

POLICY REPORT DEVELOPMENT AND BUILDING

Report Date:April 10, 2012Contact:Kent MunroContact No.:604.873.7135RTS No.:9488VanRIMS No.:08-2000-20Meeting Date:May 14, 2012

TO:	Vancouver City Council
FROM:	Director of Planning in consultation with the Director of Legal Services
	2435 West 5 th Avenue - 'The Northey Residence' - Heritage Designation and Heritage Revitalization Agreement

RECOMMENDATIONS

- A. THAT Council instruct the Director of Legal Services to bring forward for enactment pursuant to Section 593 of the *Vancouver Charter* a by-law to designate as a protected heritage property the heritage building at 2435 West 5th Avenue, (legal description: PID: 006-355-633; Lot 14, Block 241, District Lot 526, Plan 1058(the "Lands")), which is known as 'The Northey Residence' and listed in the 'B' evaluation category on the Vancouver Heritage Register ("the heritage building").
- B. THAT Council instruct the Director of Legal Services to bring forward for enactment pursuant to Section 592 of the *Vancouver Charter* a by-law for the City to enter into a Heritage Revitalization Agreement in respect of 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 One-Family Dwelling thereon as proposed under Development Permit Application DE415201 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 'The Northey Residence' at 2435 West 5th Avenue, which is listed in the 'B' evaluation category on the Vancouver Heritage Register, as a protected heritage property, 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 DE415201 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 Northey Residence' and the proposed HRA.

COUNCIL AUTHORITY

Council may, by by-law, pursuant to Section 592 of the *Vancouver Charter*, enter into a Heritage Revitalization Agreement with the owner of a heritage property in respect of the heritage property which may vary or supplement certain by-laws and permits and by bylaw pursuant to Section 593 of the *Vancouver Charter* it may designate heritage property as being protected heritage property under the provisions of the *Charter*.

The heritage designation and the HRA for 'The Northey Residence' require Council approval at public hearing and by-law enactment pursuant to Sections 592 and 594 of the *Vancouver Charter*.

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. Often, as is proposed here, that compensation, along with additional compensation to the owner/developer to offset rehabilitation costs, is given in the form of by-law variations contained in an HRA so as to permit, to the benefit of the owner/developer, an otherwise impermissible development. The Director of Planning is prepared to approve the development permit application should Council approve the proposed heritage designation of 'The Northey Residence' and the proposed HRA.

The following Council policies are applicable to the project:

- Heritage Policies and Guidelines (April, 1991)
- Green Buildings Policy for Rezonings (July, 2010)

GENERAL MANAGER'S COMMENTS

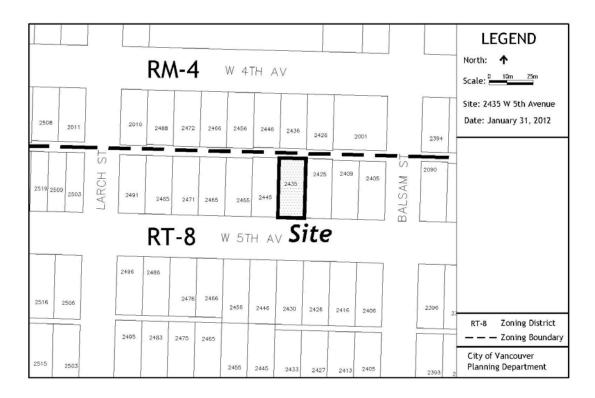
The General Manager of Community Services RECOMMENDS approval of A, B, C, and D

STRATEGIC ANALYSIS

Site and Context

The site which is the subject the proposal is located in the Kitsilano neighbourhood in an area zoned RT-8 (see Figure 1 below). The RT-8 District Schedule of the Zoning and Development By-law permits One-Family Dwellings and Two-Family Dwellings, the conversion of existing buildings into suites, and in some cases new apartment buildings, townhouses, and infill development. The total area of the Lands is 5,600 square feet. A twenty foot wide paved lane exists at the rear of the site.

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



Heritage Value

The house at 2435 West 5th Avenue was built in 1920 for William Gilbert Northey and is a good example of Craftsman housing built immediately after the First World War. The house is also known for its association with the Vancouver Better Housing Scheme which, under the Soldier's Settlement Act, loaned money to returning veterans to build homes for themselves and their families. The Northey residence is one of 153 homes built under this program which operated from 1919 to 1922.

Features include the house's full width front porch with expressive wood details such as decorative capitals, gridded balustrades, original wood soffits, and dentil coursing. Other details include eave brackets, bell-cast cedar shingles, narrow profile clapboard siding, stucco gable-end cladding with a half-timbered trim expression, exposed rafter tails, and wood casement windows, some with leaded glass transoms or stained glass panels. The house is listed in the 'B' 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 variances to the Zoning and Development By-law, including a density variance, made possible by the proposed HRA, as set forth in Development Permit Application DE415201 and as described below.

Infill housing is permitted under the current applicable zoning and the site qualifies for infill development under the RT-8 Guidelines. The application proposes to restore the heritage building and relocate it approximately two feet to the east. A new Infill One-Family Dwelling is proposed to be built at the rear of the site. The proposed density is in excess of that permitted in the zoning. 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 including variances which will provide for an increase in permitted density on the Lands. The maximum permitted density under the RT-8 zoning is 0.75 floor space ratio (FSR) and the total density for the proposed development is 0.85 FSR (see Table A below and the Technical Zoning Summary in Appendix 'C'). The application originally indicated a proposed density of 0.90 FSR. Real Estate Services staff, in the required review of the proforma submitted as part of the application, concluded that a maximum density of 0.85 FSR is supportable. The application was revised to meet the 0.85 FSR limit, which exceeds the permitted density by 13%. The heritage building currently contains two dwelling units which are to be maintained.

Item	Existing	Permitted or	Proposed
		Required	
FSR	2,512 sq. ft.	4,200 sq. ft.	4,760 sq. ft.
	0.57 FSR	0.75 FSR	0.85 FSR
		maximum	(13% over permitted)

Table A : Summary of Proposed Density

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 discussion below), 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-8 Zoning District Schedule is to:

"... encourage the retention and renovation of existing buildings which maintain an architectural style and building form consistent with the historical character of the area. Redevelopment will be encouraged on sites where existing buildings are smaller, or do not contribute to this character. For renovations and additions, emphasis is placed on maintaining existing external architectural character; for new development, on compatibility in external character. In all cases, neighbourly building scale and placement is emphasized."

The proposal is consistent with the intent of the zoning. The retention of the heritage building contributes to the historic character of the area and the additions are compatible with the existing architectural character of the heritage building. The proposal responds well to its neighbours in terms of scale, massing, privacy impact, and placement.

Condition of the Heritage Building and Conservation Approach

'The Northey Residence' is in fair to good condition, although some elements have suffered deterioration over the last few decades. As is the case with similar projects where stratatitled units are proposed, the primary challenge with respect to heritage conservation for 'The Northey Residence' is in meeting the environmental separation requirements in the Vancouver Building By-law, in particular those for "rain-screens". Options to provide for alternatives and exemptions will be explored at the development permit application stage but if a rain-screen is required, the existing exterior finishes will have to be removed to allow for installation of a drainage cavity. In this respect, stucco in the gable ends would have to be replaced and the half-timbering expression in these areas replicated, and the exterior shingles will have to be removed and replacements installed with the replication of details such as the bell-casting over the main floor header board. Roof and corbel brackets are in good shape and will be refinished. Where possible wood elements, including window sashes, will be retained, or replicated if retention is not possible. Although the rain-screen requirements will create challenges for the rehabilitiaon of the heritage building's exterior, staff support the Conservation Plan proposed for 'The Northey Residence' and conclude that the rehabilitation scheme is consistent with the federally adopted Standards and Guidelines for the Conservation of Historic Places in Canada.

Results of Neighbourhood Notification

Fifty-five surrounding properties were notified of the application. One response was received which expressed concerns as to whether the site qualifies for the density variance, and with respect to the size of the infill building relative to the heritage building, as well as the loss of open space and mature landscaping. The respondent was also concerned that an approval of the application would create an up-zoning with respect to the density approved.

'The Northey Residence' is listed on the Vancouver Heritage Register and, therefore, is eligible for heritage incentives, including bonus density (see the Council Authority section). The relative size of the buildings is appropriate both physically and economically (see Table 3 in Appendix 'C'). The overall site coverage and landscaping complies with the zoning requirements. The proposed HRA does not create a precedent for future applications as each heritage retention application is considered on a site-specific basis. Staff conclude that the proposal is appropriate in size and scale and meets the guidelines applicable to the application, and therefore is supportable.

Comments from the Vancouver Heritage Commission

On November 14th, 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 the proposed density of 0.85 FSR, 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 Green Buildings Policy for Rezonings applies to the application and requires developments of this scale to achieve BuiltGreen BC^{TM} 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^{TM} . 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 5th, 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 Northey 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 Northey Residence' at 2435 West 5th Avenue, which is listed in the 'B' 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 by HRA as compensation for the designation of the heritage building and for its rehabilitation and conservation under the proposed Heritage Revitalization Agreement. The Director of Planning is prepared to approve the development permit application should Council approve the proposed heritage designation of 'The Northey Residence' and the proposed HRA. Therefore, it is recommended that Council approve the heritage designation of 'The Northey Residence' and the proposed Heritage Revitalization Agreement.

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Photo 1: 'The Northey Residence' at 2435 West 5th Avenue (circa 2011)

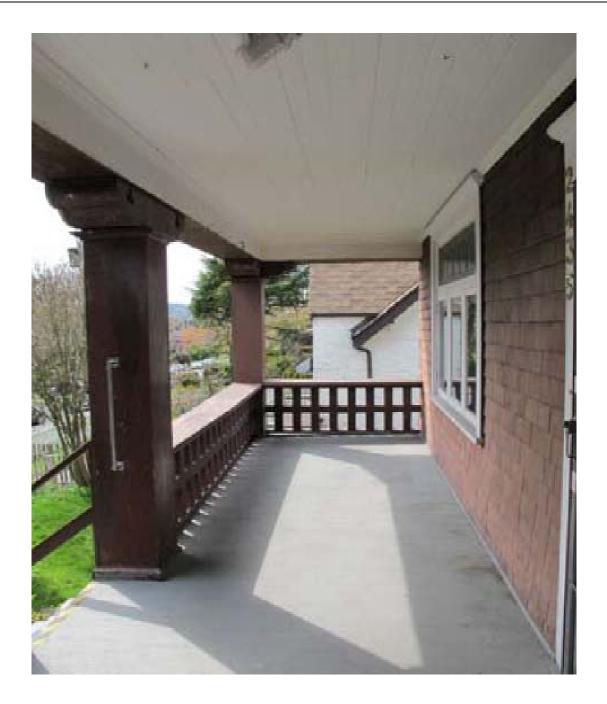
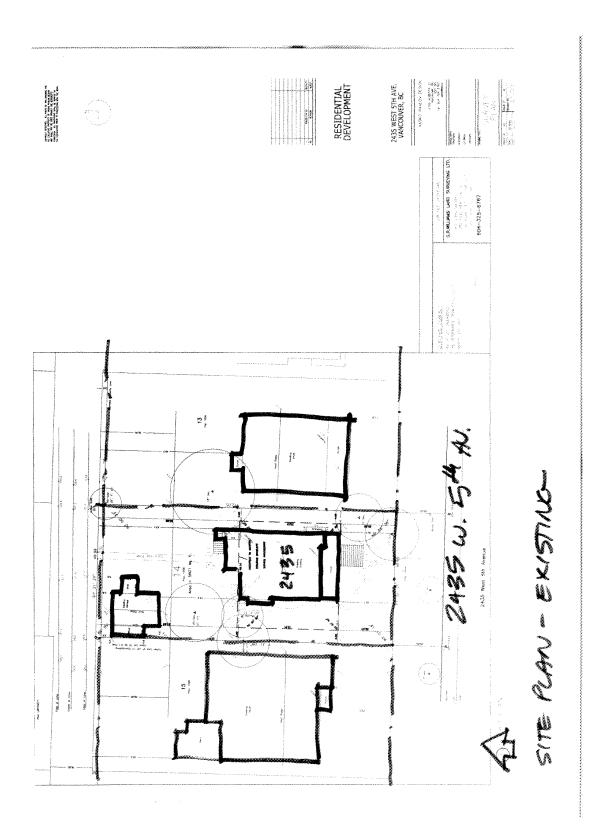
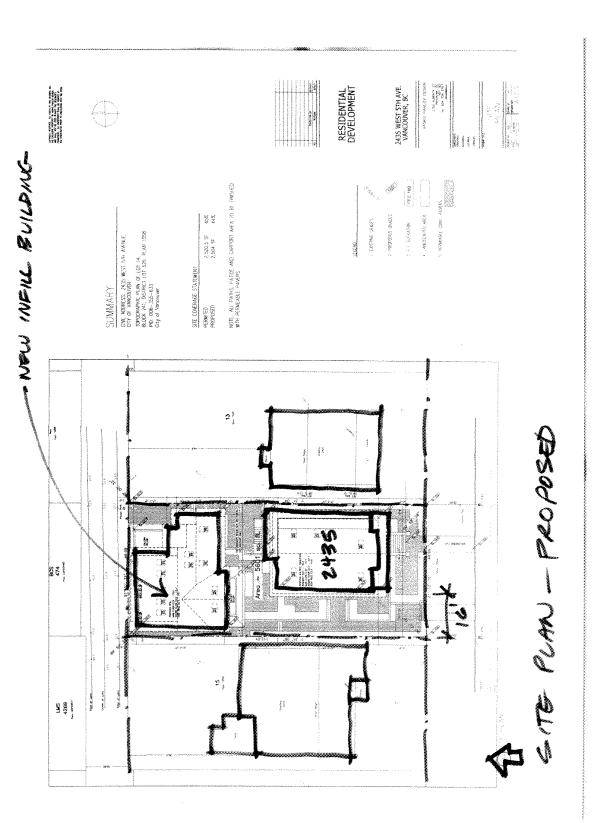
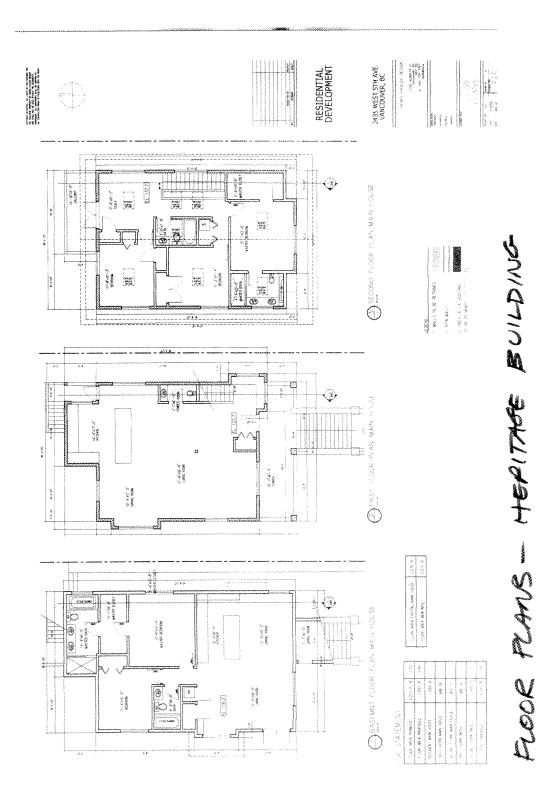
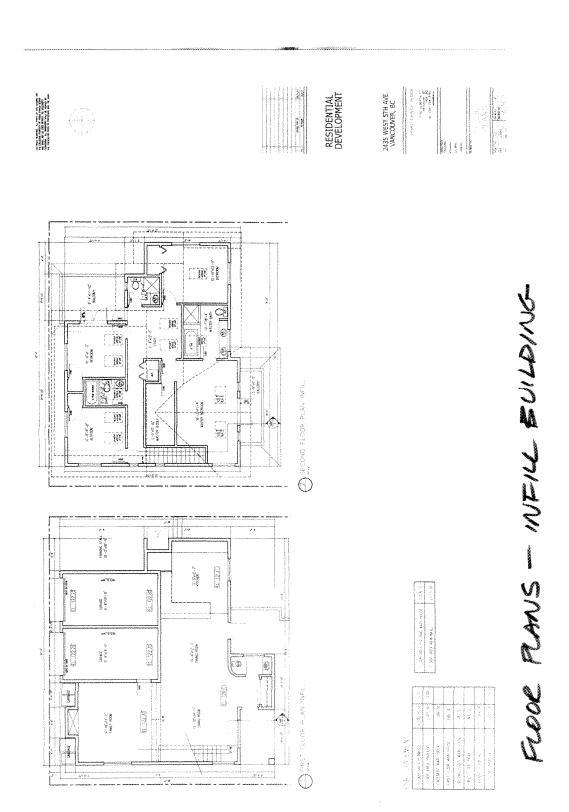


Photo 2: front porch of 'The Northey Residence', looking west (circa 2011)













ELEVATIONS

Technical Zoning Summary

Table 1: RT-8 Zoning District Schedule Summary

	Existing	Required or Permitted	Proposed
Use	Two Family Dwelling	Two Family Dwelling and infill development permitted	Two Family Dwelling and an Infill One- Family Dwelling
Height of the heritage building	30.5 feet	35.17 feet maximum and 2 storeys	30.5 feet 2 and a partial 3 rd storeys*
Front yard of the Heritage Building	20.7 feet	19.9 feet minimum	18 feet*
East Side Yard of the Heritage Building	7.9 feet	4.92 feet minimum	5.5 feet
West Side Yard of the Heritage Building	15.7 feet	4.92 feet minimum	18.2 feet
Rear Yard of the Heritage Building	53.7 feet	Not required	56.2 feet
FSR	2,512 sq. ft. 0.57 FSR	4,200 sq. ft. 0.75 FSR maximum	4,760 sq. ft. 0.85 FSR* (13% over permitted)
Site Coverage	Not provided	45% maximum	44%

* variance required

Table 2: RT-8 Guidelines Summary

	Existing	Required or	Proposed
	-	Permitted	-
Side yard	15.7 feet	12.1 feet minimum	18.2 feet on west
requirement for infill	(west side yard)	required on at least	side
development	_	on side of an existing	
		heritage building	
Number of Dwelling	1	4 maximum	3
units			

Table 3: Comparison of Recent Heritage Projects Approved¹ in RT-5, RT-6, and RT-8 with 'The Northey Residence'

Address	FSR of Heritage Principal Building	FSR of Infill Building
2435 West 5 th Av (subject site)	0.53 FSR ²	0.32 FSR ²
305 West 13 th Av	0.56 FSR	0.39 FSR
2356 W 5 th AV	0.58 FSR	0.24 FSR
1842 West 12 th AV	0.82 FSR	none
2496 West 8 th Av	0.65 FSR	0.17 FSR
470 East 10 th Av	0.67 FSR	0.25 FSR

¹ The average overall density approved for these projects is approximately 0.85 FSR.

²The infill building (2,075 square feet in floor area) is larger than average for new infill development for similar sites in the RT zones, but this reflects the fact that the heritage building for the project at 2435 West 5th Avenue, as proposed with additions, is smaller than average for a principal building.

Resolutions of the Vancouver Heritage Commission and Staff Comments

On November 14th, 2011, the Vancouver Heritage Commission reviewed the application and resolved the following:

THAT the Vancouver Heritage Commission supports the overall proposal and the Statement of Significance and Conservation Plan for 2435 West 5th Avenue, The Northey Residence, as presented at the November 14, 2011, meeting with the following considerations:

- to rethink the scale and massing of the infill and the associated landscape in order to establish a dominant and subordinate relationship between the heritage house and infill; and
- to explore maintaining the expression of the base of the porch by minimizing new openings.

CARRIED UNANIMOUSLY

Staff Comments:

The infill building is larger than is often the case in similar applications. However, the existing heritage building, despite its apparent height, is smaller than average for a site of this size (see Table 3 in Appendix 'C' and the discussion in the Results of Neighbourhood Notification section). Staff conclude that the prominence of the heritage building presence at the front of the site, and its existing height, will visually create the dominant-subordinate relationship between the heritage building recommended by the Commission. Conditions of the development application approval require that the proposed basement window at the front porch be reduced is size so that it emphasizes the original porch expression more closely.

2435 West 5th 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-8	HRA
FSR (site area = 5,601sq. ft. / 521 m ²)	0.75	0.85
Buildable Floor Space (sq. ft.)	4,200 sq. ft.	4,760 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)	\$4,456	\$5,934
Required*	DCL (Area Specific)	N/A	
nbə	Public Art	N/A	
R	20% Social Housing	N/A	
nity Amenity tion)	Childcare Facilities	N/A	
	Cultural Facilities		
	Green Transportation/Public Realm	-	
	Heritage (See Note 2)		\$ 266,000
nmu ribu	Housing (e.g. supportive, seniors)	N/A	
ed (Community Contribution)	Parks and Public Spaces		
	Social/Community Facilities		
Offered	Unallocated		
0	Other		
	TOTAL VALUE OF PUBLIC BENEFITS	\$4,456	\$271,934

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 2,512 sq. ft. in the heritage building. The recently approved DCL value of \$2.64 / sq. ft. is applicable to the project. As retention of an existing building of the age of 'The Northey Residence' is usually required in the RT-8 zoning to achieve 0.75 FSR, the existing area is subtracted from the area used to calculate the DCL contribution under the 'Current Zoning' column.

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.