

# POLICY REPORT DEVELOPMENT AND BUILDING

Report Date: December 21, 2011

Contact: Kent Munro Contact No.: 604.873.7135

RTS No.: 9361

VanRIMS No.: 08-2000-20

Meeting Date: January 30, 2012

TO: Vancouver City Council

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

SUBJECT: 470 East 10th Avenue - 'The McDonald Residence' - Heritage Designation

and Heritage Revitalization Agreement

#### **RECOMMENDATIONS**

- A. THAT Council instruct the Director of Legal Services to bring forward for enactment a by-law to designate the heritage building, known as 'The McDonald Residence' (the "heritage building"), at 470 East 10<sup>th</sup> Avenue, the lands of which have the legal description Lot 10, Block 125, District Lot 264A, Plan 830 & 1771; PID: 002-679-205 (the "Lands"), and that the heritage building be designated thereby as a protected heritage property pursuant to Section 593 of the *Vancouver Charter*.
- B. THAT Council instruct the Director of Legal Services to bring forward for enactment under Section 592 of the *Vancouver Charter* a by-law to authorize the City to enter into a heritage revitalization agreement for the heritage building to:
  - (i) secure the rehabilitation and long-term preservation of the heritage building; and
  - (ii) vary the Zoning and Development By-law in respect of the Lands to permit the rehabilitation of the heritage building and the construction of a new infill dwelling thereon as proposed under Development Permit Application DE414970 and as more particularly described in this report.

- C. THAT the Heritage Revitalization Agreement shall be prepared, completed and registered and given priority on title to the Lands to the satisfaction of the Director of Legal Services and the Director of Planning.
- D. THAT Recommendations A to C 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 and any expenditure of funds or incurring of costs in relation thereto is at the risk of the person making the expenditure or incurring the cost; and
  - (ii) THAT the City and all its officials shall not in any way be limited or restricted in the exercise of their authority or discretion, regardless of when they are called upon to exercise such authority or discretion.

#### REPORT SUMMARY

The purpose of this report is to seek Council approval to designate as a protected heritage property 'The McDonald Residence' at 470 East 10<sup>th</sup> Avenue, which is listed in the 'C' evaluation category on the Vancouver Heritage Register, and to authorize the City to enter into a heritage revitalization agreement (HRA) in respect of that heritage building to ensure its rehabilitation and long-term protection. It is proposed that, as incentive and compensation to the owner for the heritage designation and the rehabilitation and conservation of the heritage building, the HRA will vary the Zoning and Development By-law to permit the development of the Lands as set forth in Development Permit Application DE414970 and as described in this report (see the plans in Appendix 'B' and the Technical Zoning Summary in Appendix 'C'). The Director of Planning is prepared to approve the development permit application should Council approve the proposed heritage designation of 'The McDonald Residence' and the proposed HRA.

#### COUNCIL AUTHORITY

Council may add real property to the Vancouver Heritage Register as provided for in Section 582 of the *Vancouver Charter*. Council may, by by-law, on terms and conditions as its considers appropriate, designate real property in whole or in part as protected pursuant to Section 593 of the *Vancouver Charter*.

Council may, by by-law, pursuant to Section 592 of the *Vancouver Charter*, enter into with the owner of heritage property a Heritage Revitalization Agreement which may vary or supplement certain by-laws and permits.

Under section 595 of the *Charter*, Council is required to compensate an owner of property being designated as a protected heritage property, for any reduction in market value caused by the designation. Most often this, along with additional compensation to offset rehabilitation costs, is achieved by way by-law variations contained in the HRA so as to permit an otherwise impermissible development. The heritage designation and the HRA for 'The McDonald Residence' require Council approval at public hearing and by-law enactment pursuant to Sections 592 and 594 of the *Vancouver Charter*.

The following Council Policies are applicable to the project.

- Heritage Policies and Guidelines (April, 1991)
- Green Building Rezoning Policy (February 4th, 2010)

#### GENERAL MANAGER'S COMMENTS

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

#### STRATEGIC ANALYSIS

#### Site and Context

The site which is the subject of the proposed project is located in the Mount Pleasant neighbourhood in an area zoned RT-5 (see Figure 1 above). The RT-5 district schedule of the Zoning and Development By-law permits One and Two-Family Dwellings, the conversion of existing buildings into suites, and in some cases new apartment buildings, townhouses, and infill development. The site is located on the east side of East 10<sup>th</sup> Avenue near St. George Street. The total area of the site is 4,111 square feet. A twenty foot wide paved lane exists at the rear of the site.

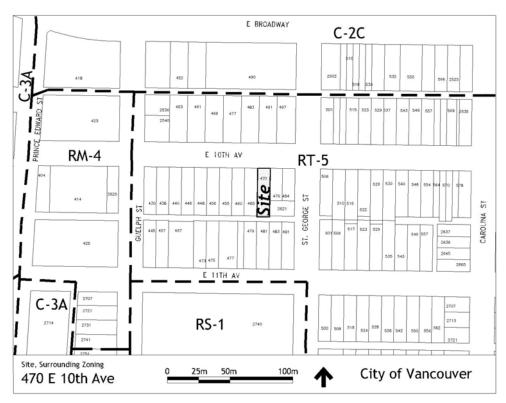


Figure 1 - 'The McDonald Residence' site and the surrounding zoning

# Heritage Value

The house at 470 East 10<sup>th</sup> Avenue was constructed in 1907 for John and Mary McDonald by James Edward Wright, who is known to have built a number of houses in the neighbourhood, including the neighbouring house at 466 East 10<sup>th</sup> Avenue, as well as some of the early houses in the Shaughnessy neighbourhood. The house is a good example of the Edwardian "Foursquare" style and features a high degree of original materials and elements (see the photographs in Appendix 'A'). Features include its full width porch with turned columns and wood decking and soffit, simple two and a half storey massing, original fenestration including wood frame double-hung single pane windows with decorative horns, moulded lintels and projecting sills, and a fixed wooden frame stained glass window with a floral motif on the east side of the building. Also of note are its bay windows, wood corner boards and fascia boards, and cedar shingle cladding in the gable ends, and moulded trim boards with dentils. 'The McDonald Residence' is listed in the 'C' evaluation category on the Vancouver Heritage Register.

### Development Application and Proposed Incentives

It is proposed that the incentives and compensation to be provided to the owner for the heritage designation and the rehabilitation and conservation of the heritage building will be in the form of HRA made variances to the Zoning and Development By-law, including a density variance, as set forth in Development Permit Application DE414970 and as described below.

Infill housing is permitted under current zoning. The application proposes to retain and rehabilitate the heritage building and to develop an Infill One-Family Dwelling at the rear of the property. As incentive and compensation to the owner to retain, rehabilitate, and protect the heritage building, a number of Zoning and Development By-law variances are proposed, as shown in Appendix C, including variances which will provide for an increase in permitted density on the Lands. The maximum permitted density under the RT-5 zoning is 0.75 floor space ratio (FSR), which is 3,083 square feet. The total density for the proposed development would be 0.92 FSR, which is 3,766 square feet (see Table A below and the Technical Zoning Summary in Appendix 'C'). The heritage building currently contains two dwelling units which are to be maintained.

Table A: Summary of Proposed Uses and Density

Proposed parcels	Existing Density	Proposed density and	Maximum permitted
and parcel area		Number of Dwelling	density
		Units	_
Heritage Building	0.67 FSR	0.67 FSR	-
	(2,740 sq. ft.)	(2,740 sq. ft.)	
	2 dwelling units	2 dwelling units	
New Infill	-	0.25 FSR	-
Building		1,026 sq. ft.	
		1 dwelling unit	
Total for the	0.69 FSR	0.92 FSR	0.75 FSR
Lands	(2,740 sq. ft.) (3,766 sq. ft.)		(3,083 sq. ft.)
	2 dwelling units	3 dwelling units	3 dwelling units

Staff have considered the probable impact of the proposed development, including the results of notification (see the Results of Neighbourhood Notification section), the compatibility of the development with the zoning (see the Compatibility with Existing Zoning and Land Use Regulations section), and the financial analysis required for the application (see the Proforma Evaluation section) and conclude that the proposal is supportable.

#### Compatibility with Existing Zoning and Land Use Regulations

The Intent of the RT-5 zoning district schedule is to:

"...encourage the retention of existing residential structures. In the RT-5 and RT-5N Districts emphasis is placed on the external design of all new buildings and additions being compatible with the historical character of the area, and on being neighbourly in scale and placement."

The retention of the heritage building contributes to the historic architectural character of the area and the new infill building meets the design guidelines for the area and responds well to its neighbours in terms of scale, massing, privacy impact, and placement. Staff conclude the proposal is consistent with the intent of the zoning.

#### Condition of the Heritage Building and Conservation Approach

'The McDonald Residence' is generally in good condition. The rehabilitation work will primarily consist of repairs and rehabilitation of existing elements. The original windows will be repaired in place. Newer vinyl windows at the back will be replaced with wood windows matching the originals. The front door and sidelights, which are original, will be restored to their original appearance (they were modified over the years). The porch decking will be repaired and re-painted (see Photo 2 in Appendix 'A'). The front stairs are not original and in poor shape. They will be replaced with wood stairs which will be consistent with the original stair design. Wood elements such as brackets, trims, and soffits will be refinished. The heritage building will be painted in historic colours. Staff support the high level of retention proposed for 'The McDonald Residence' and conclude that the proposal is consistent with the federally adopted Standards and Guidelines for the Conservation of Historic Places in Canada.

#### Results of Neighbourhood Notification

Sixty-two surrounding properties were notified of the application. Four responses were received. Two expressed support for the project, and two expressed opposition. One letter of support however questioned why similar properties in the area have not been allowed to build infill development or Laneway Houses. Concerns include the impact of the infill building and its height on the daylight access and privacy of surrounding properties, the increase in density and the impacts this will create, including parking, and the fact that the building might remain tenanted (rental).

While Laneway Houses are not currently permitted in the zoning, infill development is permitted on certain sites. The Director of Planning is prepared to grant variances of the RT-5 Guidelines (see Table 2 in Appendix 'C') to allow for infill use on this site in exchange for heritage conservation. The infill building is restrained in scale and impact and responds well to surrounding properties with respect to light access, privacy, and massing impact. The Director of Planning notes that it is practice to balance the impacts on surrounding properties with the benefit of heritage protection. Conditions of the development application approval

will require that the final design of the infill building is refined as much as possible in respect of these issues. The street and lane will likely experience an increase in traffic activity with the development as proposed but traffic impacts will be commensurate with the incremental densification which would occur over time for development permitted under the current zoning. Staff have reviewed the concerns received from neighbourhood notification and conclude that a reasonable balance between impacts and the benefit of heritage conservation has been achieved for the project and that it is supportable.

### Comments from the Vancouver Heritage Commission

On July 11<sup>th</sup>, 2011, the Vancouver Heritage Commission reviewed the application, including the Statement of Significance and the Conservation Plan, and supported the proposal (See Resolutions of the Vancouver Heritage Register and Staff Comments in Appendix 'D').

#### Financial Implications

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

#### Proforma Evaluation

Real Estate Services staff reviewed the applicant's proforma evaluation in accordance with Council's approved policies. The Director of Real Estate Services advises that the additional density and other by-law variances proposed to offset the costs and compensate for any reduction in land value resulting from the designation and the rehabilitation and conservation of the heritage building will not result in any undue profit.

## **Environmental**

The City's "Rezoning Policy for Greener Buildings" applies to the application and requires developments of this scale to achieve BuiltGreen BC™ Gold with a score of EnerGuide 82, or an equivalent achievement in green design. The policy allows for exemptions for heritage components provided reasonable design efforts are made to improve green performance where appropriate, while respecting heritage aspirations and promoting heritage retention. Staff encourage owners for applications such as this to seek registration and certification with BuiltGreen BC™. Conditions of the development application approval will require that the drawings incorporate the proposed sustainable features, noting as well that the "Green Homes Program" changes to the Vancouver Building By-law, adopted on September 5<sup>th</sup>, 2008, will be applicable to the project as well.

# Legal

The by-law variations contemplated for the proposed HRA will provide for the Lands an improved development potential. The owner's proposal to rehabilitate and conserve the heritage building in exchange for obtaining the by-law variations needed to get that improved development potential should be appropriately secured as legal obligations contained in various covenants to be registered on title to the Lands so as to enable the City to enforce those obligations and ensure that they will be fulfilled at the owner's expense. City staff and the owner have negotiated and completed a proposed form of HRA, to be registered on title

to the Lands, which includes rehabilitation and conservation obligations on the part of the owner and enforcement provisions for the City.

Section 595 of the *Vancouver Charter* requires that Council compensate an owner for any reduction in the market value caused by a heritage designation. The Owner has signed the proposed HRA and in doing so has explicitly accepted the by-law variances to be provided, and the resulting development advantages to be gained thereby, as full compensation for the heritage designation of 'The McDonald Residence' and the obligations to rehabilitate and conserve the heritage building. The HRA is to be registered on title to the Lands before a development permit for the project may be issued.

#### **CONCLUSION**

The approval of the proposed heritage designation and the Heritage Revitalization Agreement for 'The McDonald Residence' at 470 East 10<sup>th</sup> Avenue, which is listed in the 'C' evaluation category on the Vancouver Heritage Register, will ensure that the heritage building is rehabilitated, conserved, and protected from exterior alterations which affect its heritage value, and from demolition. The proposed Heritage Revitalization Agreement will vary the Zoning and Development By-law to allow for the development as proposed, and the owner has agreed to accept the proposed variances as compensation for the designation of the heritage building and for its rehabilitation and conservation under the proposed Heritage Revitalization Agreement. Therefore, it is recommended that Council approve the heritage designation of 'The McDonald Residence' and the proposed Heritage Revitalization Agreement.

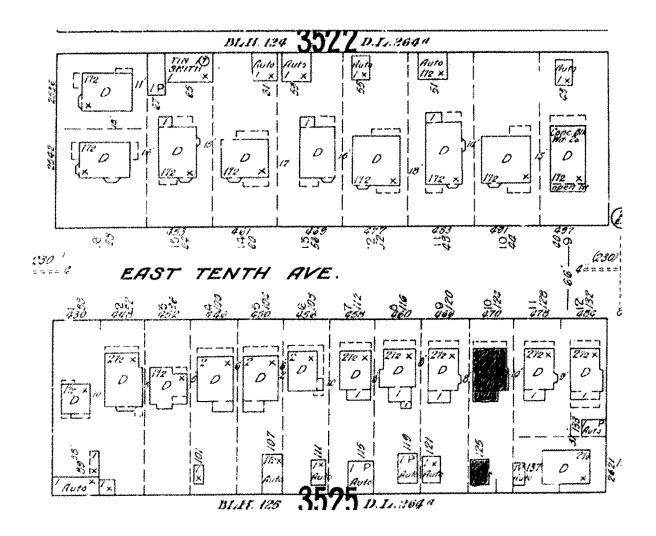
\* \* \* \* \*



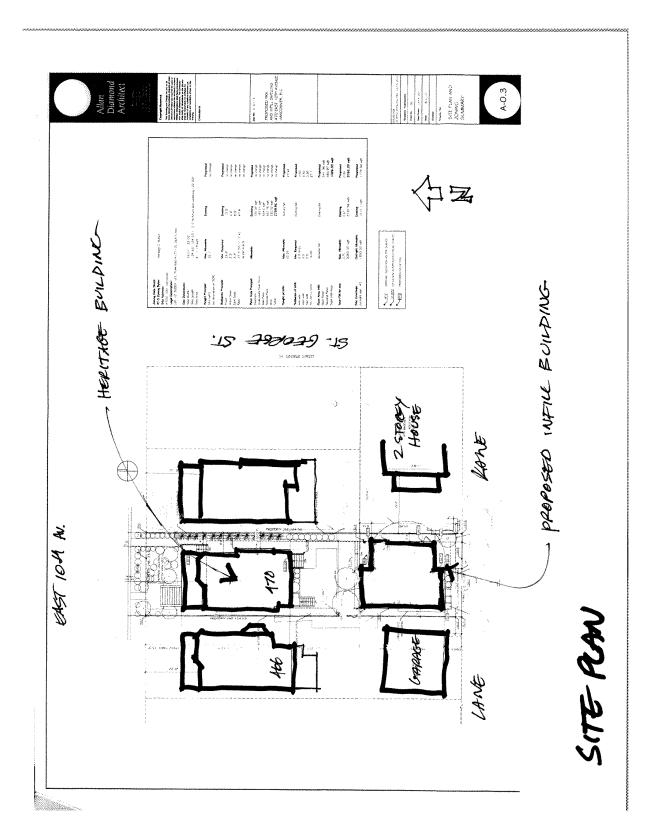
Photo 1: 'The McDonald Residence' from the front (2011)

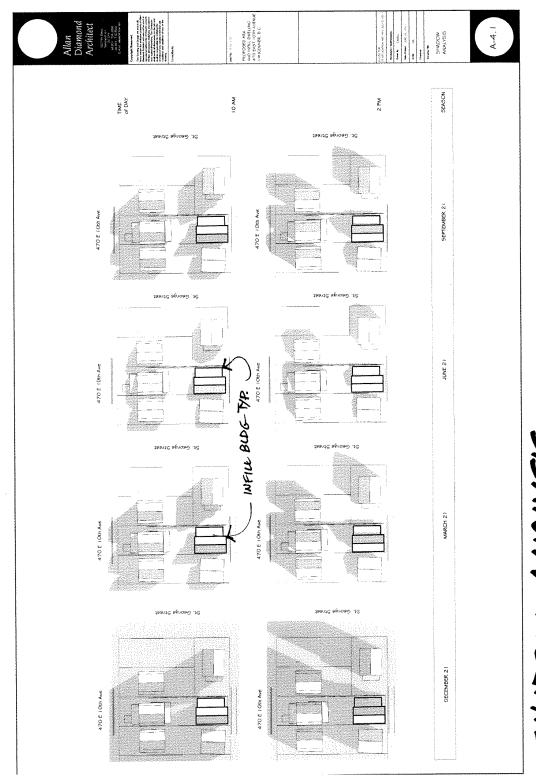


 $\underline{\text{Photo 2:}} \text{ The original porch floor appears to still exist, which is rare. The proposal is to retain and repair, sand, and repaint the original wood planking.}$ 

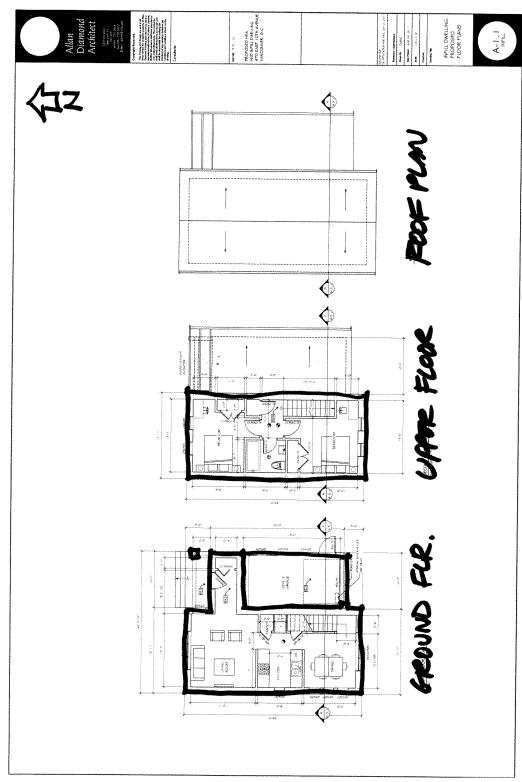


Fire Insurance Map from 1930 showing 'The McDonald Residence' at 470 East 10<sup>th</sup> Avenue (shaded). James Wright, the builder of 'The McDonald Residence', also built the house next door at 466 East 10<sup>th</sup> Avenue to the west, which still exists, as well as a number of other houses in the area.

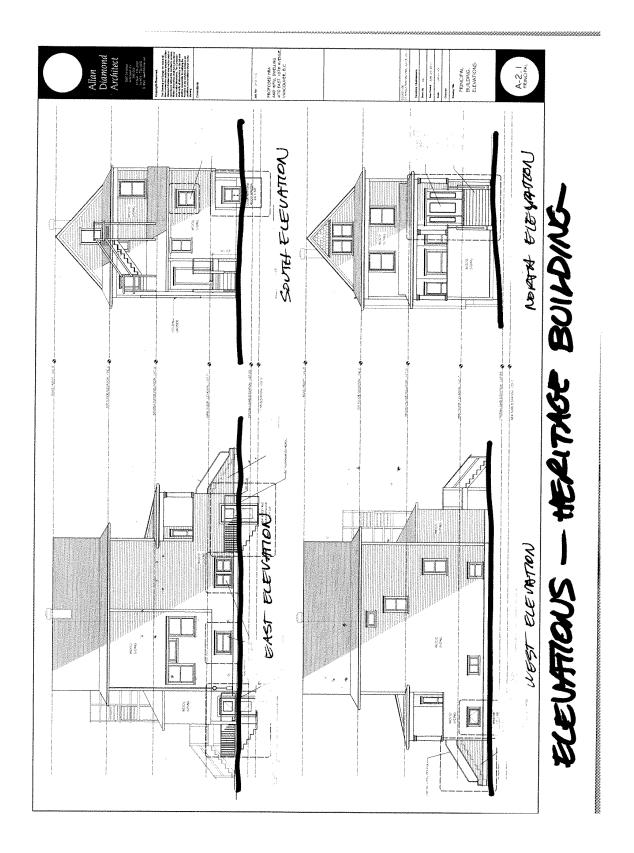


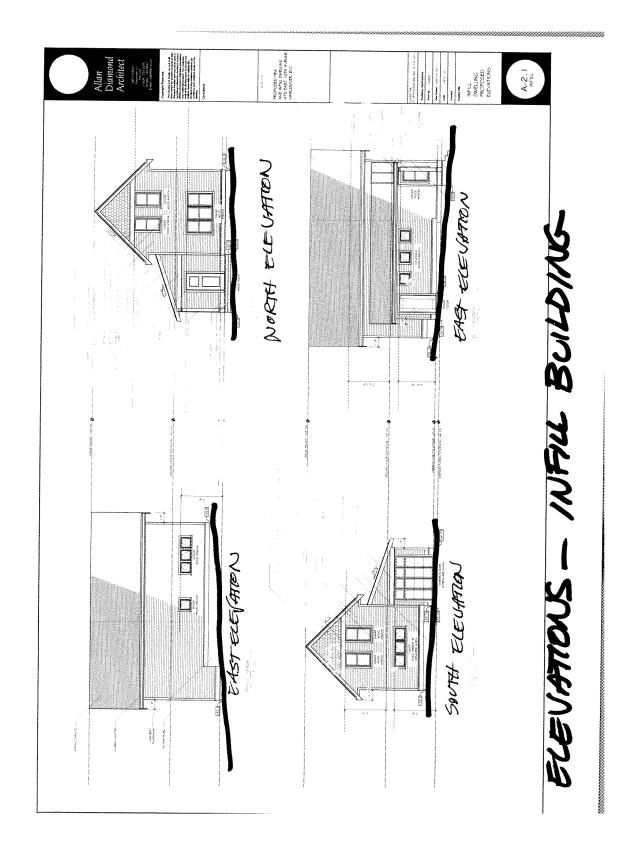


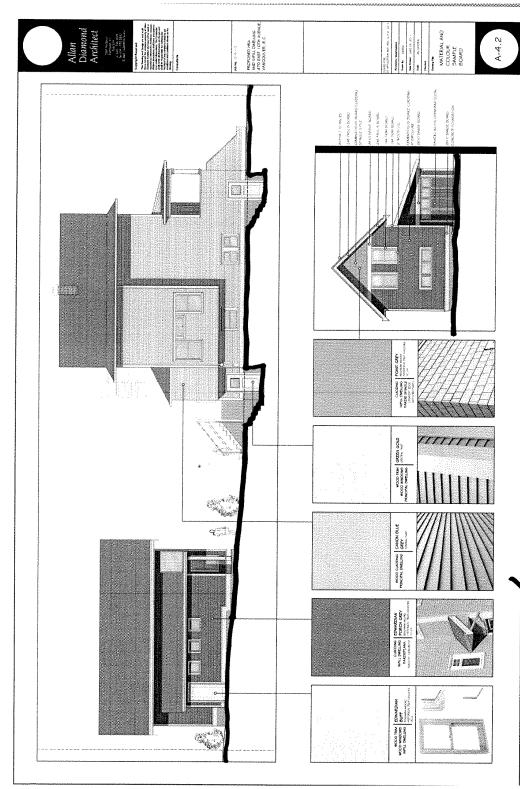
SHADOU AVALYSIS



PLANS - INFILE BUILDING







# MATERIALS/COLOURS



マイをのを入り

# **Technical Zoning Summary**

Table 1: RT-5 Zoning District Schedule Summary

Item	Existing	Required or Permitted	Proposed	
Height of heritage	34.8 feet and 2 ½	1.8 feet and 2 ½ 35.17 feet maximum		
building	storeys	and 2 ½ storeys	storeys	
Front yard of the 13.9 feet Heritage Building		24 feet minimum 13.9 feet*		
East Side Yard of the 8.0 feet Heritage Building		3.3 feet minimum	8.0 feet	
West Side Yard of the Heritage Building	2.6 feet	3.3 feet minimum	2.6 feet**	
Rear Yard of the Heritage Building	79.5 feet	35.1 feet minimum	73.1 feet	
Density	0.67 FSR (2,740 sq. ft.)	0.75 FSR (3,083 sq. ft.)	0.92 FSR*** (3,766 sq. ft.)**	
Site Coverage	1,215 sq. ft.	1,850 sq. ft.	1779 sq. ft.	

<sup>\*</sup> including bay windows and projecting floors \*\* variance required

Table 2: RT-5 Guidelines Summary

Item	Existing	Required or	Proposed
		Permitted	
Side Yard	Maximum 8.0 feet	16.1 feet minimum	8.0 feet*
Requirement for Infill		on at least one side	
Development		of an existing	
		building	
Height of the Infill	-	25.2 feet maximum	23.5 feet and two
Building		and 1.5 storeys	storeys*

<sup>\*</sup> variance of the RT-5 guidelines required

<sup>\*\*\*</sup> the floor area of the new infill building is proposed to be 1,026 sq. ft.

# Resolutions of the Vancouver Heritage Commission and Staff Comments:

On September 12<sup>th</sup>, 2011, the Vancouver Heritage Commission reviewed the project and resolved the following:

THAT the Vancouver Heritage Commission supports the Statement of Significance and Conservation Plan for 470 East 10th Avenue, 'The McDonald Residence', as presented at the September 12, 2011, meeting.

FURTHER THAT the Commission asks that the reference to "Category C" be removed from the Statement of Significance.

FURTHER THAT the Commission supports the proposal for an infill house, including an increase in floor space ratio (FSR) to .92, and that the Commission asks that the applicant consider: Dropping the pitch of the roof for reduced shadowing.

#### **CARRIED**

# **Staff Comments:**

The reference to the 'C" category will be removed from the Statement of Significance (as it is standard practice not to include the evaluation category in Statement of Significances) and a condition of the development application approval will require that there be design development to improve shadowing impacts as much as possible.

# 470 East 10<sup>th</sup> Avenue - PUBLIC BENEFITS SUMMARY

**Project Summary:** 

Rehabilitation and conservation of a heritage building and construction of a new Infill One-Family Dwelling at the rear of the property

#### **Public Benefit Summary:**

The project would result in the conservation and long-term protection of a heritage resource.

	Current Zoning	Proposed
Zoning District	RT-5	HRA
FSR (site area = 4,111 sq. ft./ 382 m <sup>2</sup> )	0.75	0.92
Buildable Floor Space (sq. ft.)	3,083 sq. ft.)	3,766 sq. ft.
Land Use	Residential	Residential

	Public Benefit Statistics	Value if built under Current Zoning (\$)	Value if built under Proposed HRA (\$)
*	DCL (City-wide) (See Note 1)	\$8,139	\$2,709
irec	DCL (Area Specific)	N/A	
Required*	Public Art	N/A	
Æ	20% Social Housing	N/A	
Γζ	Childcare Facilities	N/A	
Offered (Community Amenity Contribution)	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage (See Note 2)		\$182, 567
	Housing (e.g. supportive, seniors)	N/A	
	Parks and Public Spaces	IV/A	
	Social/Community Facilities		
	Unallocated		
0	Other		
	TOTAL VALUE OF PUBLIC BENEFITS	\$8,139	\$185,276

Other Benefits	(non-market	and/or STIR	components	): N/A

Note: DCLs, Public Art and Social Housing may have exemptions and/or minimum thresholds for qualification. For the City-wide DCL, revenues are allocated into the following public benefit categories: Parks (41%); Replacement Housing (32%); Transportation (22%); and Childcare (5%). Revenue allocations differ among Area Specific DCL Districts.

Note 1: DCLs do not apply to existing floor area which in this case is 2,740 sq. ft. in the heritage building. The recently approved DCL value of \$2.64 / sq. ft. is used in this case as the building permits for the project would be issued after the deadline for the application of the old rate. The RT-5 zoning encourages retention of existing character buildings but does not require it for duplex development, which is what the calculation in the first column is based on.

Note 2: the figure noted in the above table represents the value of on-site density bonus to facilitate heritage building rehabilitation, conservation, and protection. The conservation and protection of heritage resources is a community objective as noted in Council Policy.