

Report Date: June 7th, 2012
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VanRIMS No.: 08-2000-20
Meeting Date: July 10, 2012

TO: Vancouver City Council

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

SUBJECT: 1720 Waterloo Street - 'The Gables' - 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 residential building at 1720 Waterloo Street known as 'The Gables' (the "heritage building") (legal description: PID: 027-512-622; Lot 1, Block 12, Plan BCP36337 District Lot 540 NWD Group 1) (the "Lands").
- 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 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 proposed heritage building; and
 - (ii) vary the Zoning and Development By-law in respect of the Lands to permit the development of the Lands as proposed under Development Permit Application Number DE414961 and more particularly described in this report.
- C. THAT the Heritage Revitalization Agreement shall be prepared, completed, and registered, noted 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 nor any 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 its Council and 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 authorization to designate as a protected heritage property under the provision of the *Vancouver Charter* the residential building at 1720 Waterloo Street, known as 'The Gables' (the "heritage building"), which is listed in the 'B' evaluation category on the Vancouver Heritage Register, and to authorize the City to enter into a Heritage Revitalization Agreement (HRA) in respect of that building to secure its rehabilitation and long-term protection. It is proposed that, as incentive and compensation to the owner for this, the HRA will vary the *Zoning and Development By-law* as set forth in Development Permit Application Number DE414961 and as described in this report (see the plans in Appendix 'B' and the Technical Zoning Summary in Appendix 'C') so as to permit the proposed development. The Director of Planning is prepared to approve the development permit application should Council approve the proposed heritage designation and HRA.

COUNCIL AUTHORITY

Pursuant to Section 593 of the *Vancouver Charter*, Council, by by-law, may designate heritage buildings and other heritage resources within the City of Vancouver as protected heritage properties.

Pursuant to section 592 of the *Vancouver Charter*, Council, by by-law, may enter into an HRA with the owner of a heritage property which may vary or supplement certain kinds of by-laws and permits, including the Zoning & Development By-law.

Pursuant to section 595 of the *Vancouver Charter*, if sought, 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 this, along with additional compensation to offset rehabilitation costs incurred under an HRA, is achieved by way of by-law variations contained in the HRA so as to permit an otherwise impermissible development.

The proposed heritage designation and the HRA for 'The Gables' require Council approval at public hearing and by-law enactment pursuant to Sections 592, 593 and 594 of the *Vancouver Charter*.

The following Council Policies are applicable to the project.

- *Heritage Policies and Guidelines (April, 1991)*

- *Green Buildings Policy for Rezoning (July, 2010)*

GENERAL MANAGER'S COMMENTS

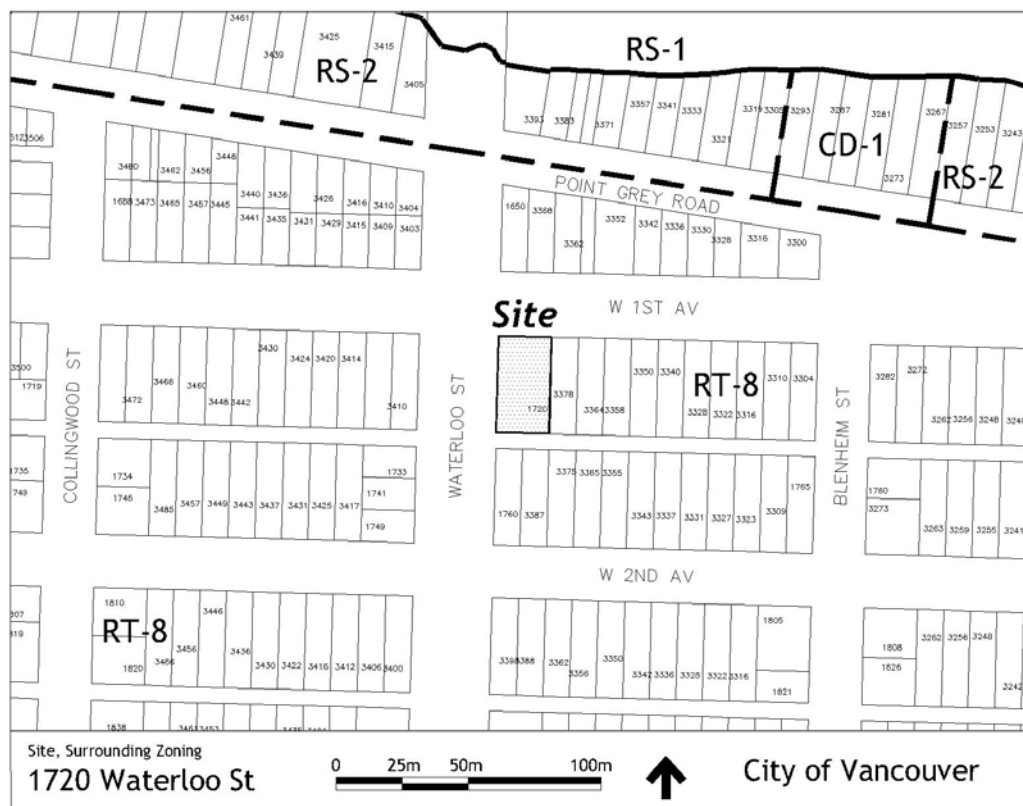
The General Manager of Community Services RECOMMENDS approval of A, B, C, and D.

STRATEGIC ANALYSIS

Site and Context

'The Gables' at 1720 Waterloo Street is in the Kitsilano neighbourhood in an area zoned RT-8 (see Figure 1 below). The *RT-8 District Schedule* permits One-Family 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 south-east corner of the intersection of Waterloo Street and West 1st Avenue. The total area of the site is 7,908 square feet. A twenty foot wide paved lane exists at the rear of the site.

Figure 1 - 'The Gables' site and the surrounding zoning



Heritage Value

The house at 1720 Waterloo Street was constructed in 1924 for Frank Porter and is listed in the 'B' evaluation category on the Vancouver Heritage Register. The name 'The Gables' was given to the house by Mr. Porter (the house once featured a plaque with this name). The house is a good example of vernacular revivalist styles popular during the recession after the First World War. The building was designed by the architectural firm of Benzie and Bow,

which was responsible for the design of a number of prominent houses in the City. James Benzie was known for using evocative roof forms in his designs, of which 'The Gables' is a good example (see the photos in Appendix 'A'). He also designed the Japanese-Canadian War Memorial, located in Stanley Park, in 1920. William Bow is known more for his partnership with architect Bernard C. Palmer after Mr. Benzie's death in 1930, but was nonetheless responsible for the design of most of the Benzie and Bow projects.

The heritage building's expansive roof features include jerkin-headed gable ends and expressive shingle coursing. The roof's prominence is emphasized by its low soffit line and hipped returns. The main floor is only a couple steps up above the grade level, further emphasizing the English cottage vernacular references in the building's design. Other features include the use of half-timbering details and the rich variety of original wood windows. The original porch, stucco finish, and old door and window hardware also survive.

It was originally thought that the garage wing at the rear of the house and the "sun room" at the front were later additions, but photographs discovered as part of the research conducted for the project confirm that these portions of the building are original, although the carport was widened at some point after 1930. Overall, 'The Gables' features a significant amount of original surviving materials and details, and is valued for this as well as its expressive architectural style. The house is also valued for having been built during the recession following the First World War. Houses of this period are rare compared to those built during the Edwardian housing boom of the early 20th Century.

Development Application and Proposed Incentive

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 provided through the proposed HRA in the form of variances of the *Zoning and Development By-law*, including a density increase variance, as set forth in Development Permit Application Numbers DE414961 and as described herein.

The large footprint and low massing of the heritage building create constraints for additional development on the site. The applicant explored infill development options, as well as a number of proposals which involved additions to the building. Staff and the applicant concluded that, in this case, infill development is not viable due to the large footprint of the existing building.

Under the site's RT-8 zoning, the maximum permitted density is 0.75 floor space ratio (FSR). The existing density is 0.83 FSR, which is non-conforming with respect to the permitted density. The total proposed density for the Lands for the proposed development is 0.85 FSR, excluding the proposed underground parking floor area (see Table A below and the Technical Zoning Summary in Appendix 'C'). The heritage building is proposed to be moved 7.5 feet to the north and 6.8 feet to the west and converted into four dwelling units. New foundations are proposed and most of the basement area is to be converted into an underground parking garage, as further described below. The rationale for this is that the existing basement floor is large in area and too far below grade to be adequate, or viable, for habitable development, and that locating the required parking spaces at the rear of the site would reduce open space and add mass to structures at the rear of the site. Staff concluded that the development of the basement for parking and related ancillary uses is supportable, and the proposed HRA will

make this possible by allowing for these areas to be excluded from the calculation of FSR (see the Technical Zoning Summary in Appendix 'C').

Table A: Summary of Proposed Use and Density

	Existing	Permitted	Proposed
Use	One Family Dwelling	Multiple Conversion Dwellings, Infill Development, Multiple Dwellings, One- and Two-Family Dwellings	Multiple Conversion Dwelling
Density (FSR)	0.83 FSR (6,621 sq. ft.)	0.75 FSR (5,931 sq. ft.) maximum	0.85 FSR (6,761 sq. ft.)* (excluding underground parking area)
Dwelling Unit Density	1	5 maximum	4

** see the discussion below regarding underground parking area exclusions which this value reflects*

The existing main floor height above the surrounding grade is to be retained.

Staff reviewed the 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 Financial 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 retention of the heritage building contributes to the historic architectural 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. Staff conclude the proposal is consistent with the intent of the zoning.

Condition of the Property and Conservation Approach

'The Gables' is generally in good condition and a significant number of original materials and details survive. As is the case with similar projects where strata-title units are proposed, the

primary challenge with respect to heritage conservation 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 but if a rain-screen is required, the existing exterior finishes will have to be removed to allow for installation of a drainage cavity.

Minimal changes are proposed for the west side, which is the main façade of the building. The new additions are proposed to be in the same character and scale as the existing building. Conditions of the development application approval will require that window relocation, where retention is not possible, be maximized. The porch is to be retained. The relocation of the building will likely mean that the porch columns and related elements will be temporarily stored and re-installed. Exposed rafters, wood soffits, fascias, and trims are to be retained. The sawn cedar shingle roof and its unique shingling pattern are important features of the building and are to be retained and replicated on the additions. The chimneys are to be dismantled due to the proposed relocation but the north chimney is to be re-constructed from salvaged material. The historic colours will be determined from on site analysis and from photographs.

Although the rain-screen requirements of the *Vancouver Building By-law* will create challenges for the rehabilitation of the heritage building's exterior, staff support the Conservation Plan proposed for 'The Lawrence 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

One hundred and thirty six surrounding properties were notified of the application. Twelve responses were received. One expressed support, two were neutral, and nine expressed opposition (7% of the total notified). Concerns include impacts related to traffic, parking, privacy overlook, and noise, as well as concerns regarding the proposed massing, density, and character of the infill building. View blockage is noted as a concern, as well as tree removal (see Results of Notification and Staff Responses in Appendix 'E').

The street and lane will likely experience an increase in traffic activity and traffic noise with the development as proposed, but these impacts will be commensurate with the incremental densification which would occur over time for development permitted under the current zoning. While the zoning permits up to five dwelling units for this site, only four are proposed. The maximum proposed height for the additions does not exceed the permitted height limit and does not exceed the existing height (see the Technical Zoning Summary in Appendix 'C'). The impacts of the massing and setbacks, with respect to privacy and views, are commensurate with development which could occur if the site was redeveloped without the heritage building (see page 1 of Appendix 'B'). Conditions of the development application approval will require improvements in privacy impacts, including changes to the proposed roof deck on the new addition on the east side. Tree retention will be maximized and tree replacements are to be provided as required under the Tree By-law, and staff note that the proposed landscaping is of high quality. The design of the additions is appropriate and conditions of the development application approval will require further improvements to the proposed new dormers and the roof form of the addition on the east side.

The Director of Planning notes that it is practice to balance the impacts on surrounding properties with the benefit of heritage protection. 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 therefore the application is supportable.

Comments from the Vancouver Heritage Commission

On September 12th, 2011 the Vancouver Heritage Commission reviewed the proposal and requested that the proposal be brought back before the Commission with additional information and design analysis. On October 24th, 2011 Commission reviewed the proposal again with the additional materials requested and unanimously supported the project with some design recommendations (see Resolutions of the Vancouver Heritage Commission and Staff Comments in Appendix 'D').

Financial Implications

The value of the on-site density bonus, which will facilitate the preservation and designation of the heritage building called 'The Gables', is approximately \$364,000. The site is within the City-wide Development Cost Levies (DCL) District and it is anticipated that the applicant will pay about \$370 in DCLs.

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 relocation, 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™ 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 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, if sought, Council must compensate the owner of property designated as a protected heritage property for any reduction in the market value of the property caused by the heritage designation. The Owner has signed the proposed HRA which includes a provision by which the owner explicitly accepts 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 Gables' 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 Gables' at 1720 Waterloo Street, 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 might 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. The Director of Planning is prepared to approve the development permit application should Council approve the recommendations of this report. Therefore, it is recommended that Council approve the heritage designation of 'The Gables' at 1720 Waterloo Street and the proposed Heritage Revitalization Agreement.

* * * * *



Photo 1: 'The Gables' at 1720 Waterloo Street, looking north-east from Waterloo Street, circa 1930. The garage wing was at first thought to be a later addition, but this photo confirms that it is original. The wing was modified in the past to increase its width and the archway was filled in. Otherwise, most of the features visible in this photo still exist.



Photo 2: 'The Gables' today, from the same location



Photo 3: 'The Gables' at 1720 Waterloo Street, looking south-east from the north-west corner of the site, circa 1930. The one storey portion of the building to the far left was once thought to be an enclosed porch, but this photo confirms that this room's configuration is original.



Photo 4: the porch soffit today



Photo 5: close-up photo of "half timber" details and windows (circa 2011)



Photo 6: west side of the garage wing circa 2011. The garage addition is old but not original (see photo 1 above)

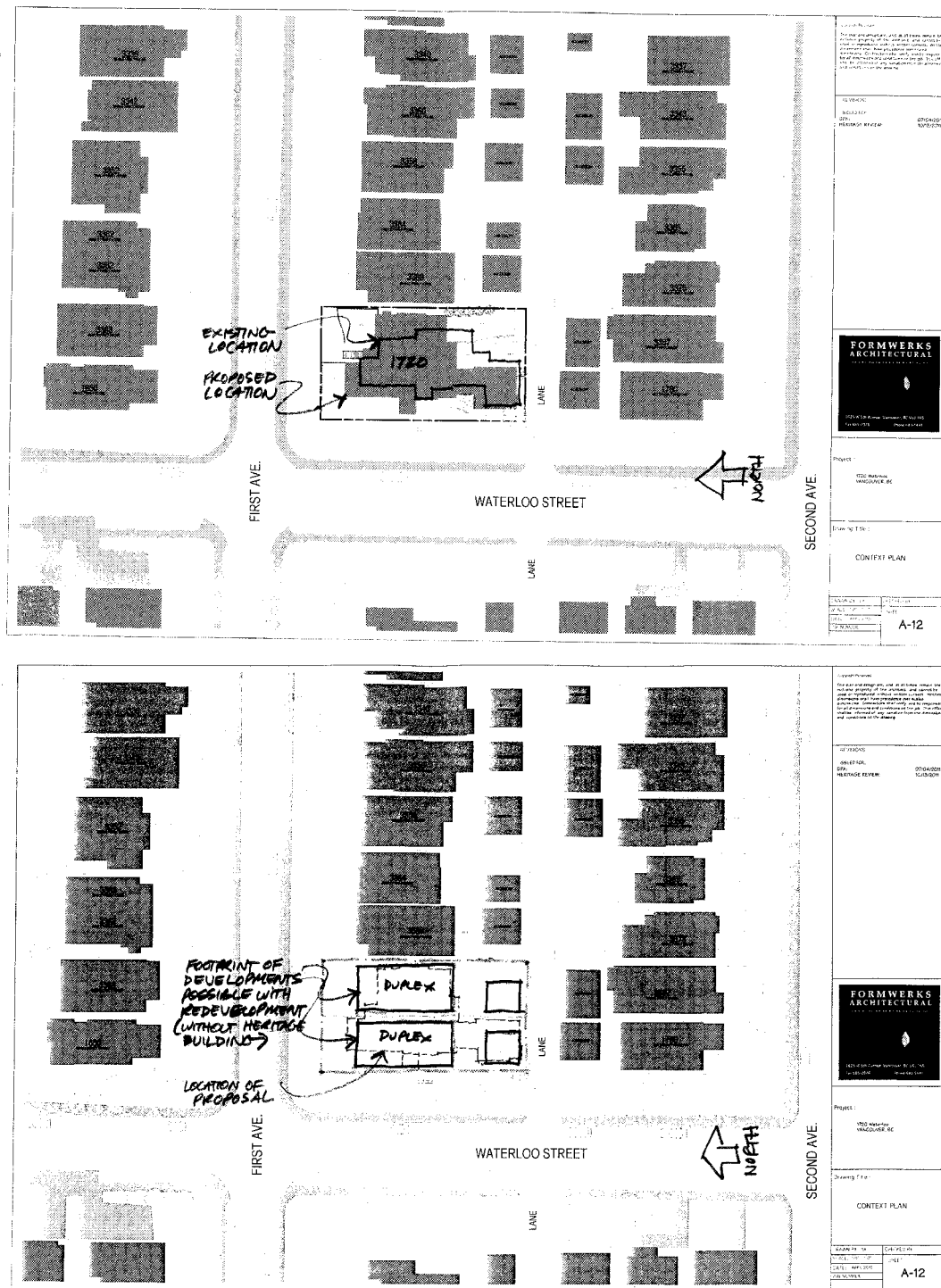
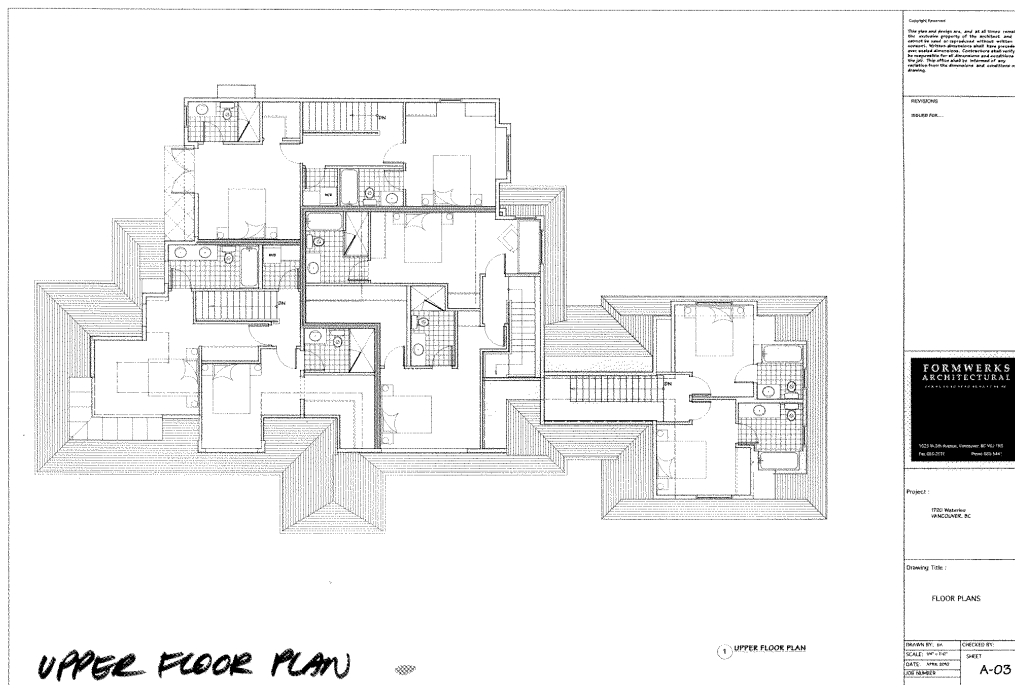
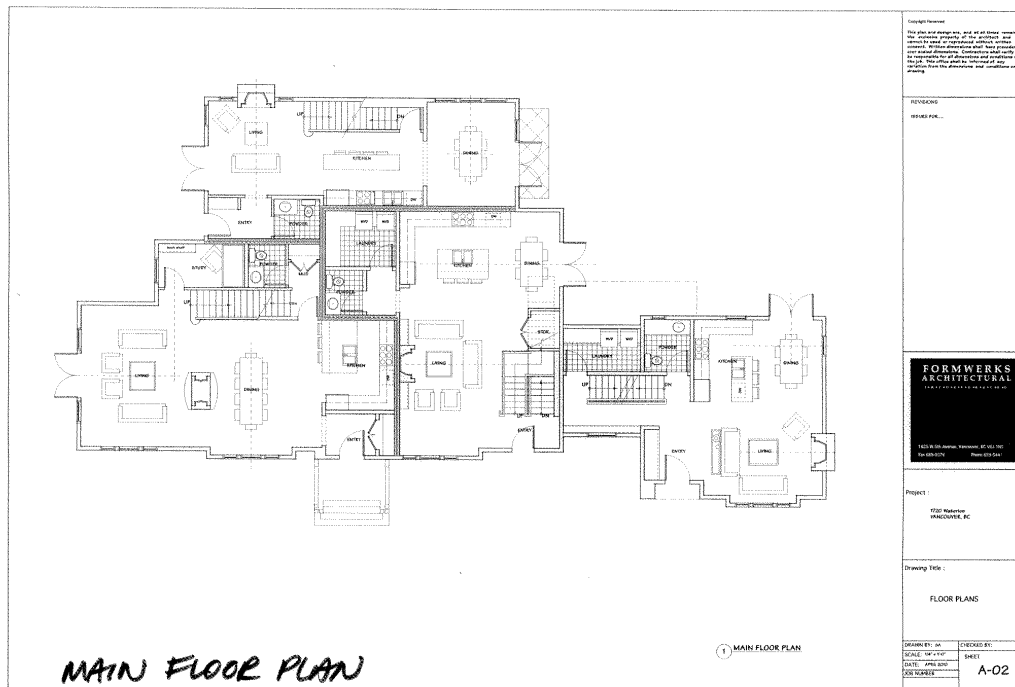


Diagram 1: Comparison between the proposed development (top) and development which could be approved if the Lands were redeveloped without the heritage building (bottom).

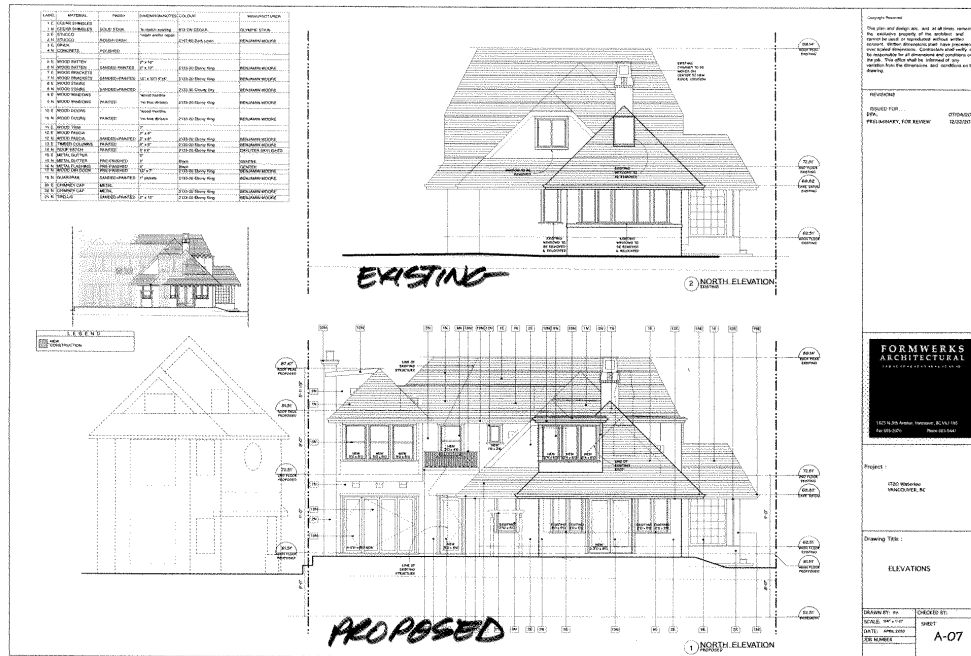




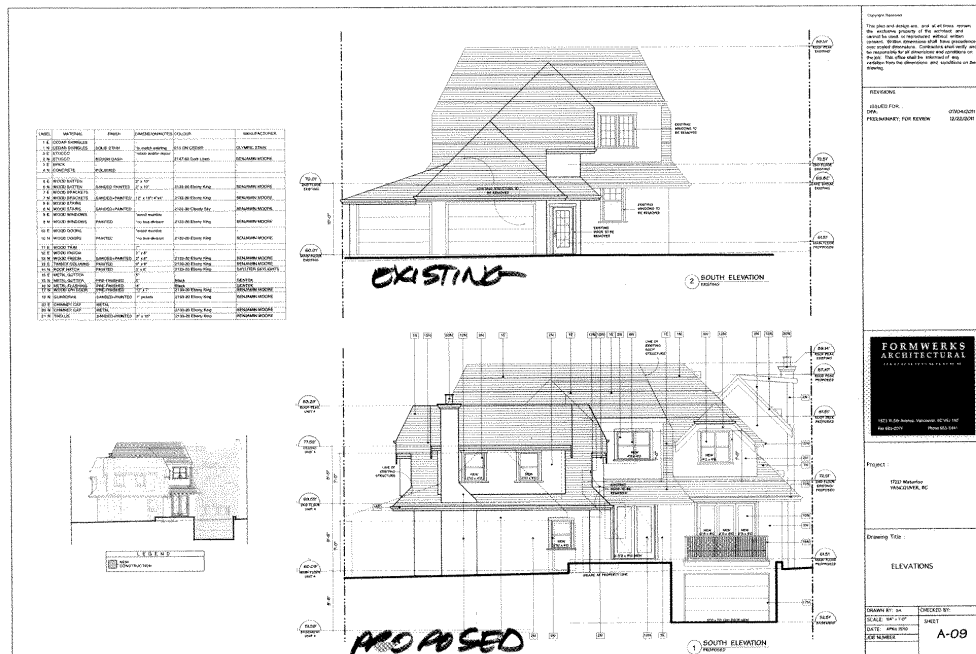
WEST ELEVATION



EAST ELEVATION



NORTH ELEVATION



SOUTH ELEVATION

Technical Zoning Summary

Table 1: RT-8 Zoning District Schedule Summary

Site Area: 7,908 sq. ft.

Item	Existing	Required or Permitted	Proposed
Use	One Family Dwelling	Multiple Conversion Dwelling permitted	Multiple Conversion Dwelling
Height of heritage building	31.75 feet 2 storeys	35.17 feet maximum and 2 storeys	31.75 feet 2 storeys
Front yard of the Heritage Building	23.39 feet	21.19 feet minimum	14.02 feet*
East Side Yard of the Heritage Building	13.21 feet	4.92 feet minimum	3.3 feet*
West Side Yard of the Heritage Building	7.79 feet to rear attached garage	12 feet minimum	5.02 feet to rear addition*
Rear Yard of the Heritage Building	3.19 feet	Not required	4.89 feet
Density	0.83 FSR (6,621 sq. ft.)	0.75 FSR (5,931 sq. ft.) maximum	0.85 FSR* (6,761 sq. ft.)**
Off-street parking floor space exclusion in the principal building	-	Floor space exclusions for parking spaces are only permitted in an infill building or in an accessory building	The Director of Planning may permit parking areas below grade in a principal building to be excluded from the calculation of floor area***
Site Coverage	1,215 sq. ft.	1,850 sq. ft. maximum	1,779 sq. ft.

* variance required

** with the underground parking areas excluded, as provided for in the HRA

*** the total floor area of the basement excluded for parking is 2,472 sq. ft.

Table 2: RT-8 Guidelines Summary

Item	Existing	Required or Permitted	Proposed
Dwelling Unit Density	1	5 maximum (74 units per hectare)	4

Resolutions of the Vancouver Heritage Commission and Staff Comments

On September 12th, 2011, the Vancouver Heritage Commission reviewed the application and resolved the following:

THAT the Vancouver Heritage Commission requests to see the application for 1720 Waterloo Street, The Gables, at a future Heritage Commission meeting.

FURTHER THAT the Commission requests the applicant to provide a block model or three dimensional representation of the building addressing the following concerns:

- to further clarify original roof form from the proposed additions;
- clarification on the proposed additions for distinguish-ability from the heritage structure; and
- further consideration of the value of unit four with the open gable versus the additional shed dormers on the west and north elevations.

Staff advised the applicant to address the comments raised by the Commission. The application was revised and re-submitted. On October 24th, 2011, the Commission reviewed the revised submission and resolved the following:

THAT the Vancouver Heritage Commission supports the Statement of Significance and Conservation Plan for 1720 Waterloo Street, The Gables, as presented at the October 24, 2011, meeting.

FURTHER THAT the Commission supports the proposal for additions as presented but strongly recommends the following design revisions:

- that the roof lines of the additions be simplified and be as traditional as possible in keeping with the English Arts and Crafts vernacular work of the architect Voysey and in variance from the Kitsilano Design Guidelines;
- that the dormers be redesigned to a more traditional hip roof dormer and that the other dormers be set back from the original roof ridge lines; and
- that the new windows be single or double hung windows with less details to the upper portion.

FURTHER THAT the Commission requests further design consideration be given to the First Avenue elevation.

FURTHER THAT the Commission commends the architect on the design detail presented including the 3D modeling.

Staff Comments: the design issues raised by the Commission have been included in design conditions for the approval of the development permit application.

1720 Waterloo Street – PUBLIC BENEFITS SUMMARY

Project Summary:

Rehabilitation and conservation of a heritage building

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 = 7,908 sq. ft./ 735 m ²)	0.75	0.85
Buildable Floor Space (sq. ft.)	5,931	6,761
Land Use	Residential	Residential

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed HRA (\$)
Required*	DCL (City-wide) (See Note 1)	\$0.00	\$369
	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 (See Note 2)		\$364,000
	Housing (e.g. supportive, seniors)	N/A	
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
TOTAL VALUE OF PUBLIC BENEFITS		\$0.00	\$364,369

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 6,621 sq. ft. in the heritage building. A value of \$0 is listed under the Current Zoning column as retention is generally required in order to achieve the permitted density of 0.75 FSR, and in this case the existing building exceeds the permitted density. The recently approved DCL value of \$2.64 / sq. ft. is applicable to the project.

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.