

Report Date: October 5, 2011
Contact: Kent Munro/
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RTS No.: 9216
VanRIMS No.: 08-2000-20
Meeting Date: November 1, 2011

TO: Vancouver City Council

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

SUBJECT: 564 Beatty Street (DE 414716) - Heritage Designation, Heritage Revitalization Agreement and Incentives

RECOMMENDATIONS

- A. THAT the heritage building at 564 Beatty Street, which is made up of two parcels of land with the legal descriptions Lot 1 (PID: 016-535-286) & Lot 2 (PID: 016-535-294) both of Block 39, District Lot 541, Plan 23019 (the "Lands"), and listed in the "C" category of the Vancouver Heritage Register, be designated as protected heritage property pursuant to the provisions of section 593 of the *Vancouver Charter*.
- B. THAT Council instruct the Director of Legal Services to bring forward for enactment a by-law to designate the heritage building at 564 Beatty Street as a protected heritage property under section 593 of the *Vancouver Charter*.
- C. THAT Council authorize the City entering into, pursuant to section 592 of the *Vancouver Charter*, on terms and conditions satisfactory to the Director of the Legal Services and the Director of Planning, a Heritage Revitalization Agreement in respect of the heritage building at 564 Beatty St. to, among other things:
 - (i) secure the rehabilitation and long-term preservation of the heritage building at 564 Beatty Street;
 - (ii) vary provisions of the Downtown District Official Development plan to permit an on-site total floor space ratio increase from 5.0 FSR to 9.23 FSR and a maximum building height increase from 70 ft. to 125.06 ft.; and
 - (iii) vary the Vancouver Development Cost Levy By-law No. 9755 to waive requirement of payment of the development cost levy otherwise payable in connection with the project proposed under development permit application no. DE 414716.

- D. THAT Council instruct the Director of Legal Services to bring forward for enactment under section 592 of the *Vancouver Charter* a by-law for the City to enter into a Heritage Revitalization Agreement as described above for the heritage building at 564 Beatty Street.
- E. THAT the Heritage Revitalization Agreement shall be prepared, completed, registered and given priority on the title of the Lands to the satisfaction of the Director of Legal Services and the Director of Planning.
- F. THAT, subject to the approval of Recommendations A and B, and to terms, conditions and agreements satisfactory to the Director of Legal Services and the Director of Planning, Council authorize three façade grants of up to \$50,000 each (\$150,000 in total) for the 564 Beatty Street heritage building, with funding to be provided from the 2009 Capital Budget.
- G. THAT, subject to approval of Recommendations A, B, C and D, Council instruct the Director of Legal Services to prepare and bring forward for enactment pursuant to Section 396A of the *Vancouver Charter*, after the heritage building, to the satisfaction of the Director of Legal Services and the Director of Planning, has been designated as a protected heritage building and a heritage revitalization agreement as described above has been duly entered into and registered and noted on title to the Lands and the heritage rehabilitation contemplated thereunder has been completed in accordance therewith, a Tax Exemption By-law for 564 Beatty Street to exempt it from real property taxation under Part XX of the *Vancouver Charter* in an amount up to a maximum total cumulative exemption of \$3,019,986 or for a period of (10) years, whichever is reached first.
- H. THAT Recommendations A to G be adopted on the following conditions:
 - (i) THAT the passage of the above resolutions creates no legal rights for the applicant or any other person, or obligation on the part of the City; any expenditure of funds or incurring of costs is at the risk of the person making the expenditure or incurring the cost;
 - (ii) THAT any approval that may be granted following the public hearing shall not obligate the City to enact the proposed by-laws, and any costs incurred in fulfilling requirements imposed as a condition of the Heritage Revitalization Agreement are at the risk of the property owner; and
 - (iii) THAT the City and all its officials shall not in any way be limited or directed in the exercise of their authority or discretion, regardless of when they are called upon to exercise such authority or discretion.

GENERAL MANAGER'S COMMENTS

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

COUNCIL POLICY

Heritage Building Rehabilitation Program Policies and Procedures for Gastown, Chinatown, Hastings Street Corridor and Victory Square

[A two-third majority of votes cast is required for Recommendation G to pass.]

Heritage Facade Rehabilitation Program Policies and Procedures for Gastown, Chinatown, Hastings Street Corridor and Victory Square

[A two-third majority of votes cast is required for Recommendation F to pass.]

Victory Square Policy Plan

Metro Core Jobs and Economy Land Use Plan

SUMMARY & PURPOSE

This report seeks Council's approval to designate the "C" listed heritage building at 564 Beatty Street as a protected heritage property and to enter into a Heritage Revitalization Agreement (HRA) for the rehabilitation and conservation of that building. The application proposes to rehabilitate the building by adaptive re-use, changing it from warehouse to office use and adding a 4-storey rooftop addition. In order to make this project economically viable the applicant has requested heritage incentives in the form of façade grants, a property tax exemption, a development cost levy (DCL) exemption, and on-site zoning variances to density and height.

During the public consultation the Vancouver Heritage Commission (VHC) and some neighbouring property owners expressed concerns over the height of the proposed roof-top addition, its design and compatibility with the heritage context. Staff carefully considered these comments particularly within the context of City policies and objectives and concluded that the 4-storey addition, although not a typical Victory Square heritage response, is a well balanced urban design approach that achieves multiple goals for the area. The proposal, if approved, will meet heritage conservation and economic revitalization objectives for the Downtown Eastside, will provide new office space in the Downtown area and it will improve the public realm of the adjacent open space - Keefer Plaza and Steps, and the area around the Stadium Skytrain Station. The Director of Planning is prepared to approve the development application should Council, under its discretion and authority, endorse the designation and the proposed HRA.

BACKGROUND

Heritage Building Rehabilitation Program (HBRP)

The HBRP was established in June 2003 to encourage rehabilitation of heritage buildings and to foster economic activity in the historic areas of Gastown, Chinatown, Hastings Street and Victory Square. Property owners were encouraged to rehabilitate their heritage buildings with incentives determined through site-specific analysis and provided through various tools. The HBRP with its heritage incentives (façade grant, property tax exemption and transferable heritage bonus density) was successfully implemented. During 2003-2009, 22 major heritage projects benefited from the HBRP incentives, including 52 façade grants (33 façade grants are part of 22 major rehabilitations).

In 2009 Council instructed staff that no new transferable heritage bonus density should be created until the density bank is at equilibrium. On April 22, 2010 Council supported the extension of the property tax exemption program until the end of 2013, which in the absence of the transferable density incentive tool, can provide some incentive to continue to achieve the objectives of the HBRP.

The Victory Square Policy Plan, adopted on July 19, 2005, focuses on developing a strategy for revitalization of Victory Square that will bring back investment without displacing low-income residents or compromising the heritage values of the area. The Plan seeks to balance various interests through a policy framework which allows relaxation of density and building height in return for public benefits, by providing financial incentives for heritage conservation, by addressing building upgrade requirements to make it easier to reuse existing buildings and by reinforcing programmes that have strong community support.

Through the Metro Core Jobs and Economy Land Use Plan, adopted in 2009, Council sought to increase the job space capacity of the downtown. More specifically, Council approved overall policy direction for the downtown to "ensure a diversity of job space type, location, and costs to meet the needs of a growing and changing Metro Core economy" and "to support sustainable transportation objectives by focusing job growth in areas well-served by public transit, and by maintaining a balance between jobs and housing."

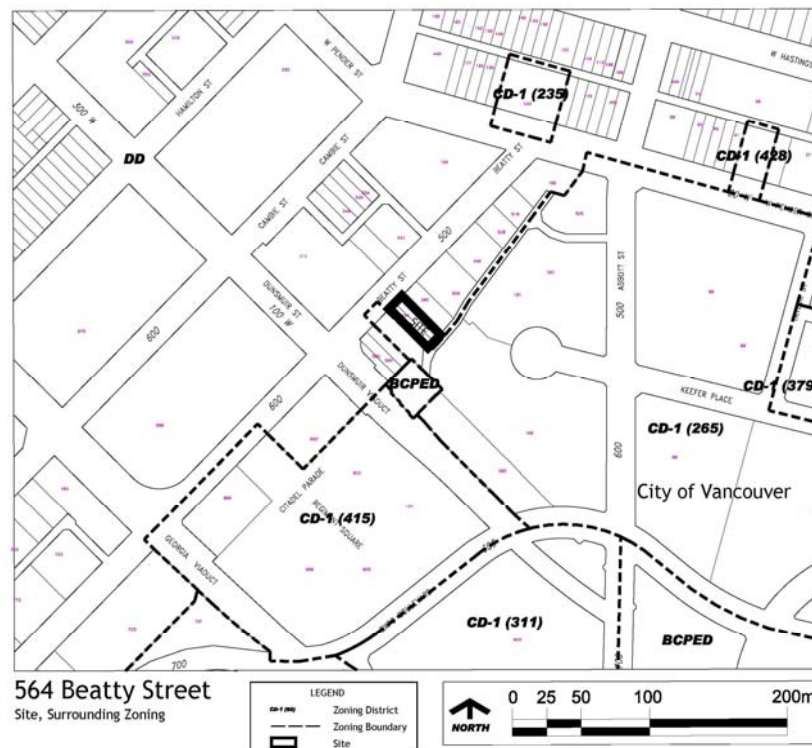
DISCUSSION

Site and Context

The heritage building at 564 Beatty Street, known as the R.A. Welsh Building (also known as Gurney Foundry Warehouse and/or Beatty Gate) is a three-storey commercial building as it faces Beatty Street. Constructed in two stages between 1909 and 1912, it is set at the edge of an escarpment, resulting in this building having a further three floors below the Beatty Street level facing the lane, which was once a railway spur line. Two earlier buildings to the south of the building have been demolished and replaced by a staircase structure that climbs the escarpment (the "Keefer Steps") and the Stadium Skytrain Station.

The building has significance as a termination of the continuous row of buildings similarly massed and scaled located to the north along the east side of Beatty Street. The east side of the 500-block of Beatty Street is one of the few streets in Vancouver with a well preserved inventory of industrial heritage structures, many of which have been converted to residential use. The site's prominent location on Beatty Street contributes to a uniquely recognizable and coherent Beatty Street streetscape.

Located near the north-east corner of Beatty and Dunsmuir streets, the 564 Beatty Street site forms a gate post at the eastern edge of the downtown plateau. Situated next to the Stadium Skytrain station, at the foot of the Dunsmuir bike lane and only four blocks from the West Coast Express & Sea Bus terminal, this site is uniquely positioned for convenient access to a variety of transportation modes.



564 Beatty Street - Site Plan

Heritage Value

The heritage value of the building at 564 Beatty Street lies in its representing Vancouver's booming wholesale business in the first decade of the twentieth century, its architecture and its historical associations. The building is listed under the evaluation category "C" in the Vancouver Heritage Register.

The original one storey building (fronting Beatty Street) with three full storeys below was constructed in 1909. In 1912, two additional storeys were added resulting in the structure known today. The architect for the original building is unknown but the addition was designed by J.P. Matheson & Son, Architects. It has an attractive brick Commercial Style elevation on Beatty Street, with the four bays separated by pilasters and illuminated by large windows. As with other buildings on the block, the rear elevation is more simple in detail. The original facades and the interior heavy timber structure remain essentially intact. The original occupant of the building was the Gurney Foundry Co., an Ontario-based firm which later purchased the building after its completion in 1912.

Development Proposal

A development permit application has been received to rehabilitate and restore the existing 3-storey heritage building, and to add a 4-storey rooftop addition designed in a contemporary style. The existing total building area of 30,282 sq. ft. is proposed to be enlarged by 22,841 sq. ft. The rehabilitated building would provide office space with a commercial use (retail/restaurant) on the 4th level (ground level on Beatty Street). The application also proposes to rehabilitate the south façade by transforming the existing exposed brick side elevation (currently a plain party wall) into a fully functional façade with new storefronts and windows fronting the Keefer Plaza and Steps. The Director of Planning has delegated authority to approve Development Permits (DPs) generally, but only Council has the authority

to approve the heritage designation and the proposed HRA. Council approval is required before the DP can be approved.

The site is located in the Victory Square planning area. The Victory Square Policy Plan encourages development that is in keeping with the scale and density of the area with a maximum density of 5.0 FSR and a 70 ft. height limit. However, the Policy Plan also includes a provision to permit consideration of increases beyond these on a case by case basis subject to urban design analysis and the provision of public benefit such as on-site heritage preservation. A number of relaxations and incentives are sought in exchange for the conservation of the heritage building and area economic revitalization. This application has been processed through the HBRP and requires an HRA. The HRA, if approved, would provide the following relaxations and incentives to address the project's economic viability:

- density increase of 4.23 FSR above the permitted 5.0 FSR,
- height increase of 55.06 ft.(permitted 70 ft., proposed 125.06 ft.)
- parking relaxation of 8 stalls (required 14, proposed 6)
- property tax exemption to a maximum of \$3,019,986,
- 3 façade grants totaling \$150,000,
- DCL exemption (\$258,789).

This building has long been envisioned as an important component within the public realm of Keefer Plaza and Steps. The façade rehabilitation and provision of active uses along the south façade will contribute to the pedestrian vitality of this important pedestrian connection between Beatty Street and Keefer Street, which is also part of the Silk Road Historic Trail connecting downtown with Chinatown.

Staff acknowledge that the proposed 4-storey addition is a departure from the more modest secondary additions found in Victory Square. However, the more robust massing of the addition is warranted to demarcate the convergence of the historical context of Victory Square, the Central Business District, International Village and Stadium Skytrain Station. The applicant's shadow studies, for the standard times (10 am, noon, 2 pm) of spring/fall equinox (March 21st and September 21st) and summer solstice (June 21st), illustrate that no additional shadowing is cast on public open space, in particular onto Keefer Steps and Plaza (mid level). Furthermore, the equinox shadow would not reach the plaza until after 5 pm. Therefore, the proposed form of development is supportable. (For reduced architectural drawings see APPENDIX A.)

Conservation Approach

The conservation approach is preservation and rehabilitation by adaptive re-use. The original warehouse use is proposed to be replaced with a compatible office use, including a restaurant on the ground floor (Beatty St. level). The conservation plan proposes preservation, restoration and rehabilitation of the existing historic structure and materials, seismic upgrade, building systems upgrades and rehabilitation of the south façade by introducing new fenestration. A four-storey rooftop addition is proposed in order to improve the economic feasibility of the heritage rehabilitation and maximize the site development potential.

The four floors of new office space are expressed in a contemporary architectural manner of a simple cubic form made of glass and steel. Additionally, the new rooftop structure is visually separated by a setback transition level - a reveal floor. The design development of the addition makes an effort to minimize the visual impact on the heritage building and to improve the level of compatibility, while maintaining the expected level of distinguishability from the existing heritage fabric. This approach is generally acceptable by the Standards and

Guidelines for the Conservation of Historic Places in Canada. (For the Statement of Significance and additional details on proposed conservation plan see APPENDIX B.)

Compatibility with Community Planning Objectives

Staff have concluded that the proposal positively responded to the intent of the Downtown Official Development Plan to improve the general environment of the Downtown District, to ensure the highest standards of design and amenity, to support the flexibility and creativity in the preparation of development proposals, and to encourage greater transit usage. The proposed development is consistent with Victory Square Policy Plan, as it will contribute to the revitalization of Victory Square by bringing back investment while maintaining the heritage values of the area. It also meets objectives of Metro Core Jobs and Economy Land Use Plan by providing a diverse office format (other than a large floor plate office tower) on a site adjacent to the Stadium Skytrain Station.

The rehabilitation of 564 Beatty Street by adaptive re-use, strong conservation delivery, provision of new office space and positive contextual response is compatible with the community planning objectives.

Heritage Incentives

The applicant is seeking to achieve a higher level of project economic efficiency through variances to the on-site density and height regulations. In addition, in order to make the project viable, the owner is seeking heritage incentives through the HBRP, consisting of three façade grants and property tax exemption, and a Development Cost Levy exemption. In accordance with Council's HBRP Policies and Procedures, staff reviewed the applicant's shortfall cost calculation, undertook an independent analysis and concluded that incentives totalling \$3,428,775 is justified for the compensation for heritage designation and heritage rehabilitation and conservation obligation of the proposed HRA, as follows:

Summary of Incentives	
Façade Grants	\$150,000
Property Tax Exemption	\$3,019,986
DCL Exemption	\$258,789
TOTAL	\$3,428,775

Façade Grants: The Heritage Façade Rehabilitation Program allows for a facade grant of up to \$50,000 for the conservation of each principal heritage façade. For the purpose of this program, the principal façade is defined as the one facing onto a primary street. The policy deems buildings on corner sites may have more than one principal facade, allowing owners or tenant to apply for a grant for each principal façade. 564 Beatty Street has three heritage facades that may be eligible for grant; the principal heritage facade facing Beatty Street, a prominent 6-storey lane façade facing the open public space (lower Keefer Plaza), and proposed rehabilitated façade facing the public space to the South (upper Keefer Plaza and Steps). Given the prominent location of the site and its three-sided exposure to public open space, staff concluded that the request for three façade grants can be justified in this case. The total amount of a facade grant, if approved, would be up to \$150,000 (\$50,000 per eligible façade).

Property Tax Exemption: The property tax exemption is the main incentive offered through the Heritage Building Rehabilitation Program. The eligibility criteria, application requirements and calculation methodology are approved under the HBRP. This means the heritage building would need to be structurally upgraded in order to be eligible for this incentive. The program

provides a 100% property tax exemption for up to 10 years. The tax exemption will apply to property tax levies as per Section 396A of the Vancouver Charter. The total amount of the proposed property tax incentive is \$3,019,986. (For tax exemption process see APPENDIX C.)

DCL Exemption: DCL are collected from development to help pay for facilities made necessary by growth and apply to new floor area only. This development proposes an increase in floor area of 22,841 sq. ft. If a Building Permit application is submitted and the permit fee is paid before September 30, 2012, the DCL would be \$11.33/sq. ft., totalling \$258,789. The applicant has requested a DCL exemption to secure additional compensation in order to close the gap in the project shortfall cost analysis. It is proposed that applicant be exempted from paying the DCL in amount of \$258,789. (For Public Benefits Summary see APPENDIX D.)

On-site Density and Building Height: In order to make the project feasible and because the transferable bonus density tool is not available, the application proposes additional on-site density and additional building height. The existing density on this site is 5.26 FSR (30,282 sq. ft.). The proposed on-site density of 9.23 FSR (53,123 sq. ft.) includes 3.97 FSR (22,841 sq. ft. of new floor area). In the Victory Square area under the DD ODP and the Victory Square Policy Plan, only 5.0 FSR and 70 feet of height are allowed, which means that an additional 4.23 FSR and 55.06 ft. of building height are required for the project as proposed. The Victory Square Policy Plan provides that density above 5.0 FSR for non-residential uses and building heights above 70 ft. will be considered on a case by case basis for developments that meet the area's urban design objectives and that provide public benefits in the form of provision of economic revitalization and on-site heritage retention. As indicated elsewhere in this report, Staff believe that the project as proposed meets the Victory Square area's urban design objectives, and the HRA will accomplish the heritage retention requirement. If approved, the HRA can also vary the Downtown District ODP to permit an on-site total floor space ratio increase from 5.0 FSR to 9.23 FSR and the maximum building height increase from 70 ft. to 125.06 ft.

The FSR calculation takes into account a restrictive covenant that is registered on title, the effect of which is to require that the calculation of FSR is to be made by reducing the site area to be used in the FSR calculation from approximately 6,216 sq. ft. to 5,753 sq. ft.

Financial Proforma Evaluation

Real Estate Services staff reviewed the applicant's Financial Proforma in accordance with Council's approved policies. The Director of Real Estate Services concluded that the proposed incentives are supportable and will produce no undue profit.

PUBLIC INPUT

Public Consultation: A total of 1780 neighbouring property owners were notified by mail of this application. Sixteen written responses have been received each expressing some concern with the height of the proposed addition. In particular, there is concern that the proposed height is not in keeping with the context of the existing block, and that the height may negatively impact existing views and shadow existing residences and roof decks. Some believe that the height proposed is not in keeping with the height policies for the neighbourhood, and feel that an approval of this proposal would be a precedent for future development. The feedback also noted specific concerns with the proposed design of the addition. Some felt that the addition appears quite large, and overly "glassy" and "boxy". Others commented that the design was not in keeping with the heritage context of the block, and that the design is not very creative.

Comments from Advisory Bodies: The development application and proposed Conservation Plan were presented to the Vancouver Heritage Commission on July 11, 2011 and the Urban Design Panel on June 29, 2011.

The Vancouver Heritage Commission unanimously passed the following motion:

THAT the Vancouver Heritage Commission does not support the development application at 564 Beatty Street as presented, with the following notations:

- A. THAT the addition be reviewed to ensure a subordinate nature and that the elevation be set further back from the Beatty Street and south elevations in particular, and the other elevations in general.
- B. THAT the party wall elevation windows be distinguishable from the other elevations and reflect the nature of the party wall.
- C. THAT the windows in the rear elevation be replicated.
- D. THAT staff review the incentives with reference to the above-noted recommendations.

The Urban Design Panel unanimously supported the proposal and recommended the following key aspects needing improvement:

- Consider ways to reduce the heaviness of the reveal at the top of the building;
- Consider using a glass material for the soffits.

Staff Consideration of Public Input: Staff acknowledge that the scale of the addition is a departure from the more modest additions associated with other heritage buildings within the Victory Square context. The robust massing of the addition is a supportable urban design response for this unique site to demarcate the convergence of the historical context of Victory Square, the Central Business District, International Village and Stadium-Chinatown Skytrain Station while also providing alternate office space choice in this well served location.

Staff and the applicant team explored a variety of development options through the enquiry and application processes but it has been challenging to arrive at form of development that achieves heritage conservation and economic revitalization objectives. These included consideration of a smaller more subordinate addition of 1-2 storeys as well as setting the addition further back as proposed by the Heritage Commission. However, the economic analysis prepared by the applicant and reviewed by Real Estate Services indicated the project would not be viable with a smaller scale addition.

Staff believe the scale and materiality of the addition can both be moderated through the design details to ensure more compatibility and a subordinate role to the heritage building. A number of prior-to conditions for the related development permit application (No. DE414716) have been prepared to ensure this can be realized as well as to address the issues related to the party wall and rear elevation that the Heritage Commission has identified. Items raised by the Urban Design Panel are also addressed in the prior-to conditions letter.

Green Buildings Policy

The Green Buildings Policy for Rezonings, adopted in July 2010, requires developments of this scale to achieve BuiltGreen BC™ Gold with a score of EnerGuide 82, or an equivalent

achievement in green design. Although this policy does not directly apply to projects involving heritage buildings (with Heritage Revitalization Agreements) where density is being increased, it is expected that reasonable design efforts shall be made to improve green performance. It has been emphasized that improving green performance should be achieved while respecting heritage aspirations and promoting heritage retention.

The applicant has confirmed that this application is pursuing the LEED Gold certification. The proposal is also consistent with the Greenest City 2020 targets by providing for additional density which is near transit lines, cycling routes, and pedestrian oriented services.

FINANCIAL IMPLICATIONS

An incentive package consisting of \$150,000 in façade grants, \$3,019,986 of the property tax exemption, and \$258,789 of the DCL exemption is proposed. The façade grant and the property tax incentives are offered through the HBRP. The DCL exemption was requested to improve the project's financial viability.

Council approved a total of \$500,000 for funding façade grants through the Heritage Façade Rehabilitation Program in 2009. Of this total, \$350,000 is currently available, not including the 564 Beatty Street request of \$150,000.

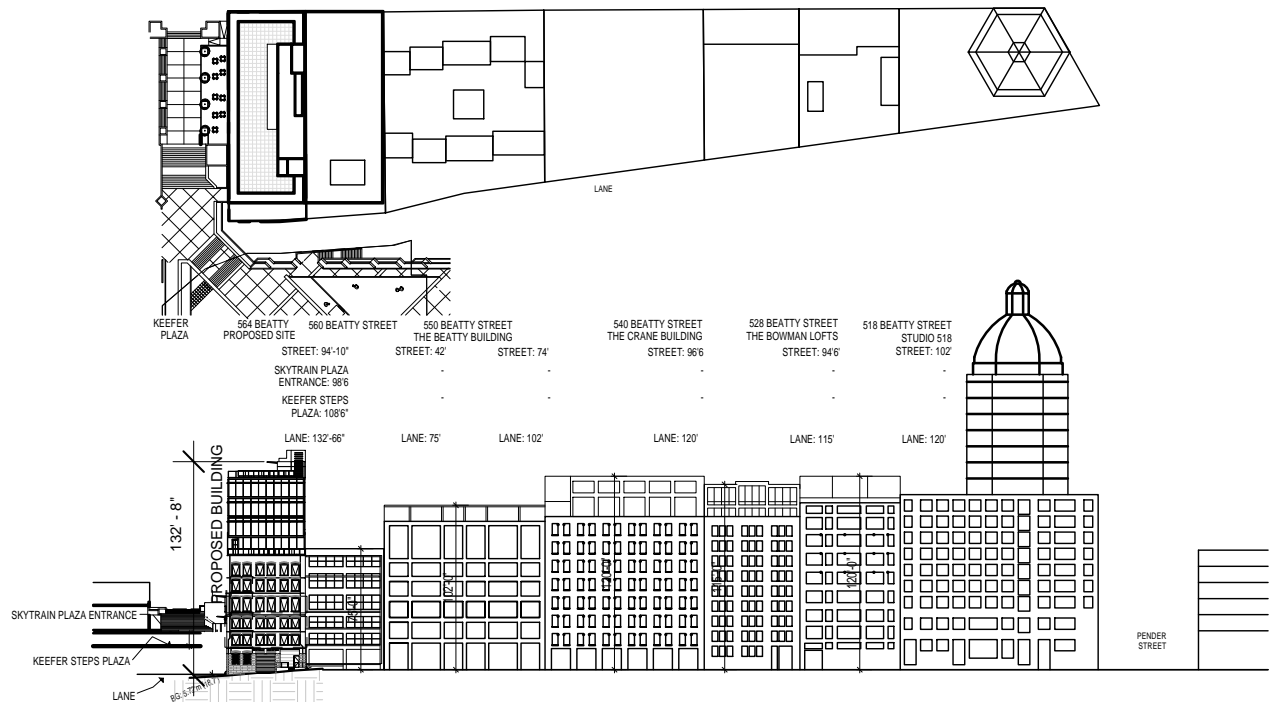
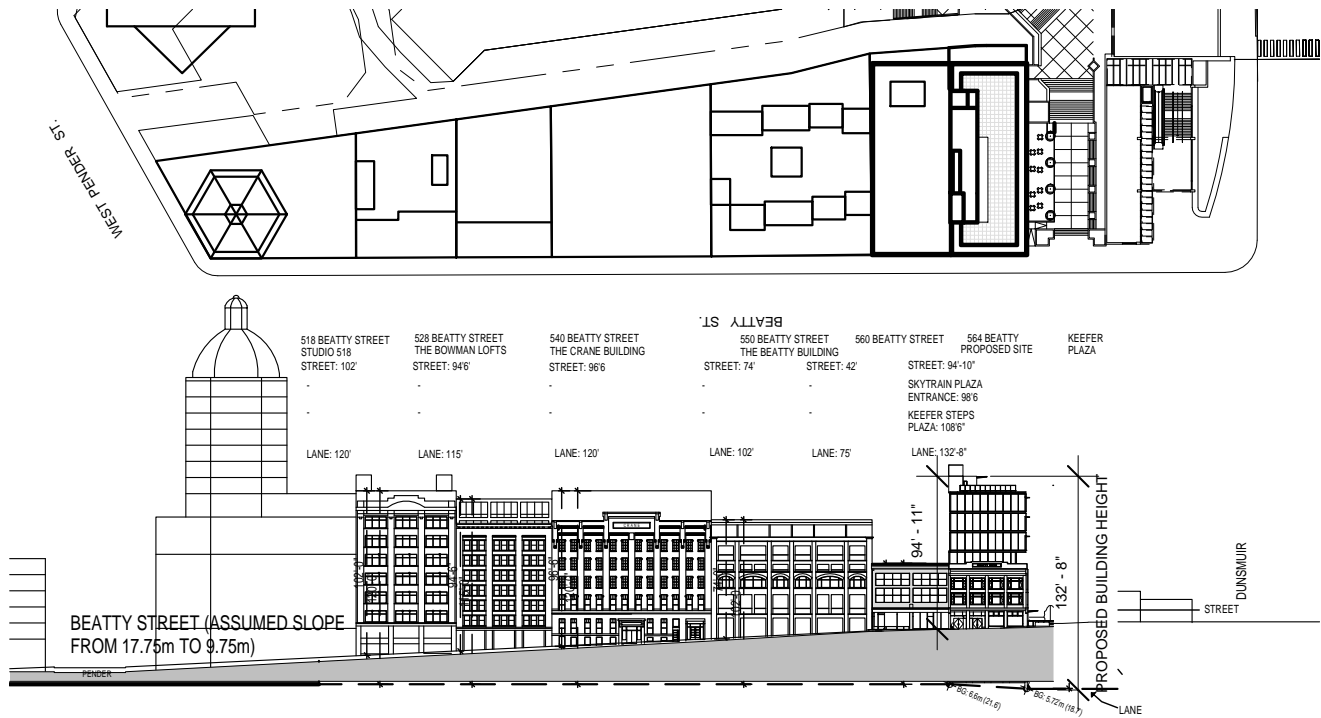
Staff support the incentive package proposed and recommend an allocation of up to \$150,000 from the 2009 Capital Budget for the rehabilitation of three heritage facades at 564 Beatty Street. The grant funds will be available to the applicant in accordance with the Heritage Façade Rehabilitation Program Policies and Procedures.


CONCLUSION

The rehabilitation of 564 Beatty Street is consistent with the objectives of the Downtown District Official Development Plan, Victory Square Policy Plan, Heritage Building Rehabilitation Program, as well as the Metro Core Jobs and Economy Land Use Plan. The proposed relaxations and incentives, as described in the report, would compensate the owner for the heritage rehabilitation and conservation and designation of the heritage building. The recommended Heritage Revitalization Agreement, associated covenants and by-laws will secure the City's interests in ensuring that the building be rehabilitated and preserved in perpetuity.

Staff considered the application in the context of a number of Council identified interests for the area. The Director of Planning believes the proposal provides a balanced approach while contributing to both the economic revitalization and the heritage conservation of Victory Square and thus supports the proposal.

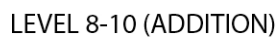
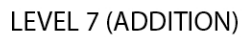
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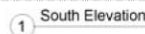
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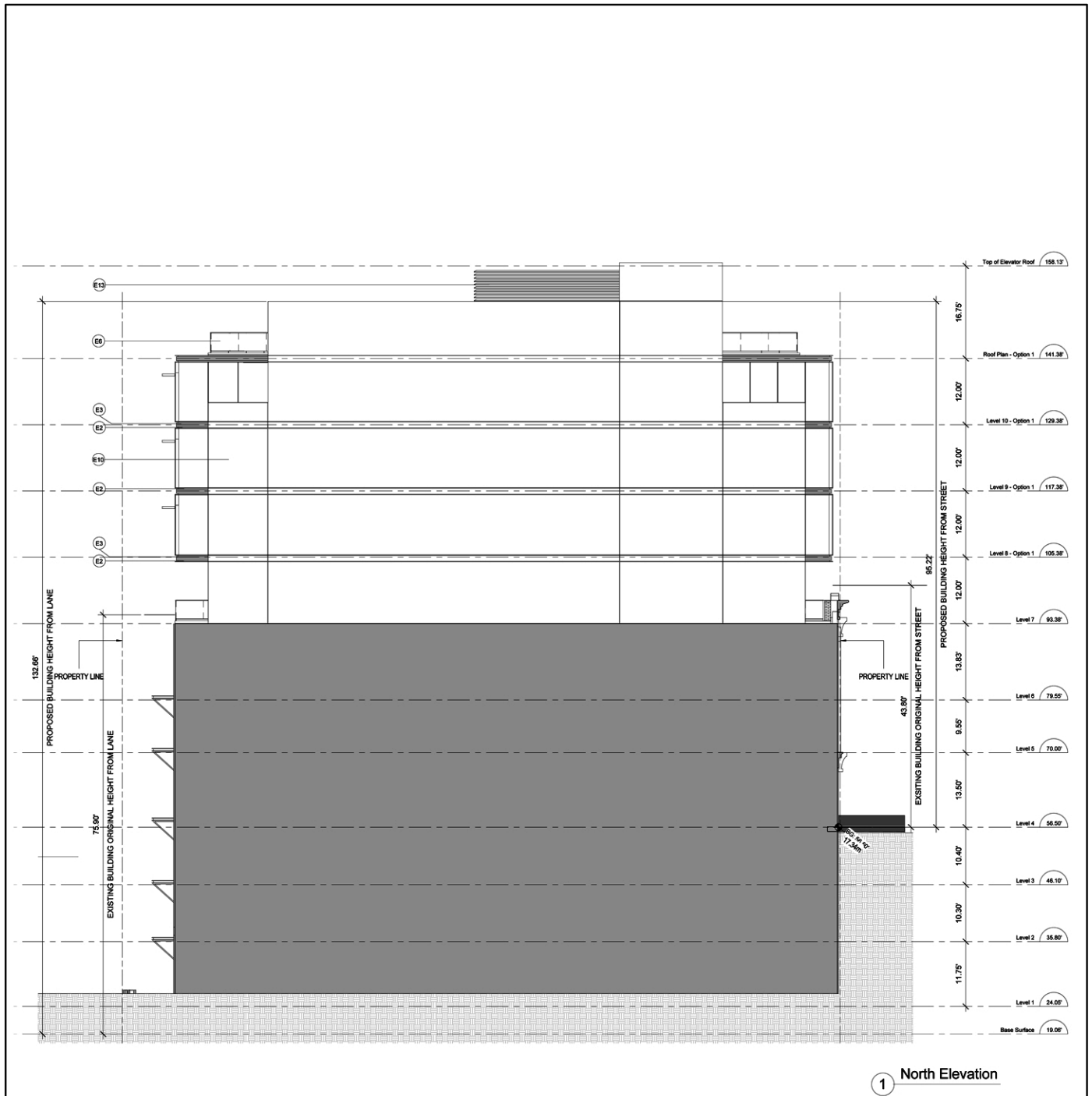
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KEYNOTE ELEVATION LEGEND	
TAG #	Keynote Text
E1	CURTAIN WALL SYSTEM
E2	STEEL C-CHANNEL
E3	LED DISPLAY PANEL
E5	GLASS CANOPY
E6	METAL GUARDRAIL (WITH CLEAR SAFETY GLASS)
E7	NANA DOOR SYSTEM
E8	EXISTING WALL FINISH
E9	ALUM. WINDOW
E10	CONCRETE WALL
E11	GLASS CANOPY
E12	EXISTING WOOD WINDOWS REFURBISHED
E13	METAL LOUVER
E14	METAL CLADDING
E15	METAL GRILL
E16	NEW TILT FUNCTION DOUBLE GLAZED WINDOWS

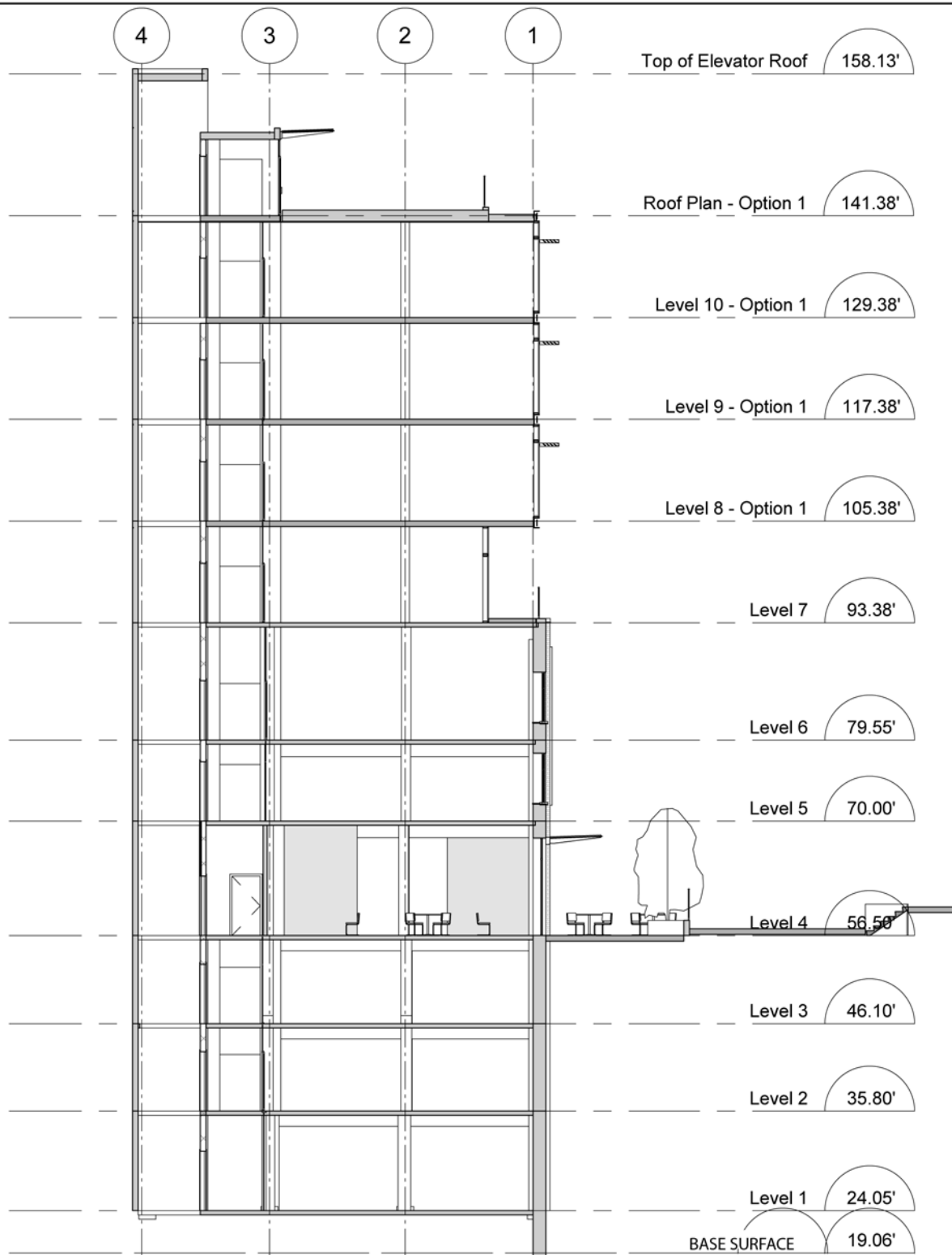
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						PROJECT TITLE	SCALE 1 : 200	SKETCH NO. ASK-7	REV. NO.
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VIEW FROM STREET



VIEW FROM SKYTRAIN STATION



				 <p>700-1285 West Pender St Vancouver, BC V6E 4B1 Canada Tel: (604) 683-8797 Fax: (604) 683-0492</p>	PROJECT TITLE 564 BEATTY STREET	SCALE 1 : 200	SKETCH NO. ASK-8	REV. NO.
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REVISION NO.	ISSUED WITH	STATUS	REVISION DATE		DO NOT SCALE THIS DRAWING. THE CONTRACTOR SHALL BE RESPONSIBLE FOR TAKING AND VERIFYING ALL THE DIMENSIONS AND REPORTING ERRORS AND/OR OMISSIONS TO THE ARCHITECT IN WRITING BEFORE PROCEEDING WITH THE WORK.			

VIEW FROM STREET



VIEW FROM SKYTRAIN STATION



						PROJECT TITLE	SCALE 1 : 200	SKETCH NO. ASK-9		REV. NO.
						564 BEATTY STREET	JOB NO. 28302			
							DRAWN BY Author			
						 <div style="margin-left: 5px;"> 700-1285 West Pender St Vancouver, BC V6E 4B1 Canada Tel: (604) 683-8797 Fax: (604) 683-0492 </div>	SKETCH TITLE	DATE 08/30/11	ISSUED WITH	STATUS
							EXISTING BUILDING	DO NOT SCALE THIS DRAWING. THE CONTRACTOR SHALL BE RESPONSIBLE FOR TAKING AND VERIFYING ALL THE DIMENSIONS AND REPORTING ERRORS AND/OR OMISSIONS TO THE ARCHITECT IN WRITING BEFORE PROCEEDING WITH THE WORK.		
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3.0 STATEMENT OF SIGNIFICANCE

The following is the existing Statement of Significance, which defines heritage value and character-defining elements. Accessed from www.historicplaces.ca (not revised).

Description of Historic Place

564 Beatty Street is an elegant three-storey commercial building on Beatty Street, in the Victory Square area of Vancouver's eastern downtown district, probably erected in two stages between 1909 [sic] and 1912. It and its neighbours along the east side of Beatty Street are set at the edge of an escarpment, resulting in this building having a further three floors below the Beatty Street level, facing the lane and what was once a railway spur line.

Heritage Value

The heritage value of 564 Beatty Street is found in its representing Vancouver's booming wholesale business in the first decade of the twentieth century, and the way in which it demonstrates the importance of the Canadian Pacific Railway (CPR) in the City's economic development during this time. It also has value for its architecture and for its historical associations. The building seems to have been built in two stages: the first portion, erected around 1909, was four storeys high on the rail spur line (lane) and one storey above ground on Beatty Street. In 1912, two additional storeys were added to designs by J.P. Matheson & Son, Architects. (The 'son' was Robert Matheson, later a partner in the celebrated firm, Townley and Matheson.) The owner and developer was Robert A. Walsh [sic]. The original occupant was the Gurney Foundry Co. Ltd., an Ontario firm that used this as its British Columbia distribution warehouse. Gurney eventually purchased the property in 1913. ☐

Prosperity and settlement in the province in the first decade of the twentieth century meant that Vancouver quickly became the wholesale centre of the province. There was sufficient demand for quality warehouses and offices on the fringe of downtown, which resulted in the CPR developing its land along Beatty Street beginning around 1905, typically with one or two storeys on the Beatty elevation and additional floors below, facing the tracks, in response to the escarpment. The building also has value for its architecture. It has an attractive brick Commercial Style elevation on Beatty Street, with the four bays separated by pilasters and amply illuminated by large windows. As with other buildings on the block, the rear elevation is much plainer, and has segmental-headed windows set in a red brick wall. The structural frame is wood. The building has further value as a termination of the continuous row of similarly massed and scaled buildings north from here to Pender Street. The remains of an early loading dock have value for demonstrating the relationship to the CPR spur line along the east side. A metal bumper is extant on the rear elevation. So too are the painted words 'Metals Limited', the name of the business that purchased the building from Gurney in 1936 and remained here nearly two decades. The name plate on the parapet currently reads 'Beatty Gate', a recent re-naming of the building as its use changed. ☐

Character-Defining Elements

The character-defining elements of 564 Beatty Street include:

- The prominent location on Beatty Street, within an important streetscape of similar masonry-clad warehouses ☐
- The three-storey brick facade at the property line on Beatty Street and the six-storey brick facade on the lane to the east ☐
- The architectural treatment of the Beatty Street facade, whose features include brick pilasters,

recessed spandrels, four bays of windows on the front elevation, corbelled brick work over the windows, sheet metal cornice with dentils at the top of the building, and a stepped parapet with a panel for the name of the building²

- The original wood sash windows²
- The treatment of the rear (east) elevation, whose features include segmental brick arched windows, stone sills, fire escape, stone work at the ground floor level, partial-painted sign 'Metals Limited' on the lower portion of the wall, the metal bumper, and the loading bay²
- The straightforward massing with no setbacks

4.0 CONSERVATION GUIDELINES

4.1 STANDARDS AND GUIDELINES

The Gurney Foundry is listed on the Vancouver Heritage Register as a Category "C" heritage resource. The Parks Canada Standards and Guidelines for the Conservation of Historic Places in Canada (2003) is the source used to assess the appropriate level of conservation and intervention. Under the guidelines, the work proposed for the Gurney Foundry includes aspects of preservation, rehabilitation and restoration.

Preservation: the action or process of protecting, maintaining, and/or stabilizing the existing materials, form, and integrity of a historic place or of an individual component, while protecting its heritage value.

Restoration: the action or process of accurately revealing, recovering or representing the state of a historic place or of an individual component, as it appeared at a particular period in its history, while protecting its heritage value.

Rehabilitation: the action or process of making possible a continuing or compatible contemporary use of a historic place or an individual component, through repair, alterations, and/or additions, while protecting its heritage value.

Interventions to the Gurney Foundry should be based upon the Standards outlined in the Standards and Guidelines, which are conservation principles of best practice. The following General Standards should be followed when carrying out any work to an historic property.

STANDARDS

1. Conserve the heritage value of a historic place. Do not remove, replace, or substantially alter its intact or repairable character-defining elements. Do not move a part of a historic place if its current location is a character-defining element.
2. Conserve changes to a historic place, which over time, have become character-defining elements in their own right.
3. Conserve heritage value by adopting an approach calling for minimal intervention.
4. Recognize each historic place as a physical record of its time, place and use. Do not create a false sense of historical development by adding elements from other historic

places or other properties or by combining features of the same property that never coexisted.

5. Find a use for a historic place that requires minimal or no change to its character defining elements.
6. Protect and, if necessary, stabilize a historic place until any subsequent intervention is undertaken. Protect and preserve archaeological resources in place. Where there is potential for disturbance of archaeological resources, take mitigation measures to limit damage and loss of information.
7. Evaluate the existing condition of character-defining element to determine the appropriate intervention needed. Use the gentlest means possible for any intervention. Respect heritage value when undertaking an intervention.
8. Maintain character-defining elements on an ongoing basis. Repair character-defining element by reinforcing the materials using recognized conservation methods. Replace in kind any extensively deteriorated or missing parts of character-defining elements, where there are surviving prototypes.
9. Make any intervention needed to preserve character-defining elements physically and visually compatible with the historic place and identifiable upon close inspection. Document any intervention for future reference.

Additional Standards relating to Rehabilitation

10. Repair rather than replace character-defining elements. Where character-defining elements are too severely deteriorated to repair, and where sufficient physical evidence exists, replace them with new elements that match the forms, materials and detailing of sound versions of the same elements. Where there is insufficient physical evidence, make the form, material and detailing of the new elements compatible with the character of the historic place.
11. Conserve the heritage value and character-defining elements when creating any new additions to a historic place and any related new construction. Make the new work physically and visually compatible with and distinguishable from the historic place.
12. Create any new additions or related new construction so that the essential form and integrity of a historic place will not be impaired if the new work is removed in the future.

Additional Standards relating to Restoration

13. Repair rather than replace character-defining elements from the restoration period. Where character-defining elements are too severely deteriorated to repair and where sufficient physical evidence exists, replace them with new elements that match the forms, materials and detailing of sound versions of the same elements.
14. Replace missing features from the restoration period with new features whose forms, materials and detailing are based on sufficient physical, documentary and/or oral evidence.

4.2 GENERAL CONSERVATION STRATEGY

The primary intent is to preserve the existing historic structure, while undertaking a rehabilitation that will increase its functionality for new commercial and retail uses. Interventions to the structure will

recognize the change from its mid-block status by introducing new door and window openings to the southern wall. The exposed side elevation will be enhanced to form a more open façade fronting a plaza. The vertical brick pilasters and as much of the existing brick as possible will be retained.

It is proposed that four floors of new structure will be added above the historic structure. This will be expressed as a visually suspended “glass cube” of office space separated from the historic façade by a setback transition level. The horizontal expression of the heritage facades will be articulated on the new addition by exposed metal C-Channels that delineate the floor levels and provide horizontal balance.

4.3 EXTERIOR

4.3.1 SITE

The historic structure is situated in its original location and built to the property lines, except for the east side, on a rectangular lot in the Victory Square neighbourhood, characterized by historic industrial and commercial brick buildings. A significant feature of the site is the considerable slope to the east, which doubled the exposure of the eastern façade to six storeys compared to three storeys on the west side.

Conservation Recommendation: Preservation

- The historic structure and the existing sloping grade will be retained in situ.

4.3.2 Foundation

The original foundations are rubblestone granite walls on the lowest level of the west (level 3) and east (level 1) elevations. The granite is painted on the inside. The north and south foundation walls were constructed in common red brick and are mostly painted on the inside. The foundation also has a concrete slab floor. An areaway below the sidewalk on the west façade exists, however the typical vault lights, a common feature in historic districts of downtown Vancouver, either did not survive or are badly damaged.

Pilasters made of brick or granite respectively were constructed against the foundation walls to add stability. Projecting granite blocks on top of the pilasters support large timber beams placed as girders to support the rising structure.

The brick foundation wall located at the southwest corner below grade shows significant signs of dampness and efflorescence. This is caused by insufficient barriers to prevent moisture ingress from the exterior.

Conservation Recommendation: Preservation & Rehabilitation

- The foundations walls and slab are generally in good condition except for localized dampness and subsequent efflorescence.
- The historic foundation walls and floor will be preserved, existing paint may be carefully removed without damaging the masonry substrate if required (heritage consultant will advise on appropriate method and products).
- Moisture infiltration into foundation walls should be prevented by applying a waterproof membrane system. Investigate the condition of foundation walls during a raining period and document the location and extent of water ingress.
- On the southern foundation wall excavate the wall, repair and repoint damaged brickwork,

install an exterior drainage system if possible, apply a waterproof membrane, ensure that soil around the foundation wall is sloped away from the foundation (min 5% over 15cm) to ensure that surface runoff is directed away from the foundation.

- Structural and/or seismic upgrades may be carried out on the inside of the foundation walls.

4.3.3 Exterior Walls

West (front) Elevation

The ground floor, sloping down from south to north, has prominent sandstone pilasters with granite base blocks. The granite is in good condition, while the face of the sandstone is deteriorating. This is a natural exfoliation process due to the softness and porosity of the stone. It is caused by freeze-thaw cycles due to moisture ingress; the exterior layers of stone are gradually debonding and peeling off.

Notable are moisture issues on the southwest corner near grade, where algae has accumulated on the sandstone surface. The mortar joints on the ground floor pilasters feature hard, cement-rich ribbon pointing, and raised mortar joints with convex profiles, which are in good condition except for a few damaged joints, probably due to physical impacts.

The upper levels of the front façade are built with brick that has been painted in the past. Five projecting brick pilasters divide the façade into four bays, featuring recessed brick panels with large horizontal windows. The parapet wall has retained its symmetrical stepped profile.

The brickwork is generally in good condition. Some deterioration can be observed particularly on the parapet wall; the mortar joints are damaged and missing in a few locations, or show organic growth. There are a number of attachments and inserts such as metal hooks and nails, service elements mounted to the façade, holes from dismantled signs, and a few missing bricks.

South (plaza) Elevation

The brick wall on the south side was built as a party wall and not intended to be exposed to the environment. The south wall shows projecting brick pilasters at every bay and also projecting chimney stacks, some of them rising above the present roof line.

Significant deterioration of the bricks and joints are evident and a stucco render was applied in some areas to stop the deterioration of the bricks and mortar joints; the lower portion of the wall has been painted. This appears to include a layer of elastomeric paint that is failing. Other signs of deterioration include accumulation of organic growth, particularly near the sloping roofline, and efflorescence.

East (rear) Elevation

The ground floor at level 1 slopes to the south and is constructed with random ashlar, rough-dressed granite blocks, including the window sills. A concrete loading dock provides access to the wide warehouse gate. Large, arched window openings are filled with concrete blocks. The granite shows a general lack of maintenance and some damage and deterioration. This includes missing and loose mortar, physical damage to the granite at the loading gate, rust staining and organic growth.

On the upper levels, red brick was laid in common (“American”) bond with rows of headers replacing every sixth course of stretchers. Segmental arches span all window openings on the east elevation and

consist of three rowlock courses of brick set flush with the main brick wall. The arches above the windows on the ground level are built with four rowlock courses.

Previous repair attempts with inappropriately coloured mortar, unsound mortar joints and freeze-thaw damage on some brick units are notable on the east wall. Environmental dirt, particularly at the southeast corner, and rust stains on the brickwork caused by the historic fire escape are also evident. The brickwork between the first and second level is painted in red and has a historic wall sign reading "METALS LIMITED" painted in white letters.

The outwards sloping simple window sills are made of pre-cast stone. They are cracked in some instances, and algae and dirt are visible.

Conservation Recommendation: Preservation & Rehabilitation

General:

- The brickwork and stonework appear to be generally in good condition.
- All redundant metal inserts and services mounted on the exterior walls should be removed or reconfigured.
- Holes in masonry and missing bricks should be filled or replaced to match existing.
- Repoint masonry walls where necessary by raking out loose mortar material to a uniform depth of approximately 1" deep. Take care that the arisses of bricks and stone are not damaged. Work should only be undertaken by skilled masons. Do not use power tools except for thin-bladed grinders to cut horizontal joints where necessary.
- Repoint mortar joints with new mortar that matches existing in consistency, strength, colour and style.
- Overall cleaning of the masonry walls shall only be carried out if necessary and not be done with abrasive methods that may damage the face of the brick or stone. In areas where masonry requires cleaning, use soft natural bristle brush and mild water rinse.
- Do not seal masonry walls with silicones or consolidants as this will change the behaviour of the masonry and prevent the brick and stone from breathing, causing accelerated deterioration.

West (front) Elevation:

- It is unknown at this time whether or not the paint on the front facade can be safely removed; it is proposed that the front facade be repainted in a sympathetic colour scheme. Work includes removal of loose particles from painted areas with brushes and scrapers in order to prepare a sound surface for repainting.
- The exfoliation of the sandstone is a natural process and should not be disturbed, except by scaling back to solid substrate, if necessary, for safety reasons.
- A new steel and glass canopy will be installed at the front in a manner so as to not conflict with any of the retained heritage features.

South (plaza) Elevation:

- Parts of the sidewall have been parged, painted or graffitied.
- The intention is to leave the brick and parging of the south sidewall with the existing "ghosts" and patina to mark its origins as a party wall and as a utilitarian feature.
- Repoint only areas where necessary to match existing mortar in colour and strength.
- Replace severely damaged bricks to match existing in colour, size and porosity.
- Review failing paint layers and remove as required.
- New fenestration shall be incorporated while retaining and minimizing disturbance of the original brick structure.

East (rear) Elevation:

- The characteristic brick arches above the windows should be retained during conservation work on the windows.
- Review previous brick repairs and remove unsound units; use bricks to match existing where required.
- Preserve historic painted wall sign reading “METALS LIMITED” between the first and second floor.
- The original warehouse door opening at Level 1 will be retained and a new closure installed. The existing concrete loading dock will be rehabilitated, and a new opening with rolling overhead door, will be provided in the centre bay for access to parking being provided at this level.
- The window openings on Level 2 and 3 will be rehabilitated to benefit from more natural light and to improve the illumination of the interior space on the lower floors.

4.3.4 Fire Escape

An exterior fire escape is attached to the brick wall on the east elevation, reaching from the second floor to the roof. Though the metal fire escape is a historic element, it is non-functional and appears to be unsound.

Due to safety and security concerns, historic exterior fire escapes do not conform to modern building codes, and this fire escape will be replaced by safer, fire-rated interior stairwells.

Conservation Recommendation: Rehabilitation

- The intent is to remove the existing fire escape.
- New steel channel platforms will be installed at the locations in the plan dimensions of the existing fire escape platforms in order to echo the historic architectural feature.

4.3.5 Metalwork

An original pressed metal parapet cornice on the front façade features typical Edwardian-era elements including dentils and two corbels. A visual review from the ground concludes that the cornice is generally in good condition, except for some corrosion and rust staining. The condition of the top flashing could not be assessed, but from experience on similar projects it can be assumed that dirt and organic debris have collected on the slightly sloping flashing, and that rainwater is splashing back at the brick parapet causing moisture problems to the structure. The attachment method of the cornice and the condition of its members could not be reviewed at this time.

A second cornice above the storefront consisted originally of a pressed metal frieze with decorative corbels at the end. The metal corbels are extant, but the horizontal frieze section is currently made of wood and may hide the original pressed metal cornice underneath. This presumably occurred because in the 1930s a large sign was mounted above the cornice and spanned across the full length of the front façade. When the sign was removed some time in the past, the alteration to the metal cornice may have occurred.

The brick parapet wall has a recessed, horizontal name plate with a decorative moulding detail and presently displays the name ‘BEATTY GATE’. The inset in the parapet wall and the metal panel are original and show traces of the former name ‘Gurney Foundry Co.’ beneath the newer letters.

Conservation Recommendation: Preservation

- The cornices on the front façade will be inspected as part of the Structural Report, as to attachment and seismic resistance, and will be re-anchored internally as appropriate.
- The visual appearance of the cornices will not be altered and will match the historic appearance.
- Any rust spots will be patched and repaired, then spot-primed with an primer appropriate for galvanized metal, and repainted.
- Remove corrosion and paint from name plate located in the parapet, apply primer and repaint; caulk joint between name plate and surrounding brickwork if required.

4.3.6 Windows

The historic building has window openings on the west (front) and east elevations. The original wood sash windows on both elevations have single glazing. The upper two floors of the front façade features three-part wooden sash windows with transom hoppers, and vertical casement windows flanking fixed large centre panes.

Most of the original windows on the east elevation have been replaced with inappropriate aluminum units with a large fixed panel and a smaller sliding window in the lower portion. Only four original 3/3 double-hung wood sash windows on main floor on the rear side of the original 1906 building survived. All windows on the east elevation have squared tops, with a wooden panel filling the gap between the top of the window and the bottom of the segmental arch.

Conservation Recommendation: Preservation & Rehabilitation

- The original front façade wooden-sash windows will be rehabilitated and retained.
- The only four remaining original 3/3 double-hung wood sash windows still found in situ on the east elevation will be salvaged, including frame, trim & counterbalances and reinstalled as a feature in the interior space
- As most of the original windows on the east elevation have been replaced, new single light window units of a sympathetic detail will be installed.
- Where new openings will be punctured on the south elevation, contemporary window units will be installed.
- Functional new doors would be added as required.

4.3.7 Storefront

The historic storefront at the front façade is partially intact. The original elements that are still extant include the transom windows in three bays, and wood mouldings. The display windows and the main entrance on the most northern bay have altered. However, the sandstone pilasters of the main entrance show ghosts of paint profiling the outline of the original wood mouldings.

Conservation Recommendation: Preservation & Rehabilitation

- The original wooden-sash transom windows will be preserved and repainted.
- The display windows and main entrance will be rehabilitated, with a design sympathetic to the historic character of the building.

4.3.8 Signage

Large signs were a characteristic feature of many historic commercial buildings in the past. Fascia signs were commonly larger than allowed under current sign by-laws and fabricated in traditional materials with painted or three-dimensional letters.

Conservation Recommendation: install new sympathetic signs

- When considering new signs on a heritage building, the design should be in accordance with the Parks Canada Standards and Guidelines for the Conservation of Historic Places in Canada, which states that “new signage should be compatible with the building in terms of size, scale, material, style and colour. In addition, new signs should not obscure, damage or destroy character defining elements of the building”.
- New signs can be inspired by historical signs on the building, signs from an earlier era or contemporary materials that are sympathetic to the building.
- Sign fixings or hangers should be carefully attached to the building in the least intrusive manner possible. On masonry walls, consider attaching into mortar rather than brick or stone.
- Signs were historically illuminated with frontlighting.
- Future tenant signage will require a City of Vancouver sign application and will need to conform to applicable bylaws.

4.3.9 Roof

The sloping roofline of the 1906 structure, as seen before the building received the additional two storeys in 1912, is still visible on the inside face of the brick sidewalls. The new roof is a mono-pitched, east sloping roof. Access was not possible during the site review, but water ingress was not reported, which indicates that the roof membrane is in good condition.

Conservation Recommendation: Rehabilitation

- The existing roof will be removed due to the proposed addition on top of the historic structure.
- Retain the traces of the original 1906 roofline in the brickwork as a remnant of the evolution of the building.

4.3.10 Colour Schedule

Part of the restoration process is to finish the building in historically appropriate paint colours. Onsite testing will be carried out once access is available, and paint samples assessed by microscopic analysis in order to reveal the original colour scheme of the structure. A restoration colour scheme will be developed in conjunction with the project architects.

Conservation Recommendation: Rehabilitation

- Determine an appropriate historic colour scheme for exterior painted finishes.

4.4 INTERIOR

The interior space of the historic structure has wide, open floor plates with fenestration on the west and east elevations. The structural system is comprised of load-bearing solid brick walls surrounding the floor plates and heavy timber beams and columns.

4.4.1 Masonry Walls – Inside Face

The structural brickwork of the exterior walls are partially exposed, occasionally plastered or just painted. The brick walls contribute to the heritage character of the interior space and the intent is to preserve the appearance and to remove later plaster finishes, which are partially debonded and can be easily removed by hand. The brickwork underneath is in many instances painted and some joints display missing mortar.

Conservation Recommendation: Preservation

- Preserve the historic masonry walls except where new fenestration is planned.
- Carefully remove the later plaster finishes. Do not use abrasive techniques or tools such as sand blasting. Use handtools such as plastic scrapers instead.
- Repoint deteriorated mortar joints if required to match existing mortar in strength and colour.

4.4.2 Heavy Timber Structural Elements

Significant architectural elements are the heavy timber posts and beams dividing the floor plan in three bays from west to east and nine bays from north to south. The timber framing is in some instances encased with wood panelling or painted, or the timber is exposed.

Conservation Recommendation: REHABILITATION & Preservation

- The visual review shows that the timber structure is overall in excellent condition and does not need major repair or replacement.
- The interior timber structure will be exposed and retained wherever possible.
- Due to the proposed new construction on top of the existing building, the additional load will be transferred to the ground by a modern steel structure installed adjacent to each timber column. The design intent should be to make the intervention sympathetic to the heritage character of the historic building and the heritage consultant will review proposed structural/seismic upgrades.

4.4.3 Timber Floor Structure

The existing floor system is made of old growth wide plank fir flooring spanning from north to south, except in areas where machinery was located and the patched floor spans east to west. The wood planks are mounted on top of solid laminated timber spanning from east to west.

Conservation Recommendation: Preservation & Rehabilitation

- The intent is to preserve the solid laminated timber floor structure.
- Seismic interventions include the removal of the existing flooring and the installation of new concrete topping.
- The approach allows the retention and exposure of the underside of the solid timber as wood ceilings.

4.4.4 Circulation

The historic circulation consisting of staircases and an elevator on the east side does not meet the requirements of the proposed use.

Conservation Recommendation: Rehabilitation

- The circulation pattern will be rehabilitated with a central staircase and two elevators on the north side accessed by a corridor to the east (level 1) and a lobby hall on the west (level 4), a car elevator on the east side of level 1, and a new entrance on south side (level 3).

4.5 ROOFTOP ADDITION

It is proposed that four floors of new structure will be added above the historic building. This will be expressed as a visually quiet glass structure of office space - suspended above, and separated from, the historic façades by a setback transition level - a reveal floor, if you will. The addition is a clearly distinguishable intervention; the concept, detailing and materials of which, have been assessed against

the Standards and Guidelines for the Conservation of Historic Places in Canada as follows.

Referring to Standard 11:

11. Conserve the heritage value and character-defining elements when creating any new additions to a historic place and any related new construction. Make the new work physically and visually compatible with, and distinguishable from, the historic place.

The heritage value and character-defining elements of the Gurney Foundry are being preserved through the overall rehabilitation of the building. The rooftop addition has been designed to be compatible in the following ways:

- The floor plates of the addition are in alignment with the existing heritage building.
- The setback “reveal” level helps visually distinguish the addition from the original building.
- The curtain wall construction is clearly distinguishable from, and visually quiet in comparison to, the historic masonry construction.
- C channels outlining the floor edges provide a floor-to-floor scale similar to that of the existing building.

Referring to Standard 12:

12. Create any new additions or related new construction so that the essential form and integrity of a historic place will not be impaired if the new work is removed in the future.

- The original historic fabric of the Gurney Foundry Building, including its brick & heavy timber structure, is being retained. The new work could therefore be removed in the future, and the original form and scale and character-defining elements be restored.
- Referring to “New Additions to Historic Places”, the addition has been designed in a manner that draws a clear distinction between what is historic and what is new.

Tax Exemption Process

The Vancouver Charter lays out the requirements for an enabling Tax Exemption By-law and notification process for the public. If Council approves the recommendation to provide a property tax exemption, staff will advertise notice of the proposed by-law as required by the Charter, and state that Council may adopt the by-law after 30 days unless more than 1/20 of electors petition Council. If 1/20 or fewer electors petition Council within the 30-day period, the Charter deems that the electors have approved the tax exemption, and Council can proceed to enact the by-law. If more than 1/20 of electors petition Council, then a further report will recommend to Council whether or not to seek the assent of electors and the process required to do so.

The Property Tax Exemption By-law will stipulate the terms under which the recommended property tax exemption will be provided. The By-law will provide a complete property tax exemption to the property for the period necessary to achieve the stipulated tax exemption value.

Should the entire amount not be achieved in a ten (10) year period the exemption will expire and the property will become fully taxable. If the Occupancy Permit is issued before October 31, the exemption will be effective in the taxation year immediately following. If the Occupancy Permit is issued after October 31, the exemption will be effective in the second following taxation year. Staff will provide an annual report to Council on the status of this and other exemptions approved under the program.

564 Beatty Street – PUBLIC BENEFITS SUMMARY

Project Summary:

Rehabilitation of the 3-storrey heritage building with a 4-storrey roof top addition and conversion from a warehouse to office use (with the commercial on the ground floor).

Public Benefit Summary:

The project would result in the conservation and designation of a heritage resource and the contribution to economic revitalization of Victory Square area.

	Current Zoning	Proposed HRA
Zoning District	DD / C-2	DD / C-2
FSR (site area = 5,753 sq. ft.)	5.26	9.23
Buildable Floor Space (sq. ft.)	30,282 sq. ft.	53,123 sq. ft.
Land Use	Warehouse /commercial	Office/commercial

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed HRA (\$)
Required*	DCL (City-wide)	N/A	N/A ¹
	DCL (Area Specific)	N/A	
	Public Art	N/A	
	20% Social Housing	N/A	
Offered (Community Amenity Contribution)	Childcare Facilities	N/A	
	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage		\$1,484,665 ²
	Housing (e.g. supportive, seniors)	N/A	
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
TOTAL VALUE OF PUBLIC BENEFITS		\$0	\$1,484,665

Other Benefits: heritage conservation, designation, and improvement of public realm of Keefer Steps and Plaza.

¹ The DCL exemption of \$258,789 is proposed by the HRA as a component of the incentive package to rehabilitate and designate heritage building (22,841 sq. ft. @ \$11,33 per sq. ft.).

² The value of density in excess of existing 5.26 FSR is estimated at \$1,484,665 (22,841 sq. ft. at \$65 per sq. ft.).