (*Special Sites*)

These options were developed based on a simple concept of “pattern and punctuation” to accommodate additional height and density: pattern referring to general building heights in low to mid-rise forms, and strategic punctuation points expressed through taller buildings in tower forms referred to as ‘Special Sites’. This urban design rationale is based on the understanding that low to mid-rise is the primary form of development in the Historic Area, which complement and enhance the large heritage building stock, and that the tall towers, if carefully placed, may have limited impact on the overall fabric yet provide additional opportunities for proposed projects through much needed public benefits.

Existing Context: Historic Area and the Sub-Areas

In addition to the above-mentioned concepts of height and density presented for public consultation, Staff also reviewed the existing context of the overall Historic Area and its distinctive sub-areas, including existing policy intents and current development activities. The following section outlines the analysis of the existing context.

The Historic Area

The Historic Area is made up of five distinct neighbourhoods or sub-areas. There are two major corridors, Main Street and Hastings Street, connecting the Historic Area to the rest of the City. Public spaces in the area include Pigeon Park, Victory Square and Dr. Sun Yat-Sen Garden and Park. They all have a very urban character, and are used by residents for community celebrations. There are also three large parks nearby: Andy Livingstone Park, CRAB Park and Oppenheimer Park. The Historic Area has Burrard Inlet and the Port to the north, and modern high-rise development to the south and west for views, natural setting, and surroundings.

The predominant building form in the Historic Area is rectilinear in shape, reflecting the economic, social and architectural character of early Vancouver. Most buildings were constructed between 1886 and 1920. Hence, there is a high concentration of designated heritage buildings. An intricate alleyway and courtyard system also contributes to the urban development pattern that promotes more pedestrian-oriented activities in the Historic Area.

Varied low to mid-rise (2-7 storey) buildings create a ‘sawtooth’ streetwall pattern with few taller buildings. Most of the building lots are 25’ to 33’ wide by 120’ deep. It is a reasonably dense urban area with an average Floor Space Ratio of 3.4. The following table shows the percentage of heritage buildings in each of the sub-areas, including average building height and density (FSR).

Table 1: Existing Building Stock in Historic Area sub-areas

Sub-Area	Zoning	% of sites are heritage (VHR*)	Average building height	Average density	Current Zoning max height
Gastown	HA2	70% (of 150 sites)	3-4 storeys	4.2 FSR	75’
Victory Square	DD: Subarea C2	47% (of 100 sites)	3-4 storeys	3.4 FSR	70’-100’ (5 FSR)
Chinatown	HA1	33% (of 69 sites)	2-3 storeys	2.5 FSR	50’-65’
	HA1A	12% (of 84 sites)	2-3 storeys	2.1 FSR	70’-90’
Main & Hastings	DEOD: Subarea 1	30% (of 79 sites)	2-3 storeys	2.8 FSR	98’ (5 FSR)

* VHR: Vancouver Heritage Register (protected heritage buildings)

There is significant capacity for new development under existing zoning in the Historic Area. Based on an analysis of potential redevelopment sites considered ‘likely to redevelop’ in the next 20-40 years, the area could accommodate a 28% increase in floor area (from 12.1 million

ft² to 15.4 million ft²) under current maximum allowable height and density. The population could increase to more than two times the existing population: from 8,000 people now to approximately 16,600. However, the combination of lot patterns, existing buildings and fragmented property ownership does pose a unique challenge to redevelopment in this Area.

Gastown (HA2)

Gastown is a designated heritage area. It is the old Granville Townsite, the origin from where Vancouver has developed. Gastown now has multiple roles in the city: heritage, tourism, housing, and entertainment. Its heritage designation means that special approval is required for exterior alterations or demolitions. It can be costly to maintain and upgrade heritage buildings, which is why the City introduced the Heritage Buildings Rehabilitation and Façade Rehabilitation Programs (HBRP and HFRP) in 2003.

The HBRP was a five-year (2003-2008) program of incentives to encourage the full upgrading of heritage buildings to ensure their long-term conservation while stimulating economic development in the DTES Historic Area, including Gastown, Chinatown, Victory Square and Hastings Corridor. This program was very successful in its implementation, resulting in many rehabilitated heritage buildings that have contributed to the recent positive changes in the neighbourhood, especially in Gastown.

However, increasing numbers of projects seeking density transfer and incentives for support have contributed to density bank challenges. As outlined in the report to Council in July 2009 on Transfer of Density Program and HBRP (RTS 7128), a series of actions have been approved by Council to bring a healthy balance back to the density bank. Council also approved the continuation of Heritage Façade Rehabilitation Program for three more years (2009-2011).

In addition to heritage rehabilitation projects, new development projects are also underway. For example, the 'Smart' development at 168 Powell Street is a new construction project with a height of 75' and FSR of 5.5. It is a successful mid-rise form development that integrates well in the heritage area. However, concerns were raised by low-income community organisations because no on-site public benefits were provided.

Chinatown (HA1 and HA1A)

Vancouver's Chinatown is one of the last remaining, large historic Chinatowns in North America. It is a distinctive market providing specialty Asian goods and services, as well as an important cultural and tourist destination.

In 2002, Council approved the Chinatown Vision after a comprehensive public process conducted by the City and the Vancouver Chinatown Revitalization Committee. The Vision proposed an economic development strategy for the area that focused on heritage conservation, recognition of the area's history, public realm improvements, improved transportation and linkage to nearby neighbourhoods, and a diversified retail mix.

In 2005, Council approved the development of a Chinatown Community Plan with a 3-year Actions Plan, based on the direction identified in the Chinatown Vision. The Chinatown Community Plan is action-oriented, with many policies and actions incrementally approved by Council and implemented since 2005. With most of the 3-year Action Plan completed, staff have prepared the "Chinatown Community Plan: summary of Council policies and directions" as a companion to this report (RTS 6478).

Chinatown has seen increased development interest since 2005. There are a wide range of project types, including market and non-market housing, new commercial uses, proposals on both smaller frontage lots and larger consolidated lots. Most recent market projects in HA1A have been approved at heights of 90' (current maximum discretionary height).

There have also been a number of heritage conservation projects, most of which are in HA1. With implementation of the Society Heritage Buildings Strategy, there is increasing interest from family associations and benevolent societies to start small scale building improvements and explore partnerships for full heritage building rehabilitation projects. In addition, the application for the National Historic Site Designation of Chinatown's HA1 Area was submitted to the Historic Sites and Monuments Board of Canada in March 2009.

Victory Square (DD ODP)

Victory Square is a transition area between the Downtown Eastside Oppenheimer District (DEOD) and the downtown core, as evidenced in the mix of land uses: retail, social housing, Single Room Occupancy hotels (SROs), condominiums, offices and educational institutions. Almost half of the building stock (47%) is on the Heritage Register. The buildings are generally low to mid-rise scale.

The recently adopted Victory Square Policy Plan (2005) seeks to balance objectives of low-income and market housing, sensitive urban design, business revitalization, preservation of the area's heritage character, and fostering arts and culture. The Plan encourages residential development by focusing on the area's scale, character and heritage buildings and emphasizing reuse and infill. Height and density bonuses are provided for development of low-income housing in the area.

Development activities in and around Victory Square have increased. The Woodward's development is near completion and many nearby heritage buildings are being renovated or fully upgraded, some with support from HBRP incentives and others privately initiated and sponsored. The Hastings Street Renaissance Program that aims to upgrade existing buildings and fill vacant storefronts has also successfully opened up six buildings filled with new programs and activities.

Main and Hastings (DEOD Sub-Area 1)

The Downtown Eastside-Oppenheimer District (DEOD) - often referred to as the heart of the city - is a small inner-city neighbourhood surrounding Oppenheimer Park, including Hastings Street corridor from Carrall Street to Gore Avenue. Throughout its history, the DEOD has been a predominantly low-income blue-collar community. Originally settled by marginalized ethnic communities and a working-class population, the area continues to play a key role in celebrating multiculturalism in the city, as well as providing the primary stock of lowest cost housing in the city and the region.

The policy intent for Sub-Area 1 of the DEOD is to further establish this area's importance as a gateway into the Downtown core, as well as a high-density, mixed commercial and residential area. There is also policy direction to support development of social housing in this area with inclusionary zoning requiring 20% social housing for any projects with a density of more than 1 FSR. Current maximum building height for this zone is 98' with maximum density of 5 FSR.

A review of the DEOD Official Development Plan will be underway next year. Part of the scope of that review will be to ensure that affordable housing objectives for the area can be

achieved. There is an ongoing discussion about the need to develop a comprehensive DTES Community Strategy as a context for the DEOD ODP Review.

DISCUSSION

The HAHR: Public Consultation Process

Throughout April and May 2009 staff undertook an extensive HAHR public consultation process on the HAHR to seek public feedback on the ideas presented for discussion. Specifically, people were asked to comment on the objectives of the study, General Height options, and the concept of Special Sites, including the role, height, and number of taller buildings appropriate for the Historic Area.

A variety of materials were developed to support the HAHR's public consultation process, including PowerPoint presentations, display boards, visualization tools (3D modelling, hand rendering), and a website. In partnership with UBC School of Architecture, a physical model for the study area was also built and displayed at open houses to assist the public's understanding of scale and massing. Detailed information on the ideas presented for discussion can be found online at <http://vancouver.ca/hahr>.

The consultation process included meetings with City advisory bodies, community committees and groups, as well as public workshops and open houses. Staff also presented and discussed the HAHR at over 15 meetings of City advisory bodies and community groups, one town hall discussion at Carnegie Community Centre, three public workshops, and two open houses. There was also specific outreach to the Chinatown community and a community organisation representing the low-income population. Approximately 250 participants representing a mix of people that live and work in the Downtown Eastside and elsewhere in Vancouver attended the workshops and open houses. A detailed summary of the public consultation meetings is attached as Appendix B.

The HAHR: Public Feedback Highlights

The consultation process resulted in ongoing passionate discussions. The heritage community stressed the importance of maintaining an overall coherent fabric in the Historic Area, including the conservation of heritage buildings and the generally low to mid-rise form and scale of development. They also expressed strong concerns about the concept of towers as presented in the Review.

The low-income population, as highlighted at the Carnegie town hall meeting moderated by the Downtown Eastside Residents Association (DERA), questioned the HAHR's relevance to the future of the DTES. They expressed strong concerns about the use of market residential developments to leverage public benefits and the impacts those developments would have on their community. This discussion resulted in the Carnegie Community Action Project opposing any increase in heights in the Historic Area prior to the completion of a local area plan that reflects the values and needs of the low-income population throughout the DTES.

A major issue in the Chinese community focussed on the concept of the Chinese Cultural Centre as a 'Special Site'. The notion of a taller building at this location was very controversial and led to significant media coverage about height in Chinatown. While there were different views about special sites, after many debates, general consensus was reached in Chinatown to allow moderate height increases as part of the residential intensification strategy to revitalize the neighbourhood.

While the options for moderate increases in heights garnered varied responses from the public and various committees, the option to include 'special sites' or taller buildings (over 150') was much more definitive. Over two-thirds of all respondents stated that an acceptable number of taller buildings in the historic area was zero. This view was widely shared by community groups and Council advisory bodies.

The reluctance to accept the concept was due to the lack of clarity around impacts and amenities. Some suggested that a post-occupancy evaluation of the social and economic impacts and benefits of the Woodward's development was needed prior to contemplating any additional towers in the Area. Many were unwilling to accept tower forms of development in the Historic Area and were concerned about potential shadowing on public spaces and heritage buildings.

Another common concern was raised around the land use and demographic composition of these new buildings and their associated impacts on the current community. There was some interest in the concept for wholly commercial buildings, but general resistance against condominium towers, the fear being that this type of development would be divisive for the community and would out-price affordable housing for the low-income population.

Although the opposition to tower form development in the Historic Area was strong, a great deal of informative qualitative feedback about the role of higher buildings and the definition of Special Sites was provided through the consultation.

Staff heard diverse opinions about approaches to revitalization and development in the Historic Area. The following themes were predominantly voiced, not only within the community but also shared by the City's professional advisory bodies:

- Maintenance of the heritage character and scale of the neighbourhood was the most important objective of the Study;
- Some tolerance for general height increases in certain sub-areas; and,
- Overwhelming opposition to tower form development as proposed in the range of 150'-300', crossing over diverse interest groups and sub-sections of the population.

One advisory group, the Urban Development Institute (UDI) did not share these conclusions, especially regarding tower form development. UDI urges the City to focus heritage retention on the core historic blocks of Water and Pender Streets, and to allow more flexibility in height and density in the rest of the Historic Area, including tower form development with less restrictive height limits. They believe that further increased densification through height will be an important catalyst for much needed economic development in the area.

A summary of the Public Feedback as well as letters and position papers sent to Staff on this Review are attached in the Appendix B and C.

Analysis and Recommendations

Informed by the initial public consultation, staff identified further options and evaluated choices based on the urban design context of the overall Historic Area and respective policy contexts and needs in each of the sub-areas, as described in the Background section. The following outlines the HAHR conclusion and recommendations organized into three themes:

- 1) Maintenance of Heritage Character and Scale of the Neighbourhood

- 2) Height in Specific Sub-Areas
- 3) Higher Buildings in Historic Area

1. Maintenance of Heritage Character and Scale of the Neighbourhood

Low- to mid-rise development has been the main form of development in the Historic Area, accommodating a variety of building prototypes, lot sizes, land uses and handling tight adjacency issues.

In order to understand project viability for low to mid-rise new development on smaller frontage lots, staff analysed a range of building prototypes developed by architectural consultants for the City. Land economics consultants then evaluated these prototypes, testing the economic performance of scenarios with varying frontages and building heights utilizing either double-loaded corridor or courtyard design. This testing was also based on conventional real estate development proforma and current real estate market conditions.

Concurrently, in June 2009, the City introduced changes to its parking policies and Parking By-law. Parking requirements for new developments have been reduced for the Historic Area. New tools have been introduced to increase flexibility and encourage sustainable transportation, including options for residential parking to be provided through Payment in Lieu or the car share program. These new provisions should improve the economic viability of mid-rise developments, particularly on small lots where there are significant site constraints to providing on-site parking.

With the above urban design analysis and changes to the parking provisions, staff conclude that low to mid-rise development can and should remain the primary form of new development in the Historic Area to complement the ongoing efforts of heritage building rehabilitation. This form of development is flexible to add floor area and the project viability improves as the neighbourhood improves over time. A number of new mid-rise development projects have recently been completed, as described in Appendix D.

Recommendation B confirms the appropriate maximum building heights for the Historic Area to be between 50' to 120', reflecting the low to mid-rise development form with some modest height increases.

In addition, Recommendation B also calls for staff to prepare and report back with amendments to the Zoning and Development By-law, Design Guidelines, Vancouver Building By-law and related by-laws and policies in order to provide a more supportive regulatory framework to facilitate smaller frontages (75' frontage or less) and the mid-rise development scale (up to 120' in height).

2. Heights in Specific Sub-Areas

Options for moderate height increases were analyzed for the five sub-areas of the Historic Area. The feedback forms were designed to allow individuals to provide comments on each individual sub-area. The following section summarises the staff analysis informed by the public feedback and recommendations by sub-area.

1) Gastown (Zoning: HA2)

As a National Historic Site, about 70% of sites in Gastown are heritage buildings, many of them are undergoing rehabilitation. Existing zoning and policy in Gastown promotes heritage conservation. With the ongoing positive changes taking place in this sub-area, staff

recommend that Gastown maintains its maximum height limits (i.e. up to 75') and that Gastown Heritage Management Plan continues to guide change in the sub-area.

2) Chinatown (Zoning: HA1 and HA1A)

Residential intensification is a Council-adopted direction for revitalization in Chinatown. New residents in the area will create an increased demand for local commercial services, thereby increasing new business opportunities and filling vacant storefronts. The HAHR process reaffirmed community support for that direction. Throughout the Chinatown planning process, including the most recent HAHR discussions, the community has shown its preference for a residential intensification strategy that focuses on the following:

- better utilizing current building stock, including heritage buildings;
- encouraging developments that respond to existing urban development pattern of smaller frontage lots and low to mid-rise scale;
- ensuring larger projects on consolidated lots integrate well with the prevailing scale and fabric of the neighbourhood; and,
- allowing density transfers within Chinatown so larger development projects can have the option to assist heritage building rehabilitation projects in Chinatown.

Recommendations B and C1 call for zoning and policy changes to provide a supportive regulatory framework for Chinatown residential intensification, including:

- Facilitating small frontage and low to mid-rise scale new development;
- Increasing maximum heights in both zones of Chinatown;
 - HA1: increase maximum discretionary height from 65' to 75'
 - HA1A: increase maximum height from 70' to 90' and introduce a rezoning policy with a maximum height up to 120' to consider innovative heritage, culture and affordable housing projects in Chinatown;
- Amend Design Guidelines to reflect the increased maximum heights;
- Amending Transfer of Density Policy and Procedure to allow density to be transferred into HA1A.

This set of policies will complement the Society Heritage Buildings Strategy and the recently approved Chinatown Active Storefront Program that aims to address under-utilized building stock issues. It will complete a comprehensive Residential Intensification Strategy for Chinatown.

Subject to Council approval of the recommended policy changes in Recommendations A, B and C1, staff will report back and update the Chinatown Community Plan (see RTS 6478) to incorporate the changes.

3) Victory Square (Zoning: DD ODP)

Existing policy in the Victory Square Policy Plan (Chapter 2: Land Use, Height and Density: policy 2.5) allows for the consideration of market developments through CD-1 rezonings or Heritage Revitalization Agreements with densities above 5.0 FSR (overall) or 3.0 FSR (residential) and heights above 70' on a case-by-case basis. Proposed developments must meet the area's urban design objectives and provide public benefits in the form of low-income housing, SRA retention and/or on-site heritage retention.

Staff recommend careful continued monitoring of developments in this area, while maintaining Victory Square's existing maximum height of 70' with a possibility of relaxation up to 100' under provisions stipulated in existing policies.

4) Main and Hastings (Zoning: DEOD Sub-Area1)

The urban design analysis of the HAHR has concluded that Main and Hastings (DEOD Sub-Area 1) is an area which can accommodate height up to 120' while maintaining its general character and scale. The maximum building height under current zoning is 98'.

Currently there are several potential projects that present special opportunities to learn about innovative methods for delivering affordable housing units - with a range of financing, partnership, and delivery models - at a time when senior levels of government are not providing comprehensive social housing programs. Apart from traditional social and supportive housing which has been the norm in this neighbourhood, new models might include provision for affordable rental, affordable home ownership or opportunities to take advantage of current rental supplement programs.

The critical policy issue for DEOD Sub-Area 1 is whether or not to take advantage of potential innovative project opportunities in advance of the area-wide DEOD ODP review.

Given the innovation and learning potential with projects that aim to secure affordable housing stock in the area and that a height increase can secure additional social housing within the existing inclusionary zoning policy, Recommendation C2 calls for staff to prepare and report back on an interim rezoning policy for DEOD Sub-Area 1 with a maximum height up to 120' in order to consider special opportunities for affordable housing projects before completion of the DEOD ODP Review.

3. Higher Buildings in the Historic Area

Higher buildings stand out more prominently in a city, and are often located at activity nodes or other focal points. If well-placed and with the right scale, they can enhance the skyline and fabric of an inner-city neighbourhood. Higher buildings can also help with neighbourhood orientation by defining important sites or other features in the area's urban structure.

In the Historic Area, some buildings built before the current zoning was adopted or rezoned to allow for extra height and density are taller than zoning regulations currently allow. There are three existing higher buildings in the Historic Area:

- Dominion (207 W Hastings): with height of 170' (14 storeys) / commercial use
- Sun Tower (100 W Pender): with height of 270' (17 storeys) / commercial use
- Woodward's (100 W Hastings): mixed use of residential, commercial, institutional
 - Abbott Tower with height of 400' (40 storeys)
 - Cordova Tower with height of 315' (31 storeys)

Broad-based public feedback - that staff ultimately agreed with - led staff to explore and analyse alternatives to taller tower forms. Staff undertook further urban design analysis of higher buildings (not in tower form and not as high as previously proposed for public discussion) based on the Council direction to seek strategic new development capacity to deliver additional public benefits and the qualitative feedback from the public about Special Sites. The following principles guided that analysis:

- Higher buildings should respect and complement the prevailing pattern height as 'high points of the pattern', not 'punctuation with towers';
- Location of higher buildings should be pre-determined with clear urban design rationale and a set of evaluation criteria; and
- There should be a small maximum number of additional higher buildings in the Historic Area; otherwise they will overwhelm the overall fabric. Staff are recommending three additional higher buildings as the maximum.

Recommendation

The public provided three important messages with regard to developing criteria for locating higher buildings: 1) sites of historical, cultural and social significance should not be redefined by a new form of development; 2) a clear and legible shift from towers in the Central Business District to the low to mid-rise form of developments in heritage neighbourhoods is an essential part of the character and identity of the overall Historic Area; and 3) View Cone 22 (Main Street at 6th Avenue) should be respected. Staff agreed with these messages.

Staff then revised the criteria for determining possible locations for higher buildings. Those evaluation criteria are included in the Appendix E. Based on those evaluation criteria, three potential sites were identified for possible higher building projects (Figure 2).

Appropriate heights for the higher buildings are determined by a number of factors:

- 1) Form of Development: The conclusion of the HAHR is that higher buildings in the Historic Area should maintain the mid-rise, perimeter-block form of development, rather than a tall, slim tower format as seen in other parts of the downtown.
- 2) View Cones: One existing view cone affects the Study area: Main Street View Cone with the vantage point set at 6th Avenue. None of the three proposed higher buildings are affected by the existing view cone. However, there are two new View Cones being proposed as a result of the Downtown View Corridors and Capacity Study that would, if approved, have an impact on the proposed higher building's allowable height. One is from the Athlete's Village Plaza to Mt. Fromme and Lynn Range and the other is from Creekside Park to the Lions (see Figure 2).
- 3) Relationship to Existing Higher Buildings: The three existing higher buildings (Dominion, Sun Tower and Woodward's) should retain their prominence in the Historic Area. The three additional higher buildings should be second in hierarchy as they relate to the existing higher buildings.
- 4) Urban Design and Heritage Context Consideration: The three additional higher buildings will be developed through a rezoning process, including an enhanced review of design considerations, negotiation of public benefits contributions, and a Public Hearing. Through the process, a significantly higher standard of urban design excellence and a higher level of sensitivity for the heritage context will be required for any higher building proposals.

With those factors considered, staff conclude that the appropriate height for the three additional higher buildings should be approximately 150'.

Recommendation D calls for Council to endorse that up to three higher buildings above the prevailing height of 50'-120' may be considered with heights generally in the range of 150', subject to View Corridors Policy, shadowing considerations and other urban design performances considerations, compatibility with adjacent heritage building context and provision of public benefit with evaluation criteria.

It also recommends Council adopt Draft Urban Design Criteria for Three Higher Buildings in the Historic Area as attached in the Appendix E and direct staff to prepare and report back with a Rezoning Policy for the Three Higher Buildings in the Historic Area, based on the Criteria recommended.

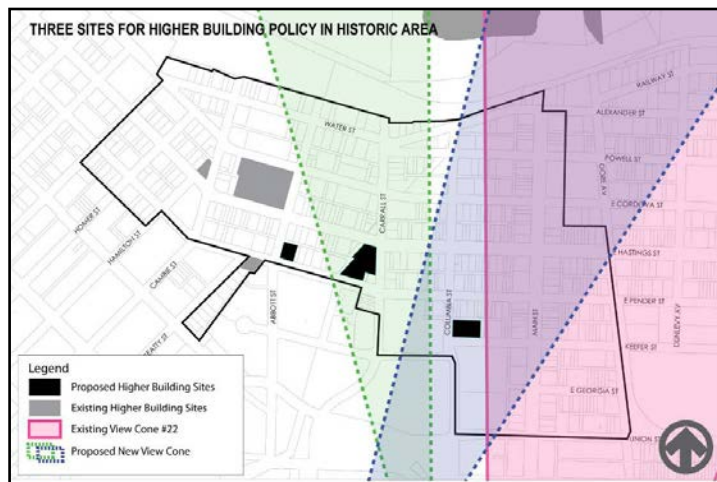


Figure 2: Three Additional Higher Buildings in the Historic Area

Overall Conclusion of the HAHR:

The recommendations of the Historic Area Height Review are based on three key conclusions:

- 1) Low to mid-rise development (up to 120' in height) should continue to be the primary form of new development in the Historic Area. Development projects on smaller frontage lots (up to 75' in width) will be facilitated through a supportive regulatory framework. This recommendation is to enhance the existing urban development pattern, character, and scale of the Historic Area.
- 2) Moderate pattern height increases should be permitted in Chinatown and DEOD Sub-Area 1 (Main and Hastings) in order to support and enhance existing or emerging goals and objectives set out in comprehensive policies for those sub-areas.
- 3) Three additional higher buildings as 'high points of the pattern' (not in tower form) can be proposed to provide additional strategic new development opportunities in ways that deliver public benefits within height limits that still reflect the prevailing mid-rise development pattern.

With the set of recommendations, the existing growth capacity of 3.3 million square feet and anticipated doubling of population in the Historic Area over the next 20-40 years may be realized. These new rezoning policies can provide an additional 850,000 square feet of potential capacity to increase "body heat" with a diverse population while achieving additional public benefits for the neighbourhood. Staff will carefully monitor potential

impacts from the proposed height increases on overall land values and costs of heritage rehabilitation and affordable housing delivery.

PUBLIC CONSULTATION

Staff have presented the recommendations as described in this report to the following Council Advisory bodies in December 2009 and received support for the overall direction:

- Vancouver City Planning Commission
- Vancouver Heritage Commission
- Chinatown Historic Area Planning Committee
- Gastown Historic Area Planning Committee

Motions of support from the Commission and Committees are included in Appendix F. Staff also discussed the recommendations with key community and stakeholder groups to inform them of the HAHR process conclusion and the opportunity to address Council in the new year.

FINANCIAL IMPLICATIONS

There are no direct financial implications in this report. The new rezoning policies can provide additional 850,000 square feet of potential capacity to realize additional public benefits for the neighbourhood. Discussion of the public benefits allocation will be addressed at the rezoning stage according to the policies in each sub-area.

SOCIAL IMPLICATIONS

The recommendations put forward in the report aim to secure a social and cultural fabric by providing more certainty about the role that the historic area of the DTES plays within the broader context of Vancouver as a whole. Further, with the Woodward's development project so near to completion, it behoves the City to undertake a well-timed post-occupancy evaluation of the project in order to understand the social and economic impacts that this innovative project brings to bear on the DTES neighbourhood more specifically.

Throughout the public consultation process, it was clear that the height issue in the historic area is only one part of a broader public discussion about how to manage change in the neighbourhood. For example, the issues related to the income mix for the DTES have been raised by the community. The current policy direction for the DTES includes the creation of a viable and dynamic mixed-income community with a strong low-income emphasis, but the mix proportions are less clearly defined. In addition to the delivery of affordable housing, there are other public amenities that need to be addressed and prioritized with DTES community groups in order to develop a community benefits strategy for the area, especially with the anticipated population growth in the future.

Many of these issues cannot be addressed through the Height Review process, and require a broader and comprehensive community strategy for the DTES with its diverse communities. In 2010, with completion of the HAHR and Chinatown Community Plan, some of the DTES planning staff resource will be focused on starting a community dialogue process to scope a possible local area planning program for the DTES. A lot of work has been done by various community groups in visioning and planning for their own communities within the DTES. Staff will build on those community efforts during the scoping process.

CONCLUSION

The HAHR explores the need for an intricate balance between providing opportunities for additional growth and necessary public benefits, while also maintaining and preserving the historical and cultural values that we, as Vancouverites, have maintained over time. By preserving the values of the past, we seek to combine them with changing views and opinions about what Vancouver means to its residents.

The recommendations of the Historic Area Height Review are based on three key conclusions:

- 1) Low to mid-rise development (up to 120' in height) should continue to be the primary form of new development in the Historic Area. Development projects on smaller frontage lots (up to 75' in width) will be facilitated through a supportive regulatory framework. This recommendation is to enhance the existing urban development pattern, character, and scale of the Historic Area.
- 2) Moderate pattern height increases should be permitted in Chinatown and DEOD Sub-Area 1 (Main and Hastings) in order to support and enhance existing or emerging goals and objectives set out in comprehensive policies for those sub-areas.
- 3) Three additional higher buildings as 'high points of the pattern' (not in tower form) can be proposed to provide additional strategic new development opportunities in ways that deliver public benefits within height limits that still reflect the prevailing mid-rise development pattern.

This approach toward growth and change focuses on a longer-term outlook for the Historic Area. Preservation of this young city has never been about freezing us in a place in time, but rather always looking to the future in a way that strengthens the things we hold dear.

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APPENDICES

- A. Backgrounder: 10 Years of Revitalization in the Downtown Eastside (2008)
- B. Summary of Public Feedback of the Historic Area Height Review (April/May 2009)
- C. Letters and Position Papers received on the Historic Area Height Review
- D. Recent Mid-rise Development in the Historic Area
- E. Draft Urban Design Criteria for Three Higher Buildings in the Historic Area
- F. Motions of Support from Council Advisory bodies (December 2009)