



POLICY REPORT
DEVELOPMENT AND BUILDING

Report Date: November 5, 2015
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RTS No.: 11180
VanRIMS No.: 08-2000-20
Meeting Date: November 24, 2015

TO: Vancouver City Council

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

SUBJECT: Heritage Designation and Heritage Revitalization Agreement - 1846 West 14th Avenue (Sutherland House)

RECOMMENDATION

- A. THAT Council add the existing building at 1846 West 14th Avenue (PID: 012-757-748; Lot 6, Block 447, District Lot 526, Plan 3557 (the "site")), known as the Sutherland 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 Council instruct the Director of Legal Services to bring forward for enactment, pursuant to Section 592 of the Vancouver Charter, a by-law authorizing 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 site to permit the construction of an infill building as proposed under Development Permit Application No. DE418668 (the "DP Application") and as more particularly described in this report, and that the HRA 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 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 add the Sutherland House at 1846 West 14th Avenue to the Vancouver Heritage Register in the 'C' evaluation category, and to designate the exterior of the heritage building as protected heritage property and to approve a Heritage Revitalization Agreement (HRA) for the site to ensure the heritage building's rehabilitation and long-term protection. Under the current RT-8 zoning applicable to the site, the existing building could be demolished or significantly altered and the site redeveloped with a density of up to 0.75 floor space ratio (FSR) without Council approval. As incentive and compensation to the owner for the heritage designation, rehabilitation, and conservation of the heritage building, an increase in permitted density, as well as other zoning variances, are proposed to permit the development as set forth in 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*, Council, by resolution, may establish 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 592 of the *Vancouver Charter*, Council, by by-law, may enter into a Heritage Revitalization Agreement with an owner of heritage property which may vary or supplement certain kinds of by-laws and permits, including the *Zoning and Development By-law*.

Pursuant to Sections 593 and 594 of the *Vancouver Charter*, Council, by by-law, may 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 is required to compensate an owner of property being designated as a protected heritage property for any reduction in the market value of the property 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 HRA for the heritage building 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)*

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 maximizing the use of available tools to conserve the City's heritage resources.

GENERAL MANAGER'S COMMENTS

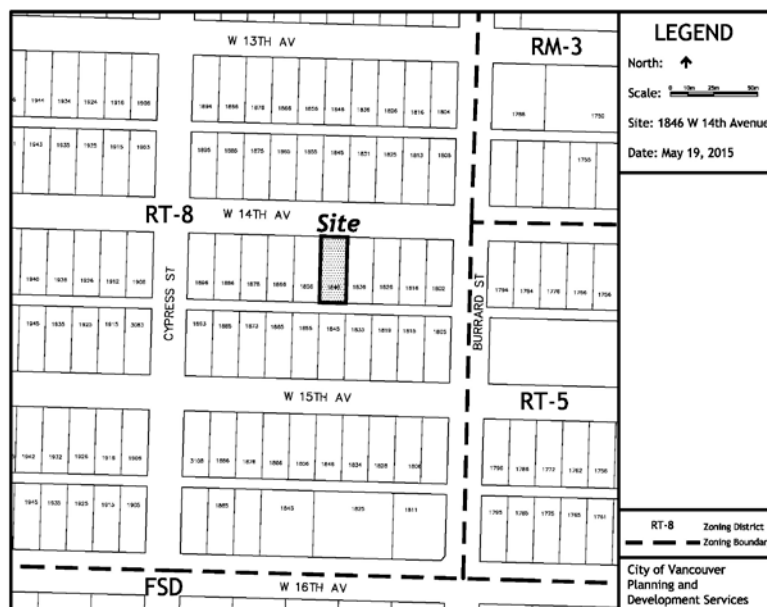
The Acting General Manager of Planning and Development Services RECOMMENDS approval of A, B, C, and D.

STRATEGIC ANALYSIS

Site and Context

The site is located in the Kitsilano neighbourhood in an area zoned RT-8 (see Figure 1). The *RT-8 District Schedule of the Zoning and Development By-law* permits One- and Two-Family Dwellings, the conversion of existing buildings into suites, and in some cases new apartment buildings, townhouses, and infill buildings. The total area of the subject site is 580 square metres (6,250 square feet). A six metre (twenty-foot) wide paved lane exists at the rear of the site.

Figure 1: The site and the surrounding zoning



Heritage Value

The Sutherland House at 1846 West 14th Avenue was built by William J. Read and designed by carpenter and architect Octavius Josiah Morling. For the next thirty-five years the house was purchased and rented by a variety of people, mostly on a short term basis, and was apparently vacant for a period in the 1930s. The Sutherland family purchased the building in 1948 and owned it for thirty years. It is believed the Sutherlands modified the house into its current configuration including the creation of two suites and the two existing front entrances (see Appendix A). In 1978 the house was purchased by Bryan Glen who lived on the main floor of the house until 2014 (the upper floor suite was not used).

The heritage building was built in the Edwardian in style but influence by Craftsman details. The massing and layout of the residence is primarily Edwardian. The balanced massing of the heritage building with its elevated main floor, its symmetrical floor plan, porch columns, steep gables, and double-hung windows with multi pane upper sashes, are all details of the Edwardian style. The low gable roof, the stone piers and wide central front stairs of the front porch, and the main floor casement window with stained glass transoms associate the house with the Craftsman style. The design of the heritage building also appears to have been influenced by the nearby Talton Place project, one of Vancouver’s first comprehensive residential development schemes (see Appendix B).

It is proposed to add the Sutherland 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 and the rehabilitation and conservation obligations in the proposed HRA will be in the form of variances to the *Zoning and Development By-law* made by the HRA, including a density variance, as set forth in the DP Application and as described below. The zoning applicable to the site is RT-8. The DP Application proposes to restore the heritage building and to construct a new strata Infill One-Family Dwelling building at the rear of the site (see Appendix C). In all, the heritage building will contain two Dwelling Units and the Infill One-Family Dwelling building will constitute the third Dwelling Unit on the site. Infill use is permitted in the current zoning, and the maximum permitted density which may be granted without Council approval is 0.75 Floor Space Ratio (FSR). The application originally proposed 0.92 FSR. Upon completion of the required reviews, including the review of the proforma, it was concluded that a maximum of 0.87 FSR would be supportable (see Table 1 and Appendix E). The application drawings will be revised to reduce the density to this amount.

Table 1: Zoning Density Summary

Item	Existing	Permitted or Required	Proposed
FSR	413 m ² (4,441 sq. ft.) 0.71 FSR	436 m ² (4,688 sq. ft.) 0.75 FSR maximum	505 m ² (5,437 sq. ft.) 0.87 FSR
Number of Dwelling units	1	4 maximum	4

Staff have considered the potential impact of the proposed development, the results of notification (see the Results of Neighbourhood Notification section), the conservation approach, and the compatibility of the development with the zoning (see the discussion below), and conclude that the DP Application is supportable. The Acting General Manager of Planning and Development Services is prepared to approve the DP Application subject to Council approval of the recommendations of this report.

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 application is consistent with the intent of the *RT-8 District Schedule*. The retention of the heritage building contributes to the historic architectural character of the area and the additions (including the new Infill building) are compatible with the existing architectural character of the heritage building. The proposal is consistent with the character of the neighbourhood in terms of scale, massing, privacy impact, and placement.

Condition of the Heritage Building and Conservation Approach

The Sutherland House is in good condition. The Conservation Plan proposes to retain and rehabilitate existing original feature where possible, and to replicate lost features such as windows where newer replacements exist. Staff support the Conservation Plan proposed for the Sutherland House 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

Sixty-one surrounding property owners were notified of the application. No responses were received.

Comments from the Vancouver Heritage Commission

On May 25, 2015, the Vancouver Heritage Commission reviewed the development permit application and recommended several improvements which will be addressed through conditions of the DP Application (see Appendix D).

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 subject site is in the City-wide DCL District, where the rate for residential use developed at a density at or below

1.2 FSR is 33.26/m² (\$3.09/square foot). On this basis, a DCL of approximately \$3,080 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 the heritage building's exterior as protected heritage property, which is a highly valued community feature. If approved, the designation will be effected by enactment of a Heritage Designation By-law and the owner will enter into an HRA which, among other things, will secure the conservation and rehabilitation of the heritage building. 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 Sutherland House valued at \$250,000.

The site is within the City-wide DCL District. It is anticipated that the applicant will pay approximately \$3,080 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 by-law variances proposed, including the revised density of 0.87 FSR, will offset the costs of the rehabilitation and conservation of the heritage building and will not result in any undue profit.

Environmental

The City's *Green Buildings Policy for Rezonings* applies to the application. 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.

Legal

The by-law variations proposed will provide an improved development potential on the site. The owner's proposal to rehabilitate and conserve the heritage building, and accept the designation of the heritage building's exterior as protected heritage property, in exchange for obtaining the by-law variations needed to get that improved development potential will be appropriately secured as legal obligations contained in the HRA 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.

Section 595 of the *Vancouver Charter* requires that, if sought, Council must compensate an owner for any reduction in the market value caused by a heritage designation. The owner has signed the 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 heritage building and the obligations to rehabilitate and conserve it. The HRA will be executed by the City and registered on title following Council's enactment of the by-law authorizing the City to enter into the HRA and before a development permit for the project may be issued.

CONCLUSION

The approval of the addition to the Vancouver Heritage Register of the Sutherland House at 1846 West 14th Avenue, the heritage designation of its exterior, and the proposed HRA, will ensure that the heritage building is rehabilitated, conserved, and protected from demolition and from exterior alterations which might affect its heritage value. The proposed 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 under the proposed HRA. The General Manager of Planning and Development Services is prepared to approve the DP Application for the project should Council approve the recommendations of this report. Therefore, it is recommended that Council approve the addition of the Sutherland House at 1846 West 14th Avenue to the Vancouver Heritage Register in the 'C' evaluation category and the proposed heritage designation and HRA.

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1846 West 14th Avenue
PHOTOS



Photo 1: Front of the Sutherland House circa 2015

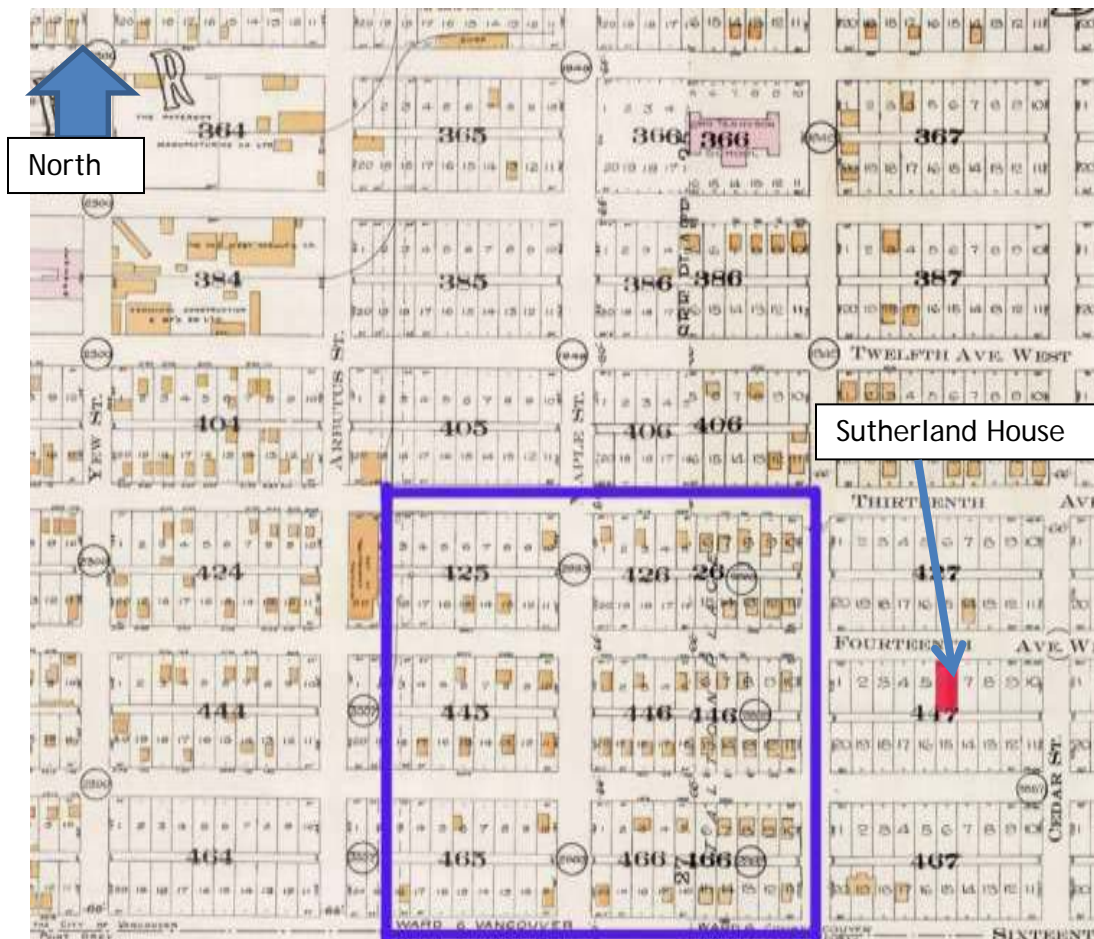


Photo 2: West Elevation of the Sutherland House



Photo Collage 1: Details of 1846 West 14th Avenue

1846 West 14th Avenue
MAPS



Map 1: Fire Insurance Map circa 1912

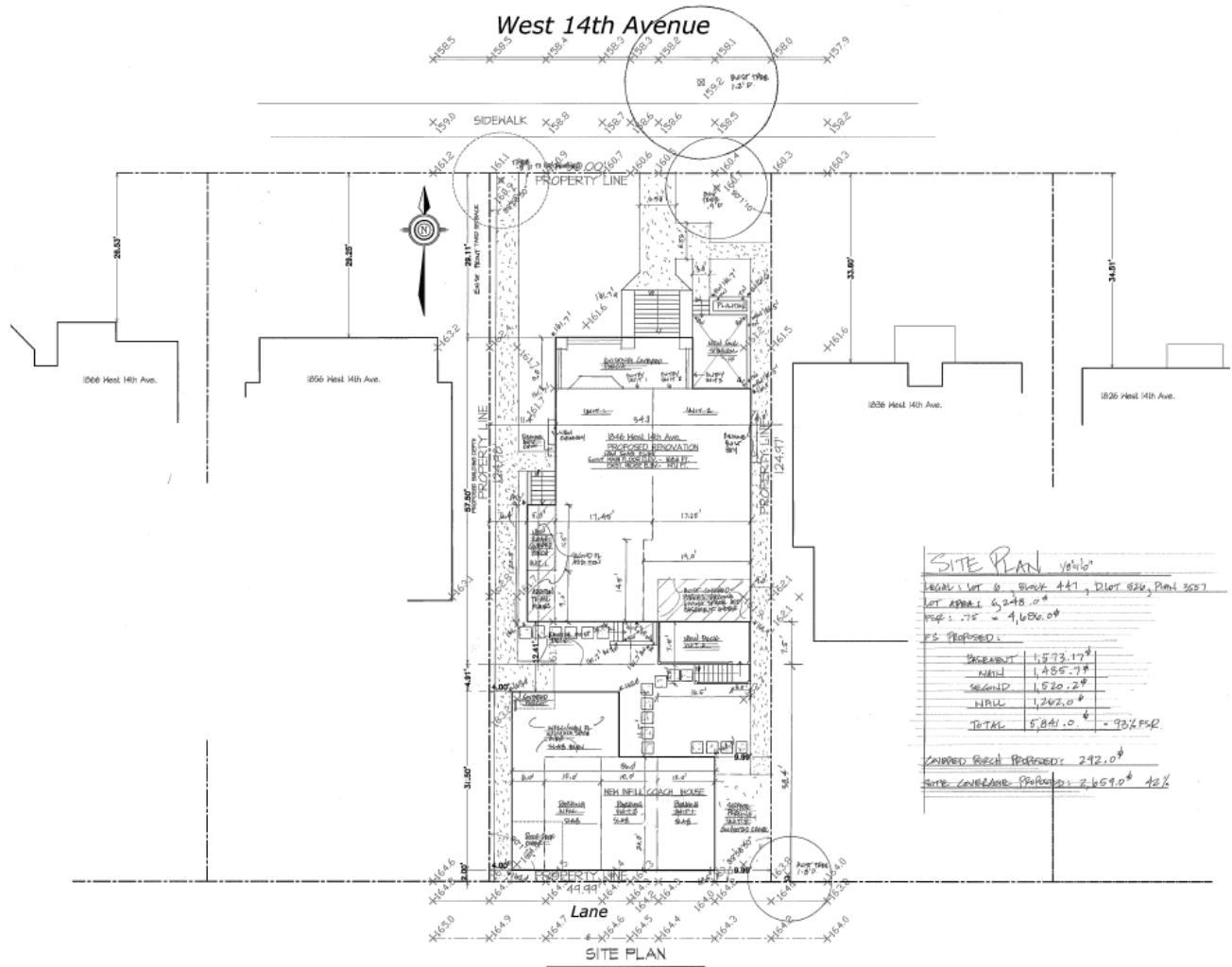
The original Talton Place development boundary is shown by the large square (see commentary below). It was located a block away to the west from the Sutherland House, which was built at the same time as many of the houses in Talton Place and which shares many details with those houses including ample use of stone bases and piers as well as decorative brackets, trims, and stained glass sashes. Talton Place, which was intended to be a select upper class precinct, featured many pre-fabricated details and assemblies constructed by the developer, Prudential Builders, in a special factory located on East 2nd Avenue. Work on these houses began in 1910.



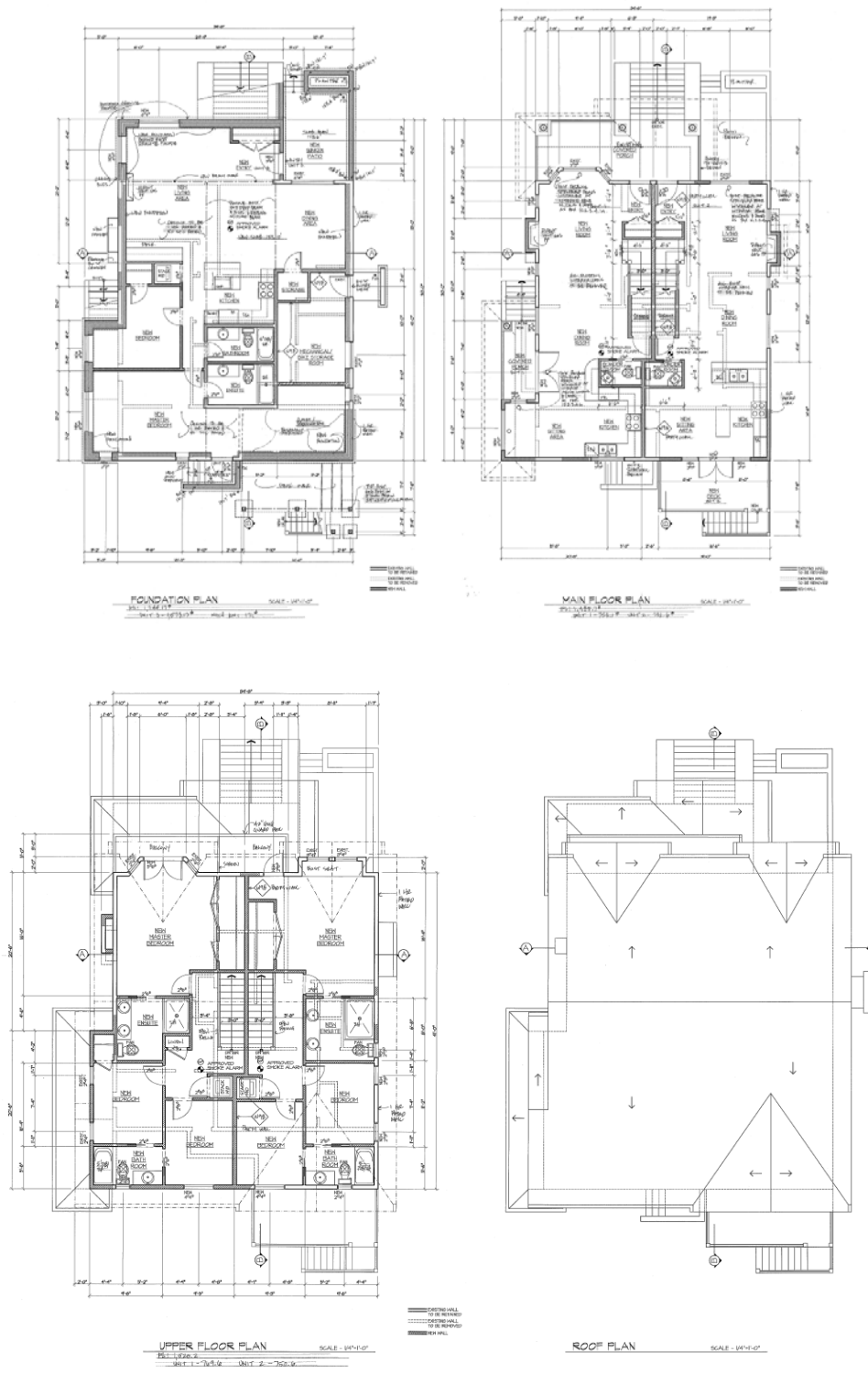
Talton Place - circa 1925

The Sutherland House is located a block away from this photo's location, which shows how the original Talton Place area looked in the 1920s. The 1800 block of West 14th Avenue would have looked very similar.

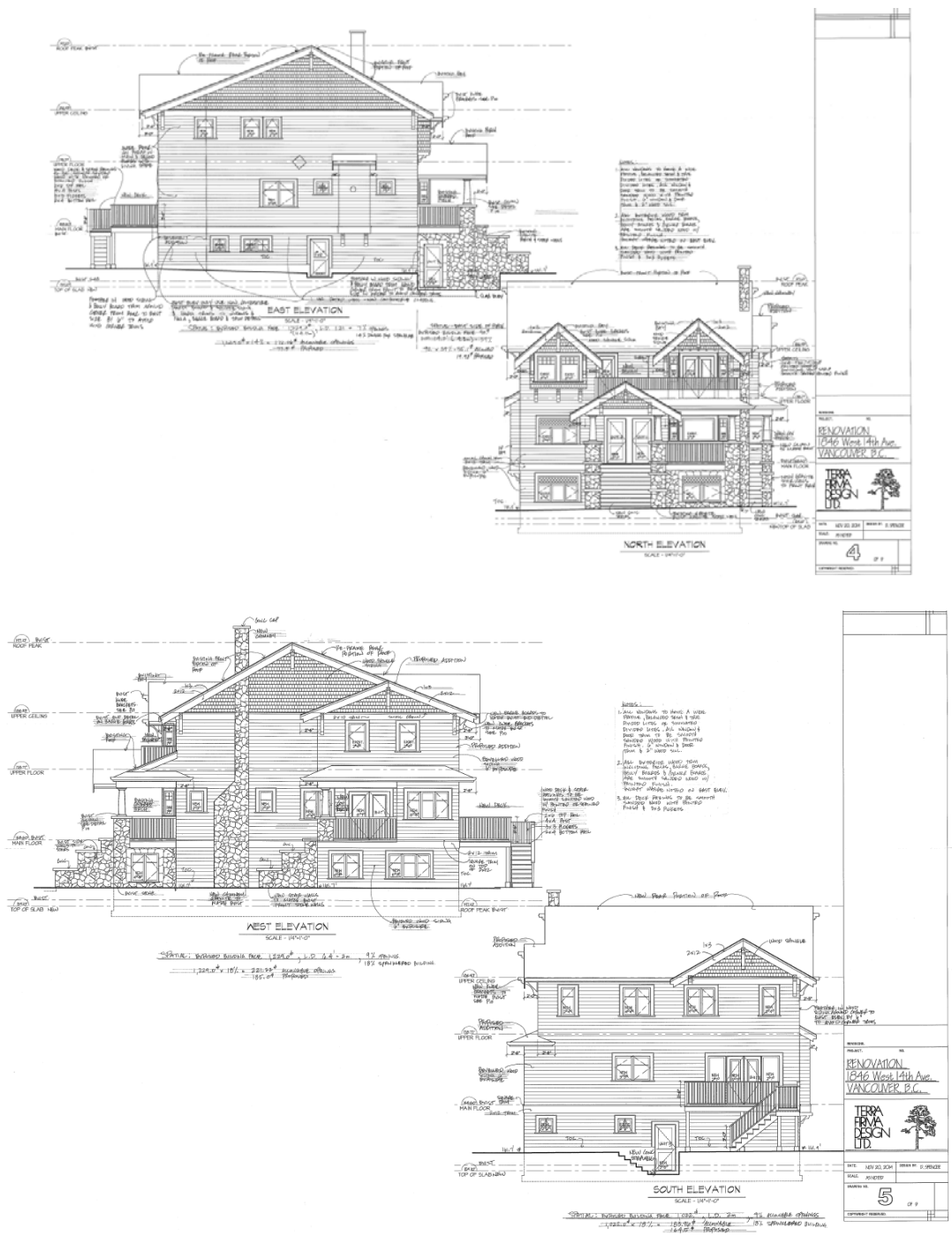
1846 West 14th Avenue
DRAWINGS



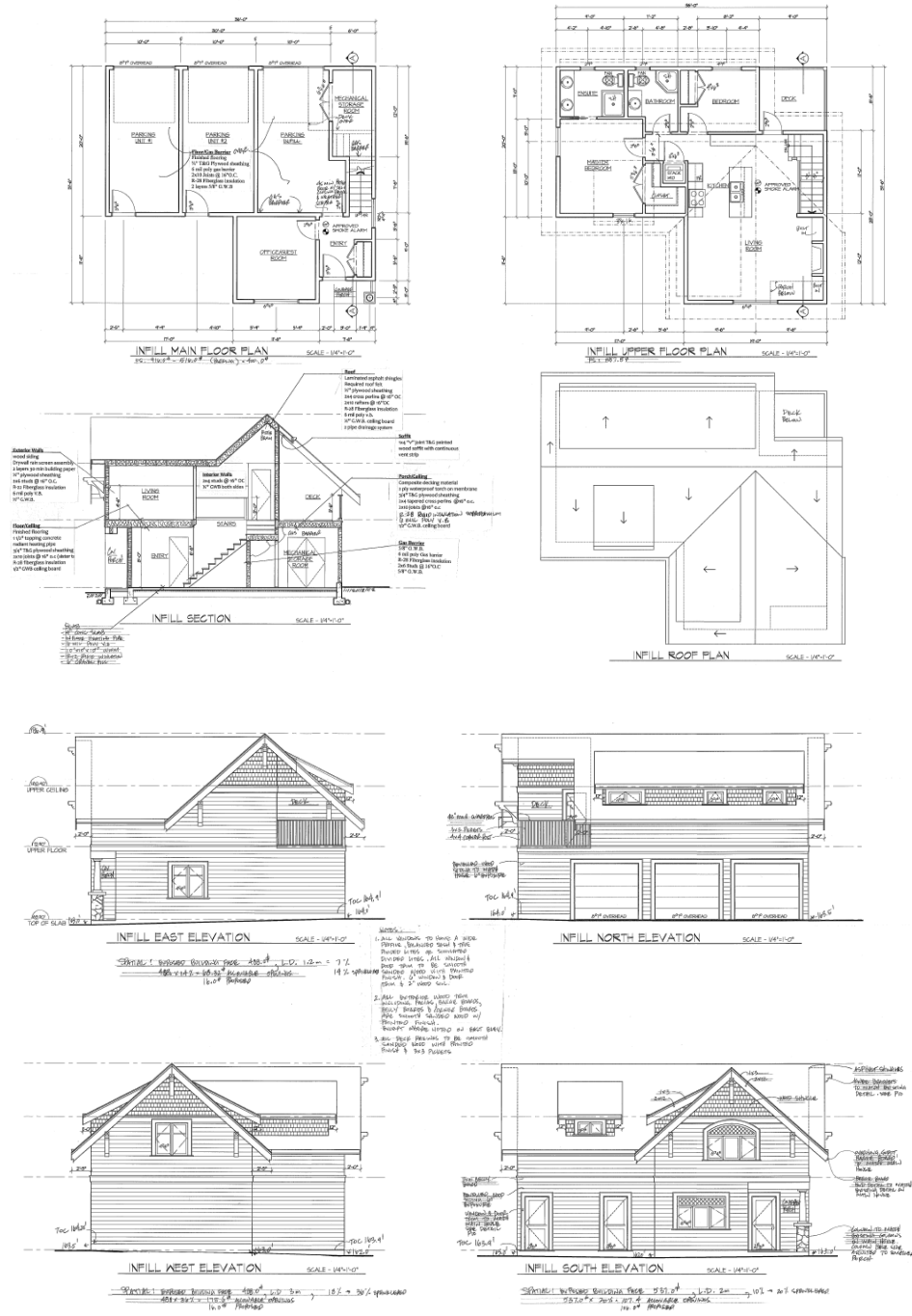
Site Plan



Plans - Heritage Building



Elevations - Heritage Building



Plans And Elevations - Infill Building

1846 West 14th Avenue
RESOLUTIONS OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS

On May 25, 2015 the Vancouver Heritage Commission reviewed the proposal and resolved the following:

THAT the Vancouver Heritage Commission reserves its support for the conservation plan and the development permit application for 1846 West 14th Avenue, the Sutherland House, noting following:

- the box windows located on the second storey of the front elevation be retained in favour of the new terrace and that the terrace, if not completely removed from the development application, be reduced to between the dormers;
- the chimney be kept or replicated as a character element;
- the original front door configuration be retained;
- the roof be replaced with cedar shingles;
- the applicant consider restoring the cross gable roof; and
- the applicant make further effort to maintain additional windows.

CARRIED UNANIMOUSLY

Staff Comments:

The above recommendations have been incorporated into either conditions of the development application approval or required changes to the drawings and Conservation Plan. Staff conclude that with these changes as recommended by the Commission, the DP Application is supportable (the drawings in Appendix C, which are those originally submitted, do not reflect these changes).

1846 West 14th Avenue
TECHNICAL ZONING SUMMARY

Table A

Item	Existing	Permitted or Required	Proposed
FSR	413 m ² (4,441 sq. ft.) 0.71 FSR	436 m ² (4,688 sq. ft.) 0.75 FSR maximum	505 m ² (5,437 sq. ft.) 0.87 FSR
Number of Dwelling units	1	4 maximum	4
Height	10.9 metres (35.65 feet)	10.7 metres (35.17 feet)	10.9 metres (35.65 feet)
Front Yard	8.9 metres (29.1 feet)	8.6 metres (28.2 feet)	8.9 metres (29.1 feet)
Off -Street Parking	2	4 minimum	4

1846 West 14th Avenue
PUBLIC BENEFITS SUMMARY

Project Summary:

Rehabilitation, conservation, and designation of a heritage building, and construction of an infill 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 = 581 m ² / 6,250 sq. ft.)	0.75	0.87
Buildable Floor Space (sq. ft.)	4,688	5,437
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)	760	3,080
	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		\$760	\$253,080

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