



POLICY REPORT
DEVELOPMENT AND BUILDING

Report Date: October 6, 2015
Contact: Anita Molaro
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RTS No.: 11108
VanRIMS No.: 08-2000-20
Meeting Date: October 20, 2015

TO: Vancouver City Council

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

SUBJECT: Heritage Designation: 616 Princess Avenue (McNair House)

RECOMMENDATION

- A. THAT Council add the existing building at 616 Princess Avenue (PID: 015-567-052; Lot A (see 441890L) of Lots 1 and 2, Block 84, District Lot 196, Plan 196 (the "site")), known as the McNair House (the "heritage building") to the Vancouver Heritage Register in the 'C' evaluation category.
- B. 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 the exterior of the heritage building as protected heritage property.
- C. THAT Recommendations A to B 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 add the existing building at 616 Princess Avenue to the Vancouver Heritage Register in the 'C' evaluation category and to designate its exterior as protected heritage property. As incentive and compensation to the owner for the heritage designation, rehabilitation, and conservation of the heritage building, the owner is seeking approval of the Director of Planning for certain discretionary zoning relaxations as provided for in the *RT-3 Zoning District Schedule* of the *Zoning and Development By-law*, as set forth in the Development Permit Number DE418896 (the 'DP Application') and as described in this report. The General Manager of Planning and Development Services is prepared to approve the DP Application should Council approve the recommendations of this report.

COUNCIL AUTHORITY

Pursuant to Section 582 of the *Vancouver Charter* authorizes Council to establish, by resolution, a heritage register identifying real property that Council considers to be heritage property and, by resolution, to add such properties to the register from time to time.

Pursuant to Section 593 and 594 of the *Vancouver Charter*, Council may, by by-law, designate real property, in whole or in part, within the City of Vancouver as protected heritage property.

Pursuant to section 595 of the *Vancouver Charter*, if sought, Council must compensate an owner of real property being designated as protected heritage property for any reduction in market value caused by the designation. Often this is achieved by way of by-law variations so as to permit an otherwise impermissible development.

The proposed heritage designation for the heritage building and its exterior requires Council approval at public hearing and by-law enactment pursuant to Sections 593 and 594 of the *Vancouver Charter*.

The following Council policies are relevant for this application:

- *Heritage Policies and Guidelines (April, 1991)*
- *Heritage Proforma Review - Interim Policy Planning By-law Administration Bulletin (June, 2014)*

The *Heritage Action Plan*, which was approved in December 2013, responds to citizen and Council desire to encourage and support heritage conservation in the City. A number of actions were approved including the use of available tools to conserve the City's heritage resources.

GENERAL MANAGER'S COMMENTS

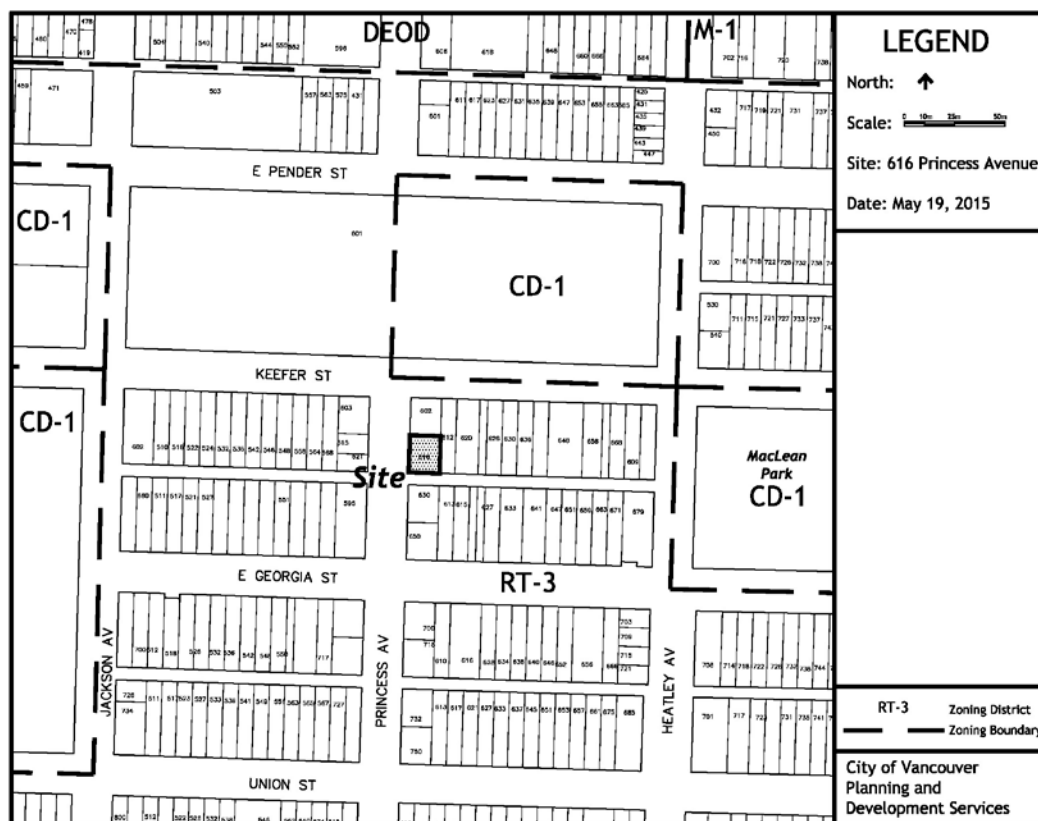
The General Manager of Planning and Development Services RECOMMENDS approval of A, B, and C.

STRATEGIC ANALYSIS

Site and Context

The site is located in the Strathcona neighbourhood in an area zoned RT-3 (see Figure 1). The *RT-3 Zoning 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 apartment buildings, townhouses, and infill development. Retention of older, existing character buildings is generally required in order to obtain discretionary density allowances. The total area of the site is 283 square metres (3,048 square feet). A six metre (twenty foot) wide paved lane runs along the south property boundary of the site.

Figure 1: Site and surrounding zoning



Heritage Value

Constructed in 1902 for Agnes McNair, the heritage building is a good early example of the residential structures being built in the Strathcona neighbourhood prior to the Edwardian building boom which lasted from 1910 to 1913. The McNair House is typical of the more substantial residences which began to appear in the late nineteenth century as compared to the more modest and temporary housing built after the Great Fire of 1886. The building is two storeys tall with a substantial front porch spanning the width of the building. It was featured in a 1905 Vancouver Daily Province article entitled "Handsome Residences of the

East End" (see Appendix A and Appendix B). Although it has been stuccoed and has had some original elements removed over time, the heritage building retains its original form and character. It is proposed to add the McNair House to the Vancouver Heritage Register in the 'C' evaluation category.

Development Application and Proposed Incentives

If approved, the incentives and compensation to be provided to the owner for the heritage designation of the heritage building's exterior and its rehabilitation, and conservation are proposed to be in the form of discretionary zoning relaxations as provided for in the *Zoning and Development By-law*, as set forth in the DP Application and as described below.

The zoning applicable to the site is RT-3. The DP Application proposes to restore the heritage building, and convert it to contain two suites. A small addition is proposed on the south side along the lane (see Appendix C).

The maximum permitted density under the RT-3 zoning is 0.95 FSR on some sites. However, the *RT-3 District Schedule* permits the Director of Planning to relax any regulation of the district schedule to allow for increased density and alternate building forms on corner sites, as noted in Section 3.5 of the *Strathcona/Kiwassa RT-3 Guidelines*:

"A pattern established throughout "Old Strathcona" is a higher intensity of use on corner sites. Row houses, duplexes, single family dwellings and apartments are some of the examples, usually located cross-width on two lots. Narrow but functional "rear" yards separate these developments from development on the flanking street."

The zoning allows higher densities and intensity of use on corner sites. Higher density development is routinely approved on corner sites in the neighbourhood. Table 1 notes some recent examples.

Table 1: Previously Approved Densities on RT-3 Corner Sites

Address	FSR approved	Year
795 E Pender Street	1.03	2011
430 Princess Av/ 601 E Pender Street	0.95	2011
437 - 455 Vernon Drive	1.01	2012

The total density proposed for 616 Princess Avenue is consistent with these approvals (see Table 2 and Appendix D).

Table 2: Density Summary - 616 Princess Avenue

	Existing	Required or Permitted	Proposed
Overall Floor Space Ratio (FSR)	0.80 FSR 227 m ² (2,440 sq. ft.)	Up to 0.95 FSR, which may be relaxed by the Director of Planning on corner sites	1.11 FSR 313 m ² (3,369 sq. ft.) 10% over permitted

As part of the application review, staff considered the probable impact of the proposed development, including the results of notification (see the Results of Neighbourhood Notification and Staff Comments section), as well as the compatibility of the development with the zoning, and concluded that the proposal is supportable.

Compatibility with Existing Zoning and Land Use Regulations

The Intent of the *RT-3 Zoning District Schedule* is to:

"...encourage the retention of neighbourhood and streetscape character, particularly through the retention, renovation and restoration of existing character buildings. Redevelopment is encouraged on sites with existing buildings of style and form which are inconsistent with the area's pre-1920 architecture. Emphasis is placed on the external design of additions to existing buildings and new buildings to encourage the preservation of the historic architectural character of the area. Floor area incentives are included to achieve the creation of affordable housing and the rehabilitation of original buildings which are important to the neighbourhood's character."

The project is consistent with the intent of the *RT-3 District Schedule*. The application proposes the retention, rehabilitation and conservation of a heritage building.

Condition of the Heritage Building and Conservation Approach

The McNair House is in fair condition. The DP Application proposes to restore the original character of the building based on on-site analysis and photographic records, including re-introduction of windows and window openings which have been removed, as well as re-instituting porch, window, and roof details, and reusing existing siding if it exists under the stucco (if viable). Staff have concluded 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

Twenty-two surrounding properties were notified of the application and a site sign was installed. One response was received which supported the proposal in principle but had the following concerns with the current application:

- 'FSR creep' is a major concern. 1.11 FSR is excessive. The site should be held to the maximum RT-3 provision of 0.95 FSR.
- The proposed relaxations should warrant a full Heritage Revitalization Agreement (HRA), Heritage Designation, and a full conservation plan, noting also concerns over window details.
- Further consideration should be given to privacy, particularly for neighbours to the east.

Density may be relaxed on corner sites under the RT-3 zoning. The proposed density is commensurate with past approvals for corner sites (see Table 1). An HRA is not required as all the regulatory provisions for the proposal may be granted through the *RT-3 District Schedule*. Heritage designation is required as a condition of the DP Application approval (which is the subject of this report) and a Conservation Plan has been submitted and reviewed and supported by the Vancouver Heritage Commission (see Comments from the Vancouver

Heritage Commission). A condition of the DP Application approval will require that the applicant review all windows details and new windows proposed to ensure that existing windows are retained where viable and that new windows are consistent with the historic window details and patterns and proportions. The Director of Planning is satisfied that the proposal responds adequately to potential overlook and privacy impacts. Staff considered the response to notification and concluded that the proposal is supportable in this respect.

Comments from the Vancouver Heritage Commission

On June 15, 2015, the Vancouver Heritage Commission reviewed the DP Application unanimously supported the proposal (see Appendix E).

Public Benefits

Development Cost Levies (DCLs): DCLs collected from development help pay for facilities made necessary by growth, including parks, childcare facilities, replacement housing (social/non-profit housing) and various engineering infrastructure. The City-wide DCL rate of 33.26/m² (\$3.09/square foot) is applicable to the project. On this basis, a DCL of approximately \$2,900 is anticipated.

DCLs are payable at building permit issuance and are subject to an annual inflationary adjustment which takes place on September 30 of each year. When a DCL By-law with higher rates is introduced, a number of rezoning, development permit and building permit applications may be at various stages of the approval process. An application may qualify as an in-stream application and therefore may be exempt from DCL rate increases for a period of 12-months from the date of DCL bylaw rate amendment provided that it has been submitted prior to the adoption of annual DCL By-law rate adjustments.

If a related building permit application is not issued within the 12-month period, the rate protection expires and the new DCL rate will apply.

Heritage: The owner has offered to conserve and rehabilitate the heritage building and to accept the designation of its exterior as protected heritage property, which is a highly valued community feature. The cost to the applicant of the proposed on-site heritage conservation is estimated to be approximately \$250,000.

See Appendix F for a summary of the public benefits that would be achieved should this application be approved.

Financial Implications

As noted in the section on Public Benefits, the applicant has offered the on-site conservation and rehabilitation of the McNair House valued at \$250,000. The site is within the City-wide DCL District and it is anticipated that the applicant will pay approximately \$2,900 in DCLs should the applications be approved and the project proceed.

Proforma Evaluation

The *Heritage Proforma Review - Interim Policy Planning By-law Administration Bulletin* allows for an exemption of a financial proforma review for projects which do not vary use or density in the zoning applicable to a site. The DP Application does not propose to vary the use or density provisions in the *RT-3 District* Schedule and therefore the proposal complies with the provisions of the bulletin and a proforma review is not required.

Environmental

The City's Green Buildings Policy for Rezoning does not apply to the application as a Heritage Revitalization Agreement is not required. However, the project will comply with the *Vancouver Building By-law* with respect to energy and environmental provisions contained therein.

Legal

The owner's proposal to rehabilitate and conserve the heritage building in exchange for the proposed discretionary zoning relaxations needed to get that improved development potential will be appropriately secured as legal obligations contained in a heritage restoration covenant (the 'covenant') to be registered on title to the site as a covenant pursuant to Section 219 of the *Land Title Act* 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 settled the covenant, 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 compensate an owner for any reduction in the market value caused by a heritage designation. By entering into the covenant noted above, the owner explicitly accepts the zoning relaxations to be provided, and the resulting development advantages to be gained thereby, as full compensation for the heritage designation of the heritage building's exterior and the obligations to rehabilitate and conserve the heritage building. The covenant will be executed by the City following enactment of the Heritage Designation By-law and registered on title to the site before a development permit for the project is issued.

CONCLUSION

The approval of the proposed addition to the Vancouver Heritage Register of McNair House at 616 Princess Avenue in the 'C' evaluation category and the heritage designation of its exterior will ensure that the heritage building is rehabilitated, conserved, and protected from exterior alterations which affect its heritage value, and from demolition. The owner has agreed to accept the proposed discretionary zoning relaxations as compensation for the designation of the heritage building's exterior and for its rehabilitation and conservation. The General Manager of Planning and Development Services is prepared to approve the DP Application should Council approve the recommendations of this report. Therefore, it is recommended that Council approve the addition of the McNair House to the Vancouver Heritage Register in the 'C' evaluation category and the proposed Heritage Designation By-law.

* * * * *

616 Princess Avenue
PHOTOGRAPHS



Photos 1 and 2: Circa 2015 (top) and 1905 (bottom)

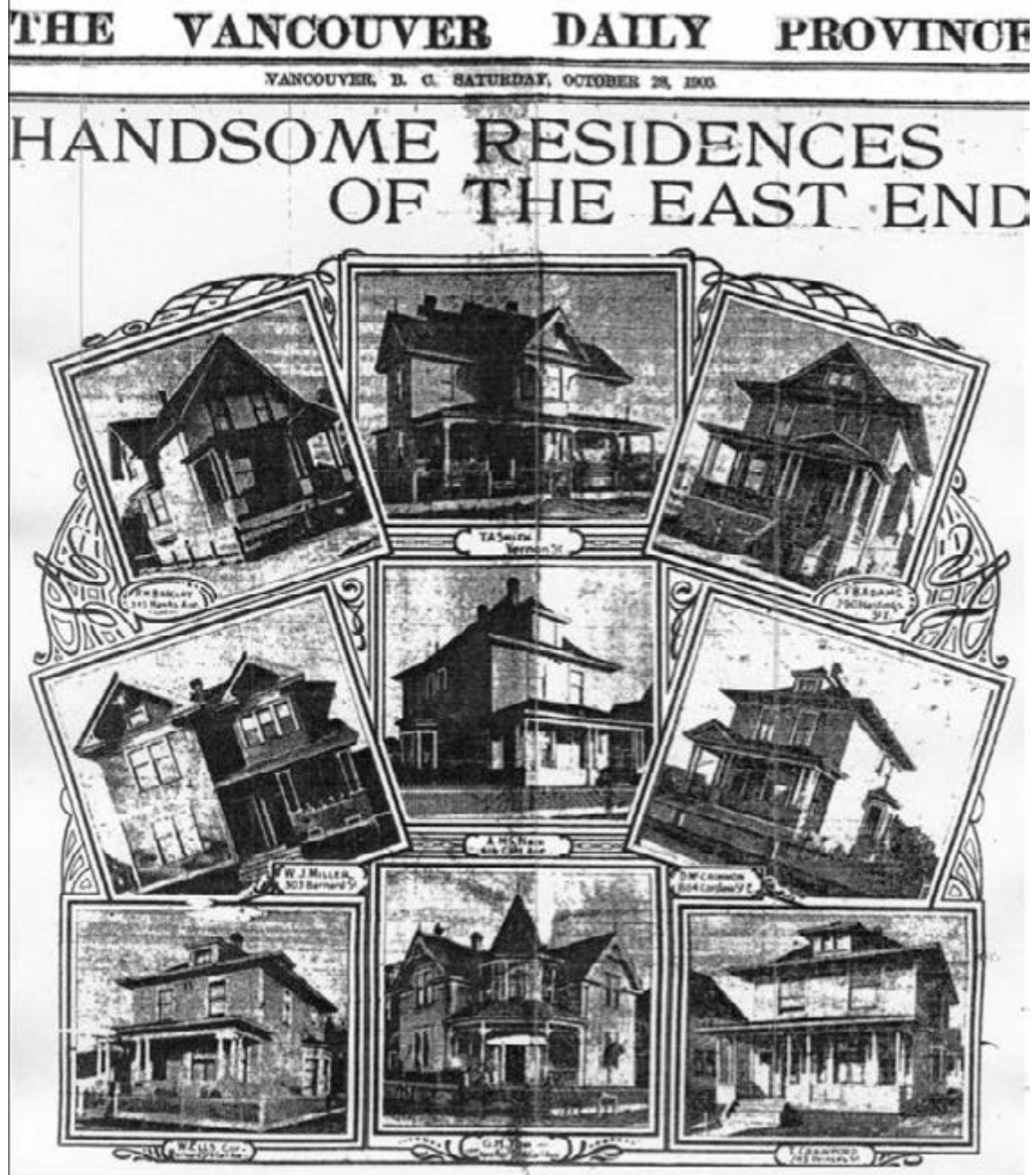
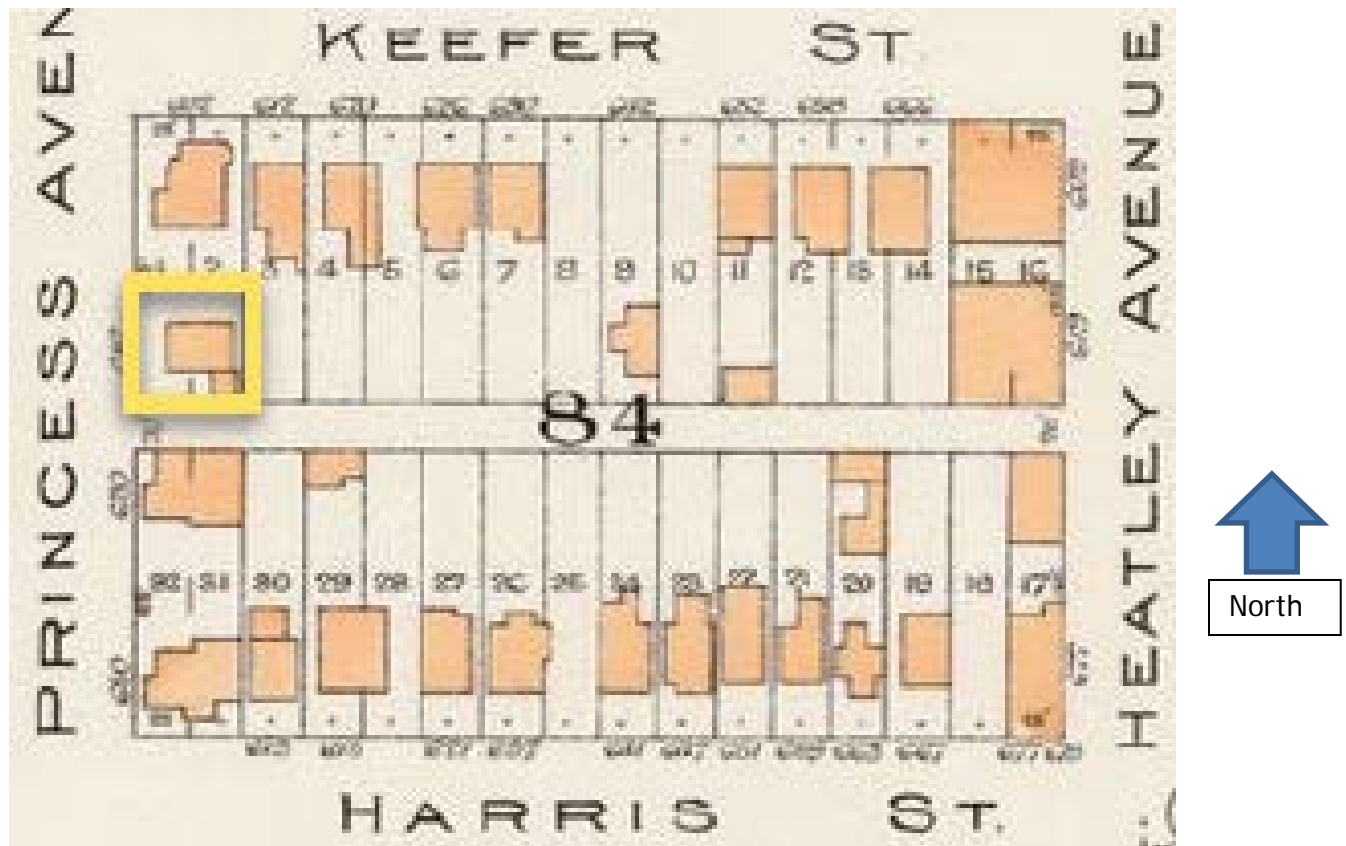


Image 1: Province Newspaper Ad - 1905 - Featuring 616 Princess Street (see Photo 2).



Photo 3: 616 Princess Avenue Looking North-East (circa 2015)

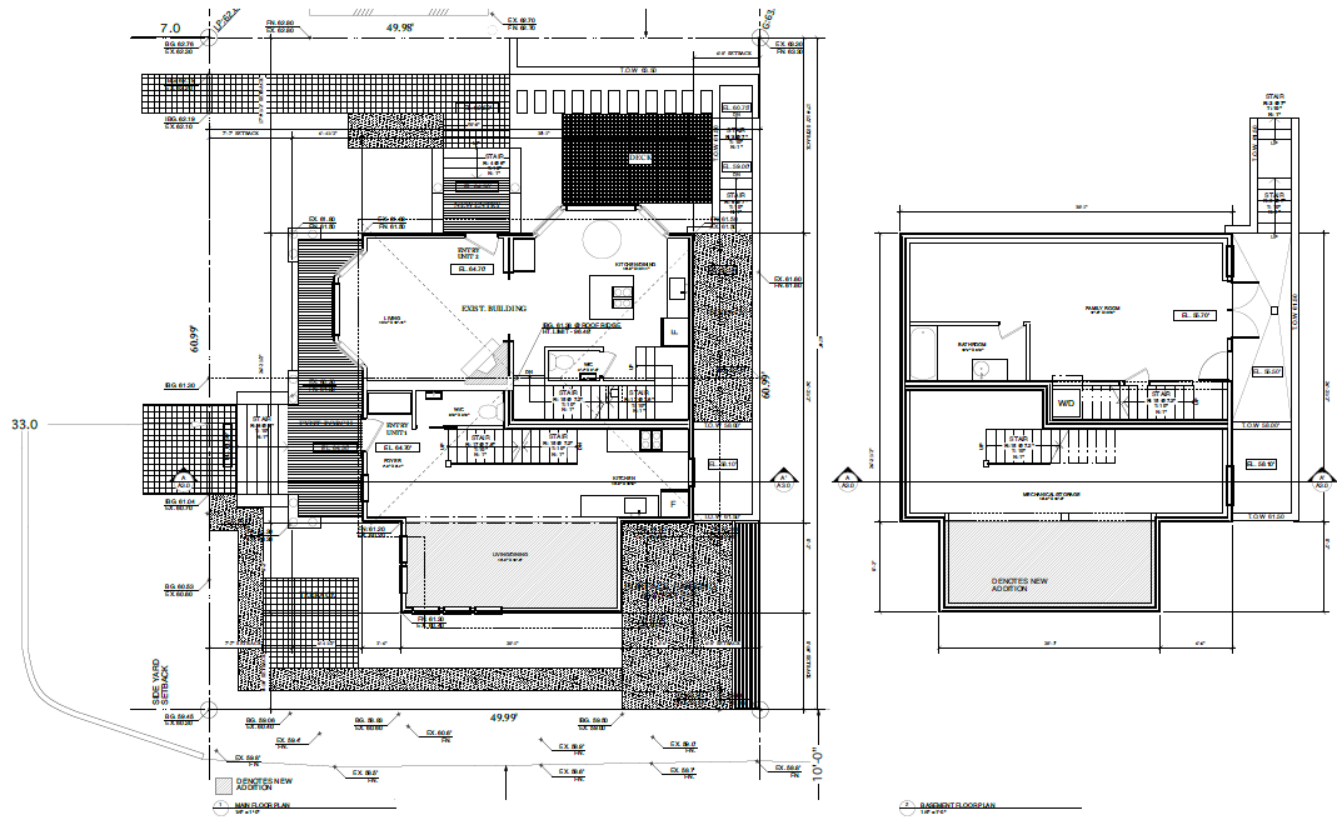
616 Princess Avenue
MAP



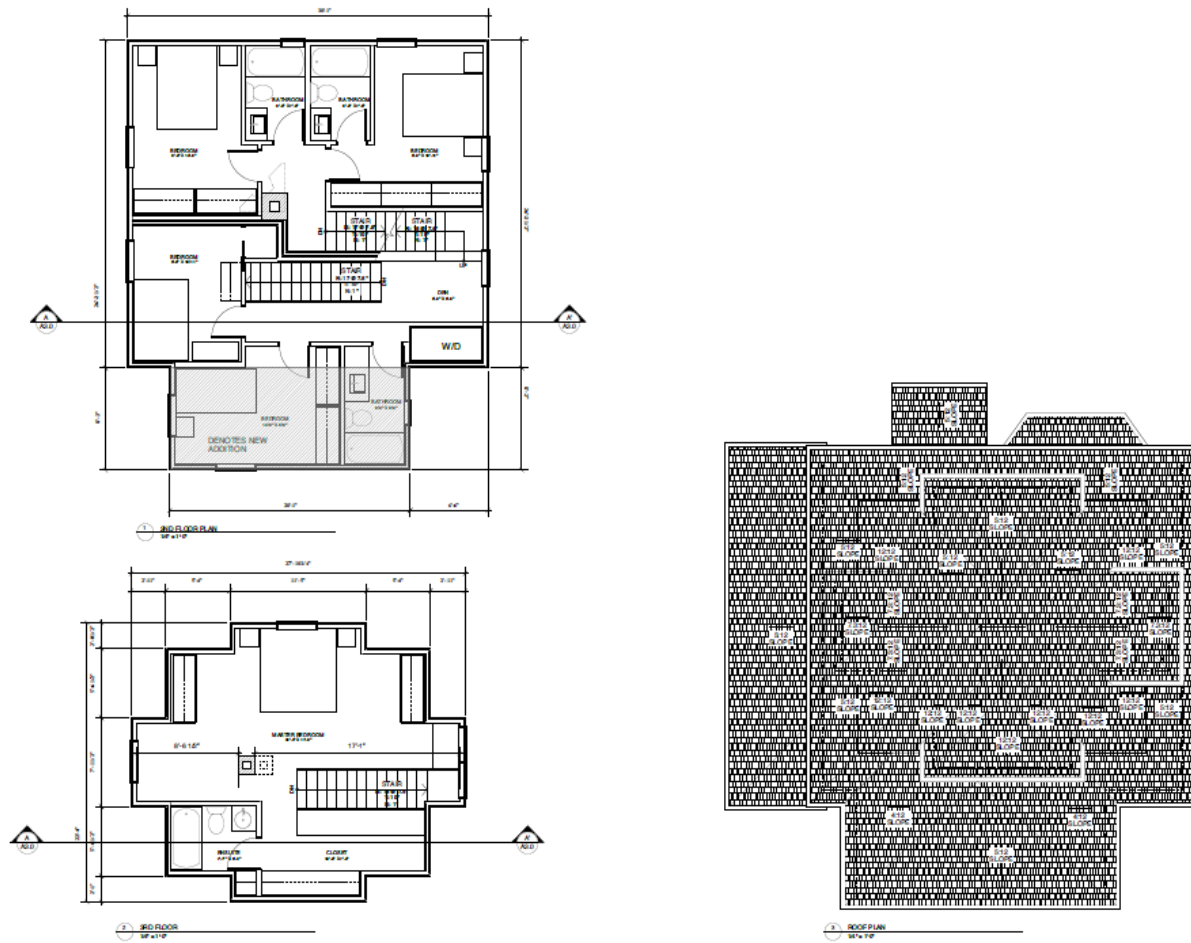
Map 1: Fire Insurance Map (1912)

The McNair House is shown by the yellow square. The neighbourhood had already been heavily developed by 1912. The house directly to the north and the one across the lane to the south both still exist (see the Streetscape drawing in Appendix C).

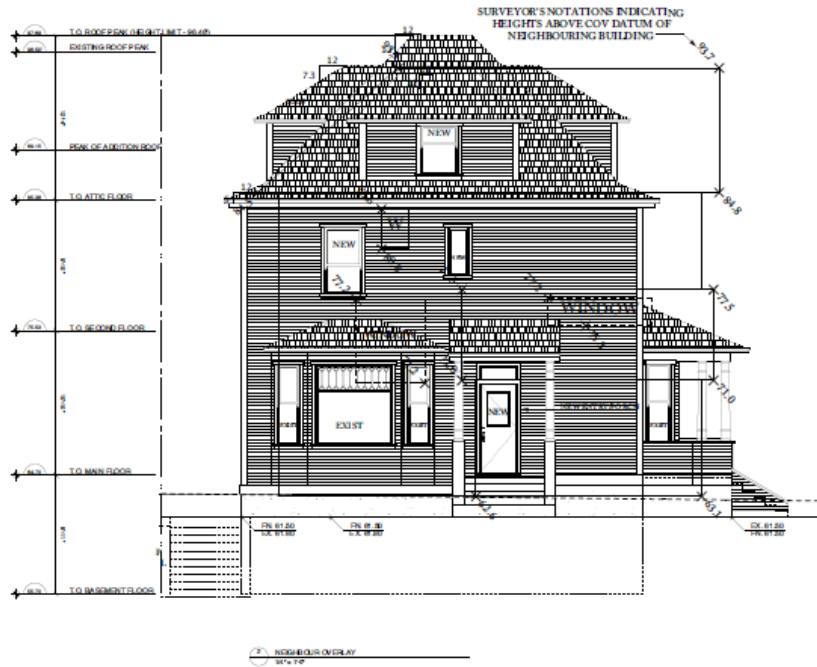
616 Princess Avenue
DRAWINGS



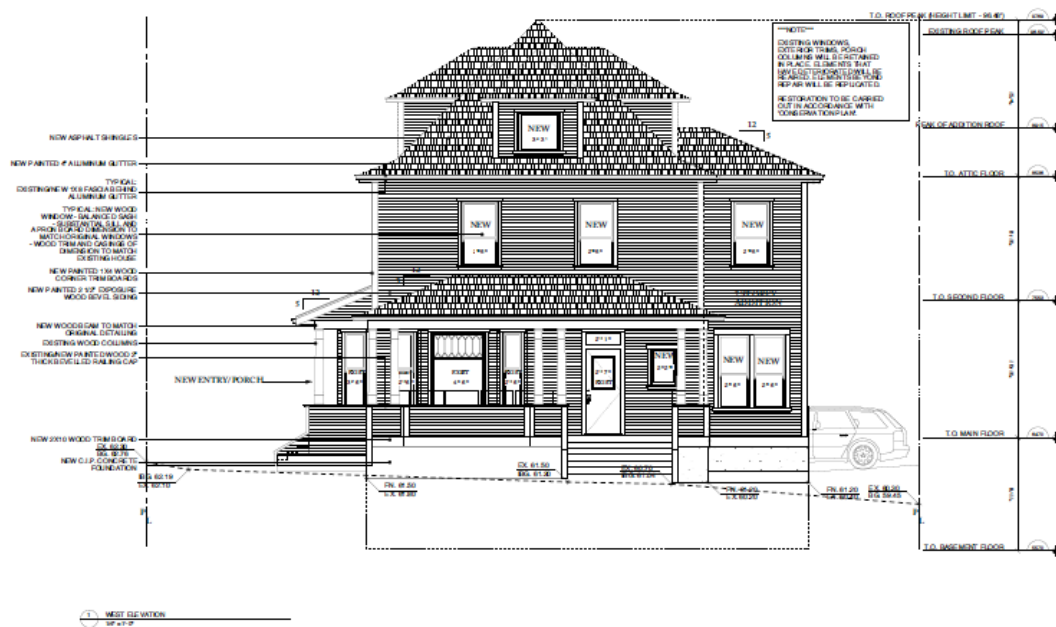
Site Plan and Basement Plan



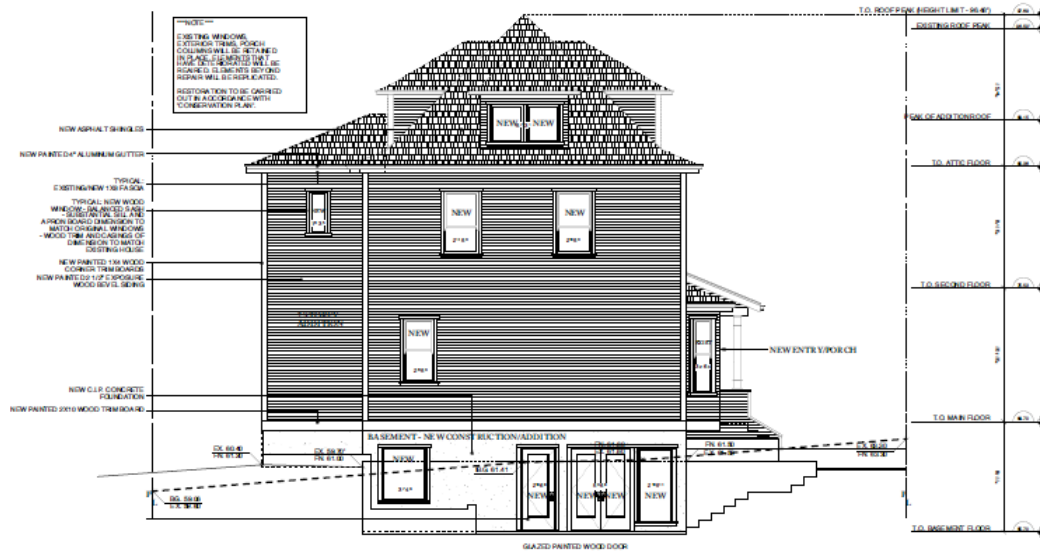
Main and Upper Floor Plans and Roof Plan



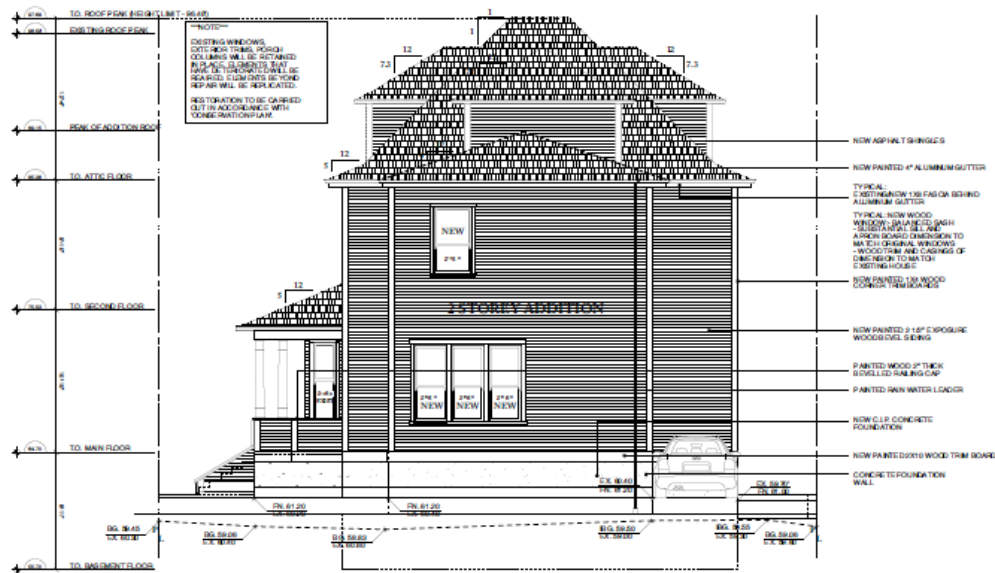
North Elevation



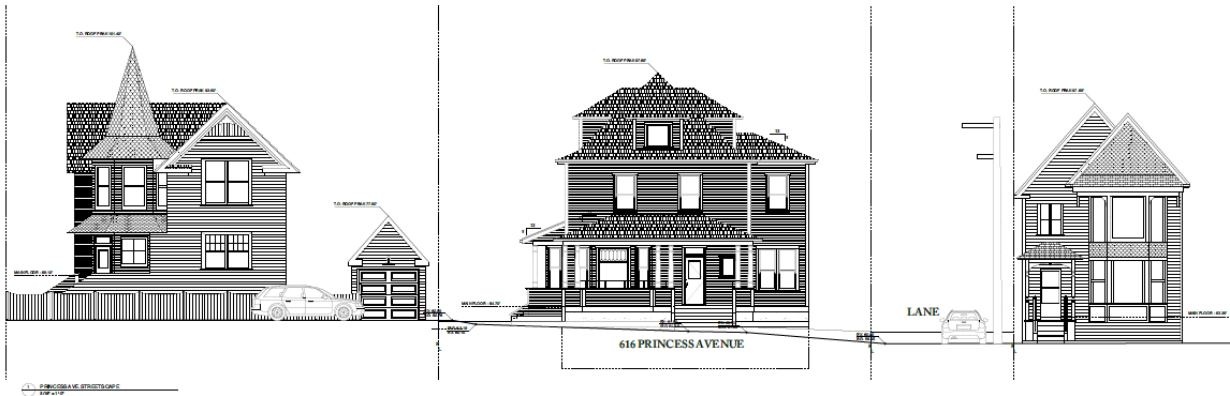
West Elevation



East Elevation



South Elevation



Streetscape (Looking East from Princess Avenue)

616 Princess Avenue
TECHNICAL ZONING AND PARKING SUMMARY

	Existing	Required or Permitted	Proposed
Overall Floor Space Ratio (FSR)	0.80 FSR 227 m ² (2,440 sq. ft.)	0.75 FSR to 0.95 FSR, which may be relaxed by the Director of Planning	1.11 FSR 313 m ² (3,369 sq. ft.) 10% over maximum permitted
Height	7.92 metres (26 feet)	10.7 metres (35.1 feet) Maximum	8.20 metres (27 feet)
Site Coverage	30%	40%	36%
Dwelling Unit Density	1	2 maximum	2
Off-Street Parking	1	2 minimum	1

616 Princess Avenue
RESOLUTIONS OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS

The Vancouver Heritage Commission reviewed the application on June 15, 2015 and resolved the following:

THAT the Vancouver Heritage Commission supports the application for 616 Princess Avenue, the McNair Residence, as presented at its meeting on June 15, 2015, including support for the conservation plan;

FURTHER THAT the Commission requests that the applicant consider reintegrating the original main stairway and adding restoration of the fireplace to the conservation plan.

CARRIED UNANIMOUSLY

Staff Comments:

The applicant will be required to explore revisions to the scheme to allow for retention of the interior stair and fireplace.

616 Princess Avenue
PUBLIC BENEFITS SUMMARY

Project Summary:

Rehabilitation, conservation, and designation 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-3	RT-3
FSR (site area = 283 m ² / 3,048 sq. ft.)	0.95	1.11
Buildable Floor Space (sq. ft.)	2,896	3,369
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)	1,400	2,900
	DCL (Area Specific)		
	Public Art		
	20% Social Housing		
Offered (Community Amenity Contribution)	Childcare Facilities		
	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage		250,000
	Housing (e.g. supportive, seniors)		
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
TOTAL VALUE OF PUBLIC BENEFITS		\$1,400	\$252,900

Other Benefits (non-market and/or STIR components): None

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 in the heritage building.