



POLICY REPORT
DEVELOPMENT AND BUILDING

Report Date: May 16th, 2013
Contact: Kent Munro
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VanRIMS No.: 08-2000-20
Meeting Date: June 18, 2013

TO: Vancouver City Council

FROM: General Manager of Planning and Development Services in consultation with the Director of Legal Services

SUBJECT: 2322 Ontario Street - 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 (the "heritage building") at 2322 Ontario Street (PID: 014-742-144; the south 30 feet of Lot 1, Block 45, Plan 197, District Lot 200A (the "site")), which is listed in the 'C' evaluation category on the Vancouver Heritage Register.
- 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 a Heritage Revitalization Agreement:
 - (i) to secure the rehabilitation and long-term preservation of the heritage building;
 - (ii) to vary the *Zoning and Development By-law* to permit certain additions to the heritage building and the conversion of it to a One Family Dwelling with Secondary Suite as proposed under Development Permit Application No. DE416106.
- C. THAT the Heritage Revitalization Agreement shall be prepared, completed and registered and given priority on title to the site to the satisfaction of the Director of Legal Services and the General Manager of Planning and Development Services.

- 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 heritage building at 2322 Ontario Street, which is listed in the 'C' evaluation category on the Vancouver Heritage Register, and for a Heritage Revitalization Agreement (HRA) in respect of that heritage building to ensure its rehabilitation and long-term conservation. It is proposed that, as incentive and compensation to the owner for the heritage designation and for the rehabilitation and conservation of the heritage building, the proposed HRA will vary the *Zoning and Development By-law* to permit the development of the site as proposed under Development Permit Application No. DE416106. The General Manager of Planning and Development Services is prepared to approve the Development Permit Application should Council approve the recommendations of this report.

COUNCIL AUTHORITY

Pursuant to section 592 of the *Vancouver Charter*, Council, by by-law, may enter into heritage revitalization agreements with the owners of heritage properties, which may vary or supplement certain kinds of by-laws and permits, including the *Zoning and Development By-law* and the *Subdivision By-law*.

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 being protected heritage properties.

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

The proposed heritage designation and HRA for 2322 Ontario Street require Council approval at a 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 Building Rezoning Policy (February, 2010)*
- *Mount Pleasant I-1 Guidelines (October, 1988)*

- *Mount Pleasant Policies and Guidelines (October, 1987)*

GENERAL MANAGER COMMENTS

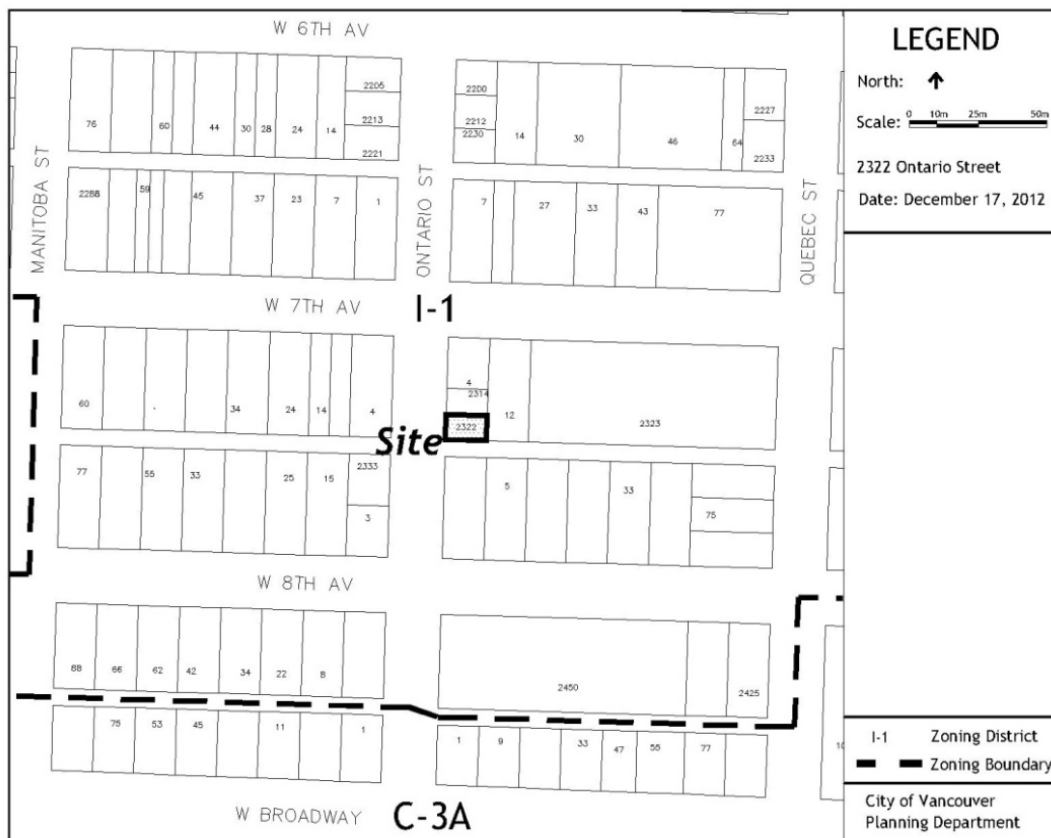
The General Manager of Planning and Development Services supports the recommendations of this report.

STRATEGIC ANALYSIS

Site and Context

The site which is the subject of this application is located in the Mount Pleasant neighbourhood in an area zoned I-1 (see Figure 1). The I-1 *District Schedule* to the *Zoning & Development By-law* permits industrial and commercial uses and the retention of existing residential buildings. The I-1 District Schedule permits, for the existing residential use on the site, a maximum floor space ratio (FSR) of 1.0. The site is 138 m² (1,485 sq. ft.) in area and a six metre (twenty foot) wide paved lane runs along the south side of the site.

Figure 1 - Site and the surrounding zoning



*** Including the unauthorized additions, which are proposed to be approved as part of the current application. No new density is proposed to be added from that which currently exists on the site.*

In addition to the increase in permitted density for residential use of the site as discussed above, the proposed HRA will vary the applicable zoning to exclude the front porch from the FSR calculation and to allow for a secondary suite in the basement.

Staff have considered the results of notification, the compatibility of the development with the applicable zoning and the financial analysis required for the application, and conclude that the proposal is supportable. The General Manager of Planning and Development Services is prepared to approve the Development Permit Application should Council approve the recommendations of this report.

Compatibility with Existing Zoning and Land Use Regulations

The primary intent of the I-1 (Industrial) District Schedule is to permit light industrial uses which are generally compatible with one another and with adjoining residential or commercial districts. The *Mount Pleasant I-1 Guidelines* and the *Mount Pleasant Policies and Guidelines* discuss the importance of preserving existing heritage buildings in the area. The house is compatible with surrounding uses, and the proposal achieves the conservation of a heritage building. Staff conclude that the proposal is consistent with the zoning applicable to the site.

Condition of the Heritage Building and Conservation Approach

The heritage building is in good condition. The proposed rehabilitation work consists primarily of repairs and minor work. The Conservation Plan will also specify historic colours for the building. Staff support the high level of retention proposed and conclude that it is consistent with the federally adopted Standards and Guidelines for the Conservation of Historic Places in Canada.

Results of Neighbourhood Notification

Thirty-one surrounding properties were notified of the application. No responses were received.

Comments from the Vancouver Heritage Commission

On October 24th, 2011, the Vancouver Heritage Commission reviewed the project and unanimously supported it (the resolutions of the Vancouver Heritage Commission are detailed in Appendix D).

Financial Implications

The value of the on-site density bonus, which will facilitate the preservation and designation of the heritage building, is approximately \$122,000. The site is within the City-wide Development Cost Levies (DCL) District and it is anticipated that the applicant will pay approximately \$3,100 in DCLs, should the application be approved and the project proceed.

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 to the owner.

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. The "Green Homes Program" requirements in the *Vancouver Building By-law* will be applicable to the project as well.

Legal

The by-law variations contemplated for the proposed HRA will provide an improved development potential for the site. 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 will be appropriately secured as legal obligations contained in various charges to be registered on title to the site 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 site, 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 of a site caused by a heritage designation. The owner has signed the proposed HRA which includes a provision by which the owner explicitly acknowledges that he has been fully compensated for the heritage designation and the rehabilitation and conservation obligations contained in the HRA. The HRA is to be registered on title before a development permit for the project may be issued.

CONCLUSION

The heritage designation of the house at 2322 Ontario Street, and the proposed HRA, will ensure that the building is rehabilitated, conserved, and protected from demolition and from exterior alterations which would affect its heritage value. The HRA 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 as a protected heritage property and for its rehabilitation and conservation. The General Manager of Planning and Development Services 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 building at 2322 Ontario Street and the proposed Heritage Revitalization Agreement.

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2322 Ontario Street
PHOTOGRAPHS



Photo 1: 2322 Ontario Street, circa 1913, looking north-west

ario St



Photo 2: Aerial view of 2322 Ontario Street today (note the immediate surrounding houses which are also visible in Photo 1). Most of the other houses in Photo 1 no longer exist.



Photo 3: View of the area directly to the west of 2322 Ontario Street, looking north, circa 1913. Most of the houses in this area were demolished for industrial development over time.

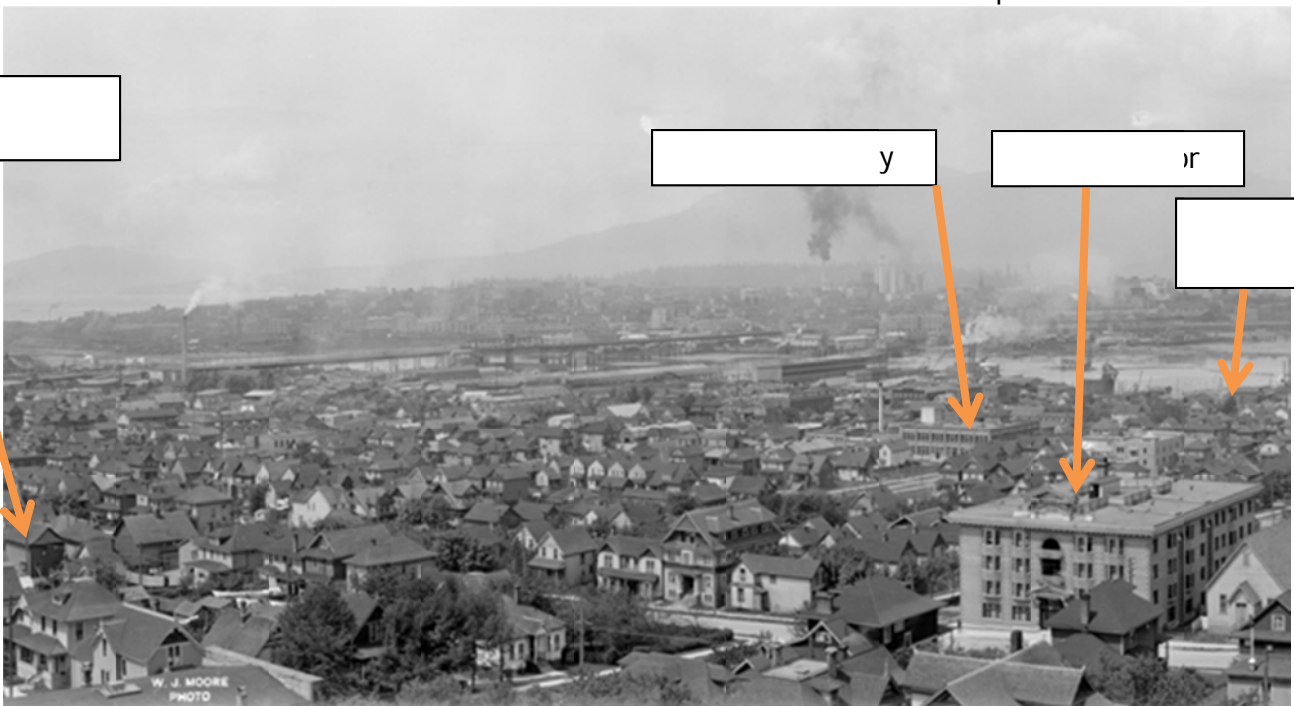


Photo 4: A wider view of False Creek, looking north-west, circa 1913. A few surviving historic buildings are noted. Most of the buildings and structures in this photograph no longer exist. The Olympic village/ Salt Building site is on the far right. The Salt Building was constructed in 1930.

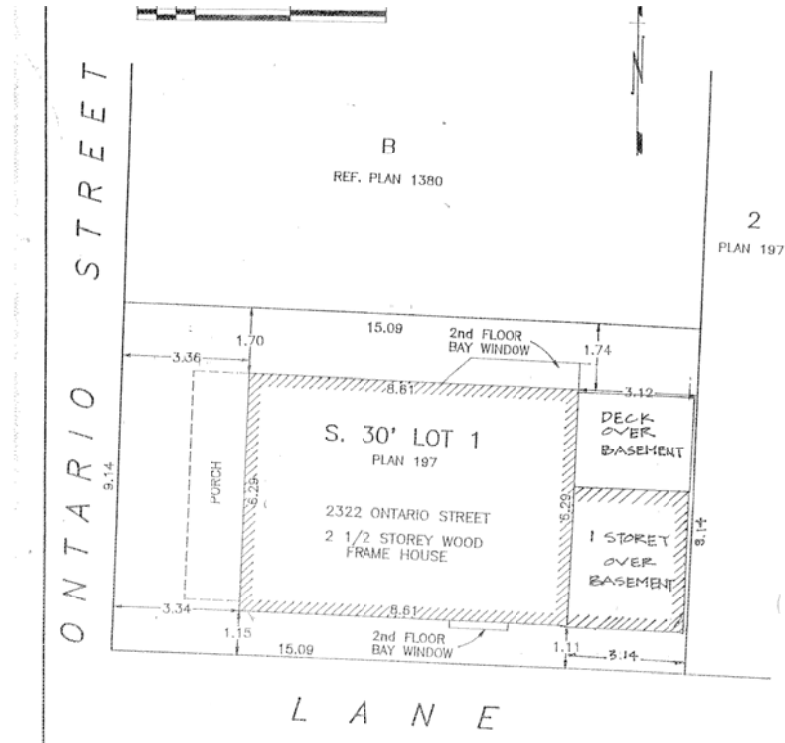


Photo 5: 2322 Ontario Street today, looking north-east from Ontario Street. The attic level addition and the kitchen addition at the rear (shown in Photo 6 below) are unauthorized and are proposed to be approved as part of the current application (see Appendix C).

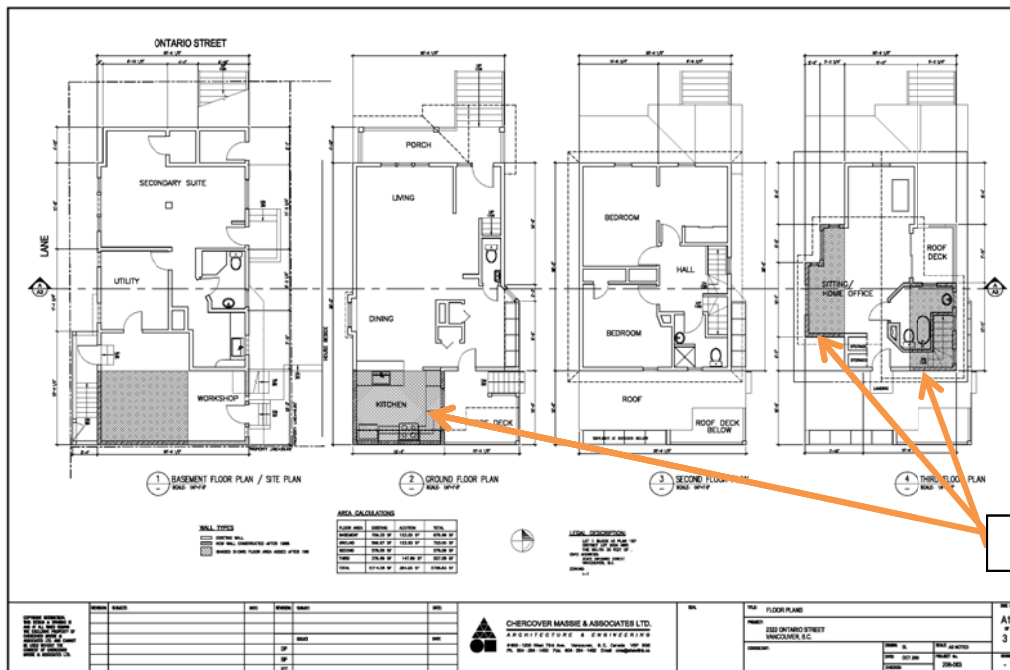


Photos 6 and 7: 2322 Ontario Street today (left) and circa 1913 (right), showing the rear of the building.

2232 Ontario Street
DRAWINGS



Survey/ Site Plan



Floor Plans

2322 Ontario Street
TECHNICAL ZONING AND PARKING SUMMARY

Table 1: Summary of Proposed Uses and Density Site Area: 1,485 square feet

	Existing	Permitted or Required	Proposed
Overall density for the land	180 m ² (1,937 sq. ft.) 1.30 FSR* (excluding the front porch)	3.0 FSR maximum of which no more than 1.0 FSR can be for residential uses	237 m ² (2,554 sq. ft.) 1.72 FSR** (excluding front porch) of residential use
Use	One-Family Dwelling	Dwelling Unit existing as of and used continuously since October 25, 1988, provided that any additions thereto are limited to 10 percent of existing floor space or 37 m ² , whichever is the lesser.	One-Family Dwelling with Secondary Suite
Side Yard	1 metre (3.3 feet)	A side yard is not required but where provided is to be a minimum of 0.9 metres (3 feet)	1 metre (3.3 feet)
Rear Yard	3.1 metres (10 feet)	3.1 metres (10 feet) except that the Director of Planning may allow an exemption of this requirement under certain conditions	0 metres/ feet
Off Street Parking	1	0	0

* Prior to the construction of the current unauthorized additions to the building

** Including the unauthorized additions, which are proposed to be approved as part of the current application.

2322 Ontario Street
RESOLUTIONS OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS

On October 24th, 2011, the Vancouver Heritage Commission reviewed the project and resolved the following:

THAT the Vancouver Heritage Commission supports the designation of 2322 Ontario Street, as presented at the October 24, 2011, meeting.

FURTHER THAT the Commission supports the approval of the variances to include the previously added additions with the following considerations:

THAT the Applicant's renovated additions have a greater compatibility with the heritage character of the house, in particular paying specific attention to the roof materials and restoration of the windows; and

THAT the applicant paint the building in keeping with the original colours or in keeping with the "True Colours" program.

FURTHER THAT the Statement of Significance be expanded to include neighbourhood context, more historical information and that the applicant submit a brief conservation strategy plan.

CARRIED UNANIMOUSLY

Staff Comments: A Conservation Plan has been provided. Changes to the form and character of the unauthorized additions are not required at this point in time. However, in the future, when changes or repairs are proposed, more compatible elements will be required which are consistent with the Conservation Plan. An historically accurate colour scheme is provided in the Conservation Plan. The Statement of Significance has been updated to include more historical and contextual information.

2322 Ontario 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	I-1	HRA
FSR (site area = 138 m ² / 1,485 sq. ft.)	3.0 total/ 1.0 residential	1.72 residential
Buildable Floor Space (residential)	180 m ² (1,937 sq. ft.) (existing)	237 m ² (2,554 sq. ft.)
Land Use	Residential	Residential

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed HRA (\$)
Required*	DCL (City-wide)	56,000	3,100
	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 1)		122,000
	Housing (e.g. supportive, seniors)	N/A	
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
Other			
TOTAL VALUE OF PUBLIC BENEFITS		56,000	125,100

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: the figure noted in the above table represents the value of on-site density bonus to facilitate heritage building rehabilitation, conservation, and protection.