



**POLICY REPORT
DEVELOPMENT AND BUILDING**

Report Date: January 19, 2016
Contact: Kent Munro
Contact No.: 604.873.7135
RTS No.: 11272
VanRIMS No.: 08-2000-20
Meeting Date: February 2, 2016

TO: Vancouver City Council
FROM: Acting General Manager of Planning and Development Services
SUBJECT: CD-1 Text Amendment: 988 West Broadway

RECOMMENDATION

A. THAT the application by Chris Dikeakos Architects Inc., on behalf of 984 Developments Inc., Inc. No. BC0961682 (Blue Sky Properties), to amend CD-1 (618) By-law No. 11317 for 988 West Broadway [*PID 015-184-676; Lot B, Block 356, District Lot 526, Plan 590*] to increase the floor space ratio from 5.22 to 5.52 and building height from 40.3 m (132.2 ft.) to 40.6 m (133.2 ft.) be referred to a public hearing, together with:

- (i) draft by-law amendments generally as presented in Appendix A;
- (ii) the recommendation of the Acting General Manager of Planning and Development Services to approve the application;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary amending by-law, generally in accordance with Appendix A, for consideration at public hearing.

B. THAT, if the application is referred to public hearing, the registered owner shall submit, prior to the public hearing, confirmation in the form of a "Letter A" that an agreement has been reached with the registered owner(s) of the proposed donor site(s) for the purchase of heritage density as set out in Appendix B.

- C. THAT Recommendations A and 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; any expenditure of funds or incurring of costs is at the risk of the person making the expenditure or incurring the cost;
 - (ii) THAT any approval that may be granted following the public hearing shall not obligate the City to enact a by-law rezoning the property, and any costs incurred in fulfilling requirements imposed as a condition of rezoning are at the risk of the property owner; and
 - (iii) THAT the City and all its officials, including the Approving Officer, shall not in any way be limited or directed in the exercise of their authority or discretion, regardless of when they are called upon to exercise such authority or discretion.

REPORT SUMMARY

This report recommends an amendment to the CD-1 By-law for 988 West Broadway (formerly 984 West Broadway). A rezoning application for the site was approved in 2011 for an office building that has yet to be constructed. The CD-1 By-law, enacted on July 21, 2015, allows a 9,093 m² (97,882 sq. ft.) building at 40.3 m (132.2 feet) in height. The proposed amendment would increase the floor space ratio (FSR) from 5.22 to 5.52, allowing total floor area of 9,613 m² (103,482 sq. ft.). Building height is also proposed to marginally increase from 40.3 m to 40.6 m. The increase in floor area is supported by the Metro Core Jobs & Economy Land Use Plan which identifies the Central Broadway Corridor as a location for increased office capacity. The 0.3 m (1.0 ft.) height increase would allow for an increased floor-to-ceiling height in the ground floor, providing improved retail spaces. Staff recommend that the application be referred to public hearing with the recommendation of the Acting General Manager of Planning and Development Services to approve it.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

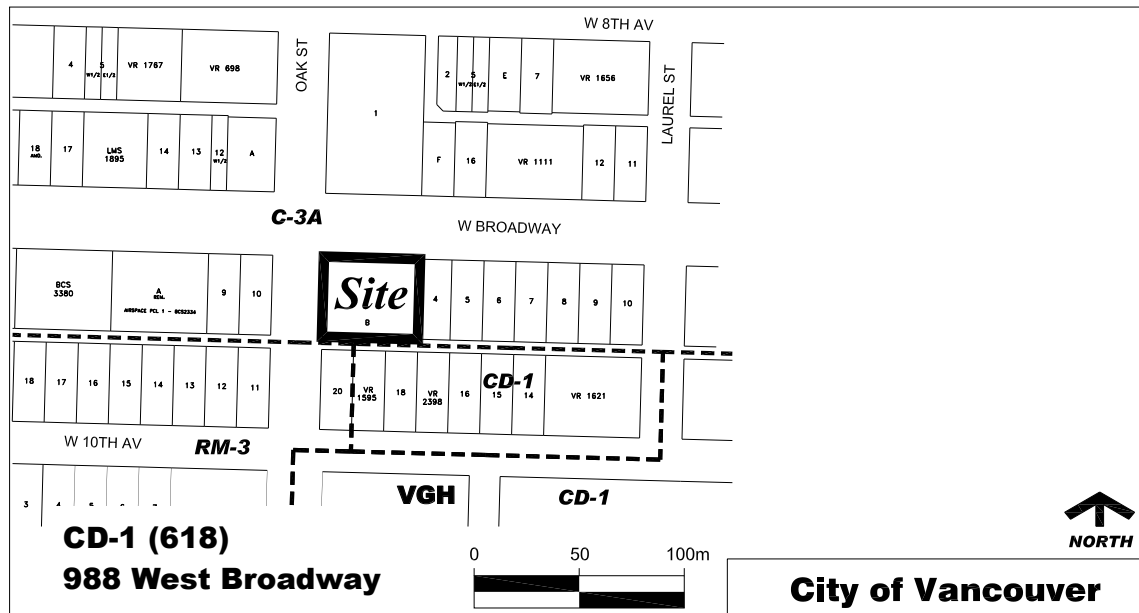
- CD-1 (618) By-law No. 11317, enacted on July 21, 2015
- Metro Core Jobs & Economy Land Use Plan (2007)
- Community Amenity Contributions - Through Rezonings
- Transfer of Density Policy.

REPORT

Background/Context

The subject site is at the southeast corner of Broadway and Oak Street within the Central Broadway Corridor and comprises 1,742 m² (18,750 sq. ft.) of land area. The site was developed with a one-storey retail complex with surface parking and has now been cleared pending construction of the office building. The CD-1 By-law was approved in principle at a public hearing March 15, 2011 and was enacted July 21, 2015. It permits a 10-storey office building at 5.22 FSR and 40.3 m in height. As the application proceeded to the development permit stage and as tenants were secured, necessary revisions were identified. This application seeks approval of some minor adjustments to the previously approved CD-1 By-law.

Figure 1 - Site and Context



Strategic Analysis

In 2011, the office building proposed for this site was envisioned to have common area for the building's occupants on the top floor of the building. Following tenant recruitment, the developer has decided that the top floor would be better suited to meet the needs of a prospective tenant. It is now proposed that the shared common area be located on the second level of the building and that the 10th floor be expanded in size and contain General Office use.

The net effect of the changes is that the floor space of the building increases by 520 m² (5,600 sq. ft.) from 9,093 m² (97,882 sq. ft.) to 9,613 m² (103,482 sq. ft.). The floor space ratio would increase by 0.3 FSR from 5.22 to 5.52 FSR. Most of the additional floor space is proposed on the 10th level which was envisioned as a partial floor covering approximately 50% of the floor below. In the redesigned building, the 10th level is still a partial floor but it covers approximately 80% of the floor below. As with the earlier design, there would still be outdoor roof deck space, now for the occupants of the top floor. The tenants' common area would be located to the second level above the retail uses. The current development proposes 144 parking spaces in the underground. As this is greater than the 126 spaces anticipated in the 2011 rezoning approval, the increase in office floor space is adequately served by the proposed parking.

An increase in the building height by 0.3 m (1.0 feet) from 40.3 m (132.2 ft.) to 40.6 m (133.2 ft.) is also proposed to allow for more generous floor-to-ceiling height in the retail spaces. Preferred height for these spaces is a minimum 4.3 m (14 feet).

This text amendment application is being processed concurrently with development permit application No. DE419386.

Staff support an additional 520 m² (5,600 sq. ft.) of office floor space at this location as it is consistent with the Metro Core Jobs & Economy Land Use Plan, which identifies the Central Broadway Corridor as a location to reinforce office and other employment-generating uses. Staff also support the small height increase to achieve improved retail spaces. This height increase would create no additional impact on access to the nearby VGH medivac heliport, as the overall permitted height, including mechanical appurtenances, would remain unchanged at 42.4 m (139.1 feet).

The Acting General Manager of Planning and Development Services recommends referral of the application to public hearing together with by-law amendments as contained in Appendix A.

Figure 2 - View of amended building proposal looking southeast



PUBLIC INPUT

The amendments proposed for this development are largely contained within the form the development previously approved in 2011. The height increase 0.3 m (1.0 feet) is also minor and is essential to the achievement of more useable and effective retail spaces. There was little public feedback at the time of the original rezoning. As a result, no public input was sought.

PUBLIC BENEFITS

In response to City policies that address changes in land use and density, this application, if approved, can be expected to realize the following public benefits.

Required Public Benefits

Development Cost Levies (DCL) – Development Cost Levies collected from development help pay for facilities made necessary by growth including parks, childcare facilities, replacement (social/non-profit) housing and various engineering infrastructure. The subject site is in the Citywide DCL District, where the rate for commercial uses is \$143.27/m² (\$13.31/sq. ft.). It is anticipated that the additional floor area of 520 m² (5,600 sq. ft.) will generate DCLs of approximately \$74,536. Total DCLs anticipated for the whole development are estimated to be \$1,377,345.

DCLs are payable at building permit issuance and their rates are subject to Council approval of an annual inflationary adjustment 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 By-law rate amendment provided that it has been submitted prior to the adoption of such DCL By-law rate adjustment. 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. See the City's [DCL Bulletin](#) for details on DCL rate protection.

Public Art Program – The *Public Art Policy for Rezoned Developments* requires rezonings having a floor area of 9,290.0 m² (100,000 sq. ft.) or greater to allocate a portion of their construction budgets to public art as a condition of rezoning. As this text amendment application brings the total floor area of the proposed building over the threshold, the project now qualifies for a public art contribution. Public art budgets are based on a formula of \$19.48 per m² (\$1.81 sq. ft.) for areas contributing to the total floor area calculation of 9,613 m² (103,482 sq. ft.). On this basis, a public art budget of approximately \$187,302 is anticipated. The Public Art rate is finalized at the development permit stage and is subject to Council approval of periodic adjustments to address inflation.

The new *Public Art Policy* adopted by Council on July 23, 2014 applies to this rezoning application. As a result, a *Civic Program Contribution* of 10 per cent of the proposed public art budget is to be attributed towards the *Public Art Program* prior to Development Permit (DE) issuance. The applicant is instructed to contact the *Public Art Program* regarding options for new assessment.

Offered Public Benefits

Community Amenity Contributions (CACs) – Within the context of the City’s Financing Growth Policy, an offer of a Community Amenity Contribution to address the impacts of rezoning can be anticipated from the owner of a rezoning site. CAC offers typically include either the provision of on-site amenities or a cash contribution towards other public benefits and they take into consideration community needs, area deficiencies and the impact of the proposed development on City services.

Heritage Conservation – As part of the 2011 rezoning, the applicant purchased heritage density with a value of \$473,625 – equivalent to 676.96 m² (7,287 sq. ft.) of floor area – as a Community Amenity Contribution (CAC). For the proposed text amendment, the applicant has offered to purchase additional heritage density with a value of \$364,000, equivalent to 520 m² (5,600 sq. ft.) of floor area, bringing the total CAC for this development to \$837,625.

This purchase helps support citywide heritage conservation by contributing to the reduction of the Heritage Density Bank. This allocation towards heritage density is supported as part of the public benefits associated with this application and, if this application is referred to Public Hearing, a letter of intent (Letter A) must be submitted prior to the Public Hearing.

Real Estate Services has reviewed the applicant’s development pro forma for this rezoning application and have concluded that the CAC offered by the property owner is appropriate, and recommend that the offer be accepted.

Implications/Related Issues/Risk (if applicable)

Financial

As noted in the section on Public Benefits, the applicant has offered to purchase additional heritage density valued at \$364,000 as a CAC for the proposed text amendment, which will reduce the density bank by approximately 520 m² (5,600 sq. ft.) of floor area. Including the heritage density purchased as part of the 2011 rezoning valued at \$473,625, the total CAC for this development is \$837,625.

The site is within the Citywide DCL district and it is anticipated that the applicant will pay an additional \$74,536 in DCLs associated with the increase in floor area proposed in this application, bringing the total DCLs for this development to \$1,377,345.

If the application is approved, the applicant will be required to provide new public art on site, or make a cash contribution to the City for off-site public art, at an estimated value of \$187,302.

CONCLUSION

Assessment of this text amendment application has concluded that the proposed increases in density and height, which are modest in nature, are supported. The public benefits associated with this application would provide contributions towards heritage conservation and public art.

The Acting General Manager of Planning and Development Services recommends that the application be referred to Public Hearing together with draft CD-1 amendments as generally shown in Appendix A and with a recommendation of the Acting General Manager of Planning and Development Services that these be approved, subject to the Public Hearing, along with the conditions of approval listed in Appendix B, including approval in principle of the form of development as shown in plans included as Appendix B.

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**988 West Broadway
PROPOSED AMENDMENTS TO CD-1 (618) By-law No. 11317**

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. Amend section 3.2 under Density by substituting “5.22” with “5.62”.
2. Amend section 4.1 under Building Height by substituting “40.3 m” with “40.6 m”.

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**988 West Broadway
DRAFT CONDITIONS OF APPROVAL**

Note: Recommended approval conditions will be prepared generally in accordance with the draft conditions listed below, subject to change and refinement prior to finalization of the agenda for the Public Hearing.

CONDITIONS OF APPROVAL OF FORM OF DEVELOPMENT

- a) That the proposed form of development be approved by Council in principle, generally as prepared by Chris Dikeakos Architects Inc., and stamped “Received Planning & Development Services (Rezoning Centre) July 30, 2015”, provided that the Acting General Manager of Planning and Development Services may allow minor alterations to this form of development when approving the detailed scheme of development as outlined in (b) below.
- b) That, prior to approval by Council of the form of development, the applicant shall obtain approval of a development application by the Acting General Manager of Planning and Development Services, who shall have particular regard to the following:

Design Development

- 1. Design development to increase floor-to-ceiling height of the ground-level retail spaces to a minimum of 14 feet.

CONDITIONS OF BY-LAW ENACTMENT

- (c) That, prior to enactment of the CD-1 By-law, the registered owner shall on terms and conditions satisfactory to the Director of Legal Services and to the Acting General Manager of Planning and Development Services, the General Manager of Engineering Services and the Approving Officer, as necessary, and at the sole cost and expense of the owner/developer, make arrangements for the following:

Heritage Density Transfer

- 1. Secure the purchase and transfer of a total of 520 m² (5,600 sq. ft.) of heritage density (which has a total value of \$364,000) from a suitable donor site (or sites).

Note to applicant: Given the stipulated value that the City attributes to the creation of new transferable bonus density, currently \$65.00 per buildable square foot as of this date, the City recognizes that the Owner may negotiate its best price to secure the required density at a lower cost, but in no event shall the City recognize the value of the density above \$65.00 per buildable square foot unless bona fide market conditions demonstrate transactional evidence to the contrary.

Note to applicant: “Letter B” in the City’s standard format is to be completed by both the owner of the subject site, also referred to as the “receiver” site, and the owner of the “donor” site, and submitted to the City prior to enactment together with receipt(s) of heritage density purchase, including the amount, sale price, and total cost of the heritage density.

Public Art

2. Execute an agreement satisfactory to the Directors of Legal Services and Cultural Services for the provision of public art in accordance with the City’s Public Art Policy, such agreement to provide for security in a form and amount satisfactory to the aforesaid officials; and provide development details to the satisfaction of the Public Art Program Manager (a checklist will be provided).

Note to applicant: Please contact Bryan Newson, Program Manager, 604.871.6002, to discuss your application.

Note to applicant: Where the Director of Legal Services deems appropriate, the preceding agreements are to be drawn, not only as personal covenants of the property owners, but also as Covenants pursuant to Section 219 of the Land Title Act.

The preceding agreements are to be registered in the appropriate Land Title Office, with priority over such other liens, charges and encumbrances affecting the subject site as is considered advisable by the Director of Legal Services, and otherwise to the satisfaction of the Director of Legal Services prior to enactment of the by-law.

The preceding agreements shall provide security to the City including indemnities, warranties, equitable charges, letters of credit and withholding of permits, as deemed necessary by and in a form satisfactory to the Director of Legal Services. The timing of all required payments, if any, shall be determined by the appropriate City official having responsibility for each particular agreement, who may consult other City officials and City Council.

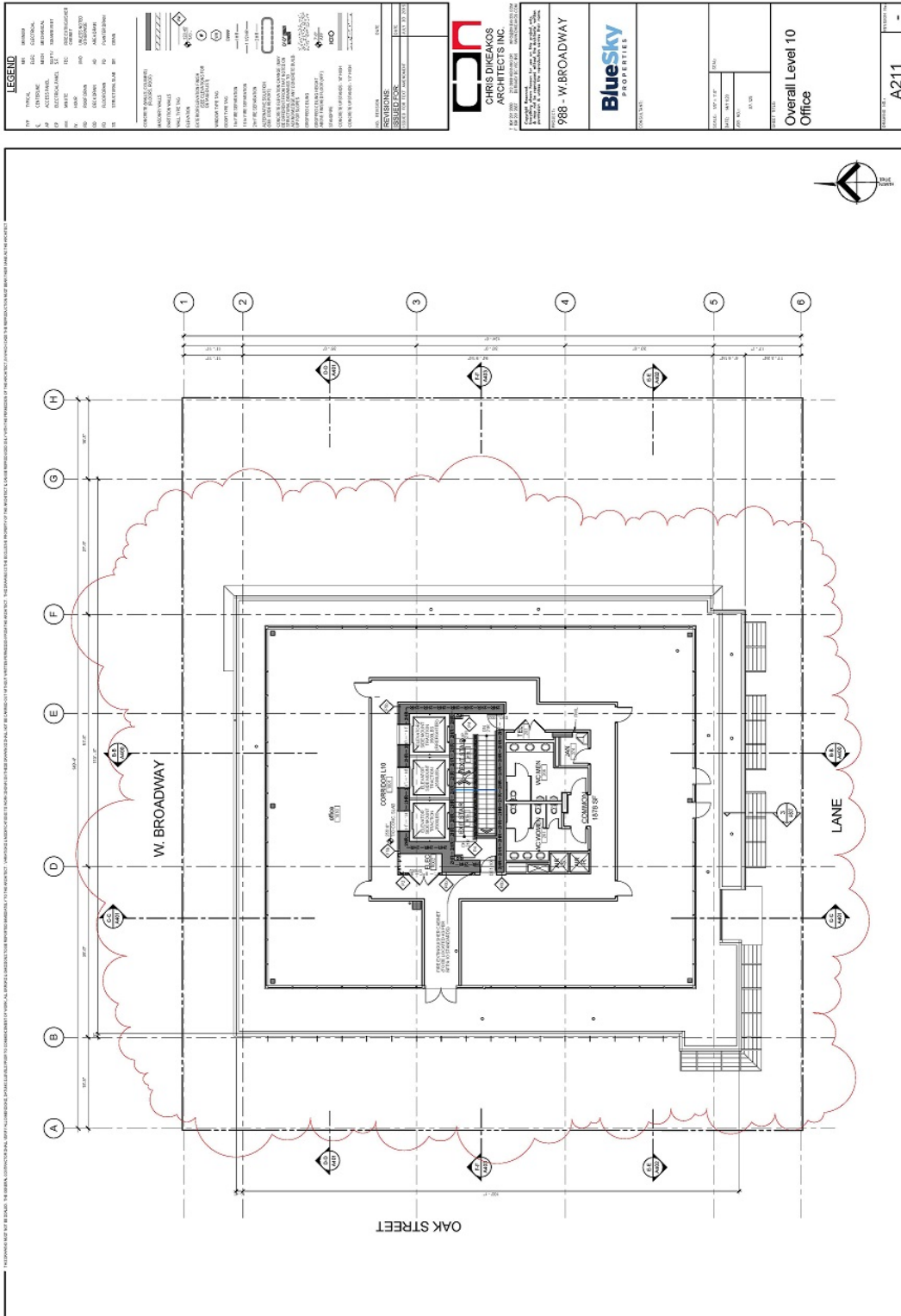
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**988 West Broadway
FORM OF DEVELOPMENT**

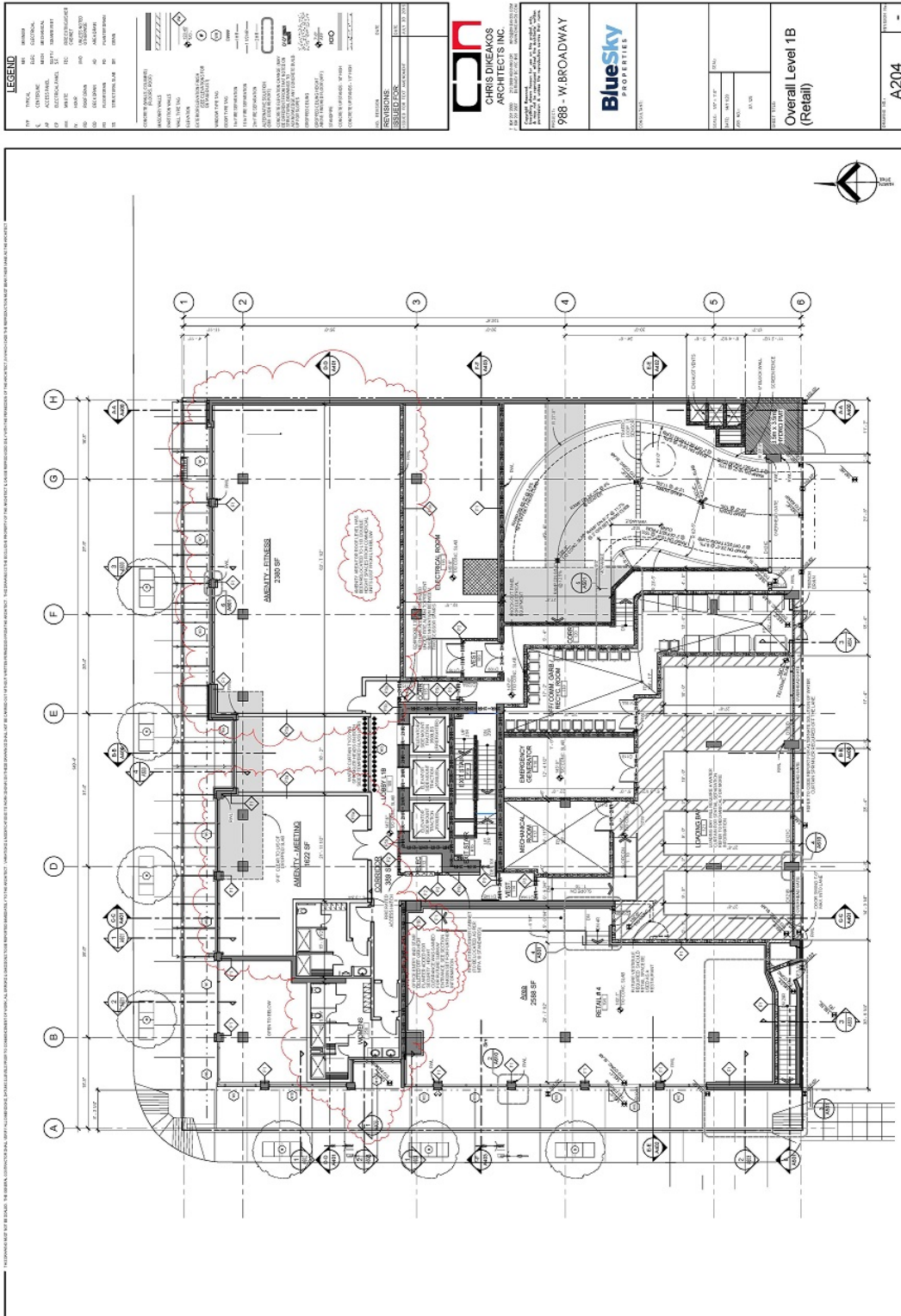
View of amended building proposal looking southeast



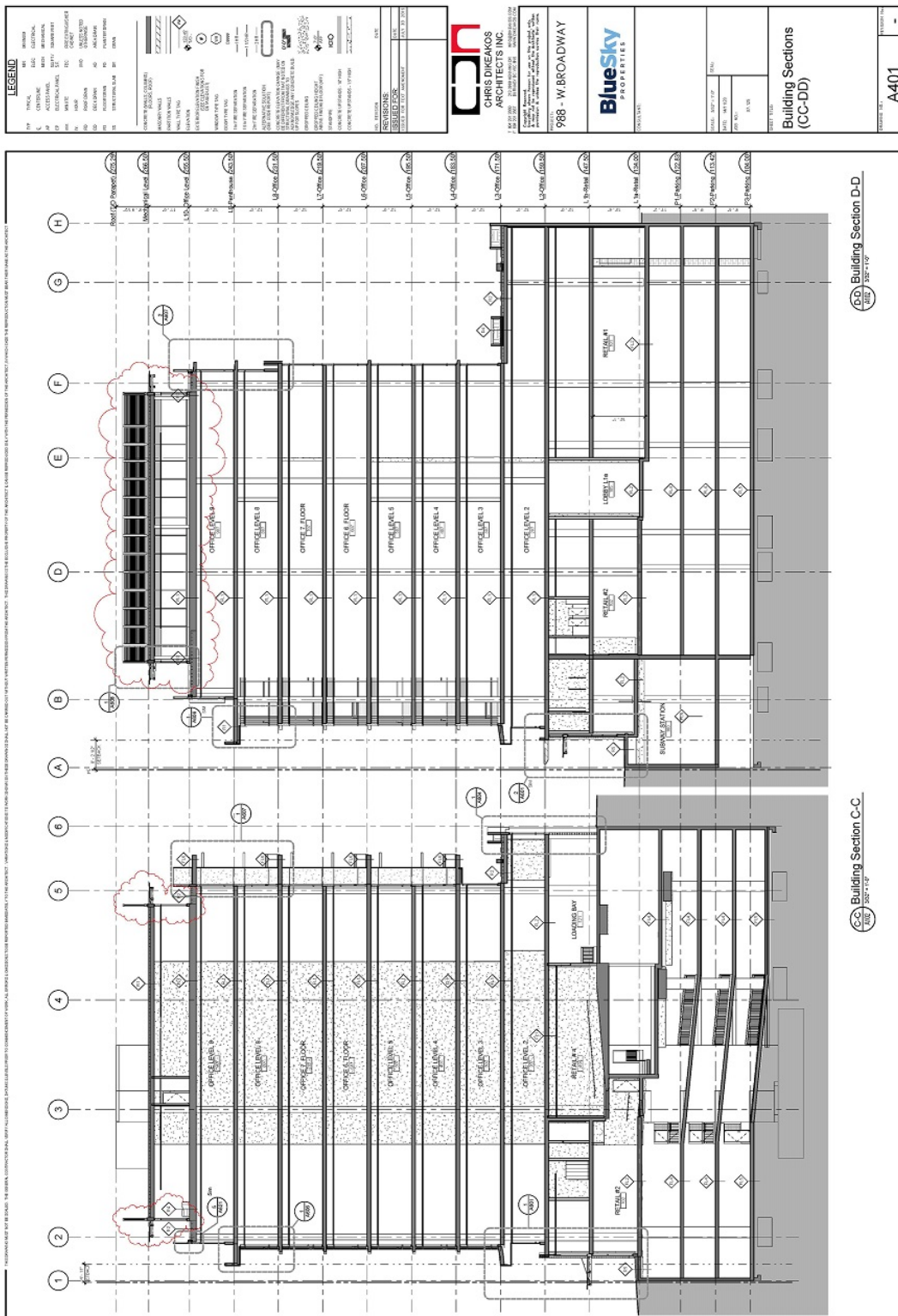
Plan of revised Level 10



Plan of revised Level 1B (relocated tenant common area)



Sections through revised building



**988 West Broadway
PUBLIC BENEFITS**

Project Summary:

Text amendment to add 520 m² (5,600 sq. ft.) of floor space to this proposed 10-storey office building, bringing the total floor area of the building to 9,613 m² (103,482 sq. ft.)

Public Benefit Summary:

A contribution towards the City's Heritage Amenity Bank, public art and DCLs.

	Current Zoning	Proposed Zoning
Zoning District	CD-1	amended CD-1
FSR (site area = 24,000 sq. ft.)	5.22	5.62
Buildable Floor Space (sq. ft.)	97,882	103,482
Land Use		

Public Benefit Statistics		Value if amendments approved (\$)
<i>Required*</i>	DCL (Citywide) (143.27 m ² /13.31/sq. ft.)	74,536
	Public Art (\$1.81/sq. ft.)	187,302
<i>Offered (Community Amenity Contribution)</i>	Heritage (including the purchase of heritage density as part of the CAC)	364,000
	Childcare Facilities (cash)	
	Cultural Facilities	
	Green Transportation/Public Realm	
	Housing (e.g. supportive, seniors)	
	Parks and Public Spaces	
	Social/Community Facilities	
	Unallocated	
	Other (in-kind property)	
TOTAL VALUE OF PUBLIC BENEFITS		\$625,838

Other Benefits:

Note: This table reflects the net new public benefits that would result should this text amendment application be approved.
The 2011 rezoning application resulted in overall public benefits totaling \$1,776,434.

**988 West Broadway
APPLICANT, PROPERTY AND DEVELOPMENT PROPOSAL INFORMATION**

APPLICANT AND PROPERTY INFORMATION

Street Address	988 West Broadway (formerly 984 West Broadway)
Legal Description	PID 015-184-676; Lot B, Block 356, District Lot 526, Plan 590
Applicant/ Property Owner	984 Developments Inc., Inc. No. BC0961682 (Blue Sky Properties)
Architect	Chris Dikeakos Architects Inc.

SITE STATISTICS

AREA	1,742 m ² (18,750 sq. ft.)
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DEVELOPMENT STATISTICS

	DEVELOPMENT PERMITTED UNDER EXISTING ZONING	PROPOSED DEVELOPMENT
Zoning	CD-1	amended CD-1
Uses	Office, Service, Retail	Office, Service, Retail
Floor Space Ratio (FSR)	5.22	5.52
Floor Area	9,093 m ² (97,882 sq. ft.)	9,613 m ² (103,482 sq. ft.)
Maximum Height	40.3 m 10 storeys	40.6 m 10 storeys
Parking Spaces	126	144