

# POLICY REPORT DEVELOPMENT AND BUILDING

Report Date: May 9, 2017 Contact: Anita Molaro Contact No.: 604.871.6479

RTS No.: 11973 VanRIMS No.: 08-2000-20 Meeting Date: June 13, 2017

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability in

consultation with the Director of Legal Services

SUBJECT: Heritage Designation - 2733 Franklin Street, Ross Residence

#### RECOMMENDATION

- A. THAT Council instruct the Director of Legal Services to bring forward for enactment, pursuant to Sections 593 and 594 of the *Vancouver Charter*, a by-law to designate as protected heritage property the exterior of the existing building at 2733 Franklin Street (PID: 013-410-679; Lot 27, Except Part in Plan 5584, of Lot 40, Town of Hastings Suburban Lands, Plan 467 (the "site")), known as the Ross Residence (the "heritage building"), which is listed on the Vancouver Heritage Register in the 'B' evaluation category.
- B. THAT Recommendation A be adopted on the following conditions:
  - i. THAT the passage of the above resolution 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 the exterior of the Ross Residence at 2733 Franklin Street, which is listed in the 'B' evaluation category on the Vancouver Heritage Register, as protected heritage property. Under the current RS-1 zoning applicable to the site, the existing building could be demolished and the site redeveloped with a density of up to 0.7 floor space ratio (FSR) without Council approval. As incentive and compensation to the owner for the heritage designation and conservation of the heritage building's exterior, certain discretionary zoning relaxations are proposed to permit the development as set forth in the Development Permit Application Number DP-2017-00382 (the "DP Application") and as described in this report. The General Manager of Planning, Urban Design, and Sustainability is prepared to approve the DP Application should Council approve the recommendations of this report.

#### COUNCIL AUTHORITY/PREVIOUS DECISIONS

Pursuant to Sections 593 and 594 of the *Vancouver Charter*, Council, by by-law, may designate real property, in whole or in part, 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 is achieved by way of zoning relaxations so as to permit an otherwise impermissible development.

The proposed heritage designation for the exterior of the heritage building 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 applicable to the project:

• Heritage Policies and Guidelines (May 1986, last amended September 2002)

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 General Manager of Planning, Urban Design, and Sustainability RECOMMENDS approval of A and B.

#### STRATEGIC ANALYSIS

#### Site and Context

The site is located in the Hastings Sunrise neighbourhood in an area zoned RS-1 (see Figure 1). The RS-1 *District Schedule* of the *Zoning and Development By-law* permits residential use and an overall density of up to 0.7 Floor Space Ratio (FSR). The site area is 374 m<sup>2</sup> (4,024 sq.ft.) and a 6-metre (20 ft.) wide lane exists at the rear of the property as it relates to this site and the heritage building.

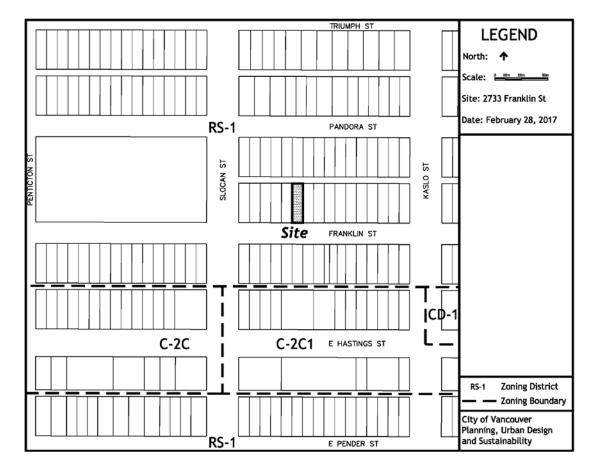


Figure 1: Site and Surrounding Zoning

#### Heritage Value

Built in 1913, the Ross Residence is a good example of a Craftsman Bungalow style house (Appendix A). It is one of a pair of identical houses on Franklin Street, but unlike its twin, its integrity is excellent. It was constructed shortly after the amalgamation of Hastings Townsite with the City of Vancouver (in 1911), representative of the pre-war development that took place in the area following extension of streetcar lines and other services. It features a partial-width porch with decorative boardwork in the gable and a prominent bay window at the front. The heritage building has an association with the Ross family spanning more than 40 years: Robert Ross, a carpenter and millwright, lived here until his death in 1917 and Matilda Ross remained here until 1939, at which time it was passed along to their daughter.

#### Development Application and Proposed Incentives

The incentives and compensation to be provided to the owner for the heritage designation of the exterior of the heritage building together with the rehabilitation, and conservation of the heritage building will be in the form of relaxation of requirements in the *Zoning and Development By-law* as set forth in the DP Application which are within the discretion of the General Manager of Planning, Urban Design and Sustainability and are further described below.

An earlier permit was issued for modest alterations including a sunken patio and a new foundation on which the house will be set. A DP Application is proposed to open up the attic and convert it to habitable space, install skylights and provide energy improvements such as

addition of insulation. The opening up of the attic will increase livable floor area by 48 m<sup>2</sup> (512 sq.ft.). No changes are proposed to the exterior envelope of the house, besides the skylights. The house will remain a One-Family Dwelling (see the drawings in Appendix B).

The maximum permitted density under the RS-1 zoning for the site is 0.70 FSR overall and the total density for the proposed development is 0.77 FSR (see the Technical Zoning Summary in Appendix C). Pursuant to section 3.2.5 of the Zoning and Development By-law, the General Manager of Planning, Urban Design and Sustainability may relax requirements of the Zoning and Development By-law where Council has determined that the development would make a contribution to conserving protected heritage property. In accordance with the Heritage Policies and Guidelines approved by Council, the Director of Planning may approve an increase in density up to 10% beyond that which is permitted in the zoning and without Council approval. The DP Application, which is the subject of this report, proposes to add 512 sq. ft. to the existing house which would result in an overall increase of 10.5% above the permitted floor area. The total floor area proposed would be 3,112 sq. ft. (0.77 FSR) which is 13 sq. ft. above the 10% threshold and would typically require a pro forma review. In this case, the Director of Planning, in consultation with the Director of Real Estate Services has determined that since the floor area increase of 13 sq. ft. is minimal and the proposed additions would not result in any undue profit, the pro forma review is not required. This approach would constitute a waiver by Council of the current requirements in the Heritage Policies and Guidelines noted above.

As part of the DP 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, and concluded that the application is supportable.

# Compatibility with Community Planning Objectives, Existing Zoning and Land Use Regulations

The *Hastings-Sunrise Community Vision* was adopted by Council on March 23, 2004. The proposal to retain this heritage building is consistent with the Vision, particularly:

13.1 Retain Buildings on the Vancouver Heritage Register "For structures listed in the Vancouver Heritage Register, the City should encourage retention by implementing additional incentives which are suitable in areas like Hastings-Sunrise."

The intent of the *RS-1 District Schedule* of the *Zoning and Development By-law* is generally to maintain the single-family residential character of the RS-1 District, and also to permit one-family dwellings with secondary suites. A modest renovation such as proposed in the DP Application, that maintains virtually all the external architectural character, along with conservation and long-term protection of the heritage building, meets this intent and is consistent with the Council-adopted *Hastings-Sunrise Community Vision*.

### Condition of the Heritage Building and Conservation Approach

The heritage building is in very good condition. Only minor repair is necessary and all character-defining elements will be retained. Staff have concluded that the proposal is consistent with best conservation practices and supportable in this regard.

### Results of Neighbourhood Notification

Notification of this application was distributed to 68 surrounding property owners, and no responses were received.

## Comments of the Vancouver Heritage Commission

On April 10, 2017, the Vancouver Heritage Commission reviewed the DP Application and unanimously supported it with comments (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 site is subject to the City-wide DCL rate of \$34.77/m² (\$3.23/sq.ft.). On this basis, a DCL of approximately \$1,654 is anticipated.

DCLs are payable at building permit issuance and are subject to an annual inflationary adjustment which takes place on September 30<sup>th</sup> 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. If approved, the protection will be secured with a Heritage Designation By-law and the owner will enter into a legal agreement to secure the conservation and rehabilitation of the property as further set out in Appendix E. The cost to the applicant of the proposed on-site heritage conservation is estimated to be approximately \$70,000.

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

#### Proforma Evaluation

The Heritage Proforma Review - Interim Policy approved in June 2014 allows an application to be exempt from a proforma review subject to certain conditions, including that any bonus density granted to the site for heritage conservation does not exceed 10% beyond the maximum permitted density in the zoning. As noted above the DP Application proposes additions to the house exceeding that which could be considered under the Heritage Proforma Review - Interim Policy by 13 sq. ft. The Director of Planning in consultation with the Director of Real Estate Services are of the opinion that a pro forma review is not required on the basis that the additional floor area is minimal and would not create any undue profit.

## Financial Implications

As noted in the section on Public Benefits, the applicant has offered the on-site conservation and rehabilitation of the Ross Residence valued at \$70,000.

The site is within the City-wide DCL District and it is anticipated that the applicant will pay approximately \$1,654 in DCLs should the DP Application be approved and the project proceed.

#### **Environmental**

The City's *Green Buildings Policy for Rezonings* does not apply to the project as an HRA is not proposed. However, the application will comply with all the environmental provisions embodied in the current *Vancouver Building By-law*.

#### Legal

The discretionary relaxations of the *Zoning and Development By-law* proposed will provide an improved development potential on the site. The owner's proposal to rehabilitate and conserve the heritage building's exterior in exchange for obtaining the relaxations needed to get that improved development potential will be appropriately secured as legal obligations in an agreement 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 an agreement, 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 an owner for any reduction in the market value of property caused by a heritage designation. The owner has signed the agreement noted above and in doing so has explicitly accepted the discretionary 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 agreement will be executed by the City and registered on title to the site before a development permit for the project may be issued.

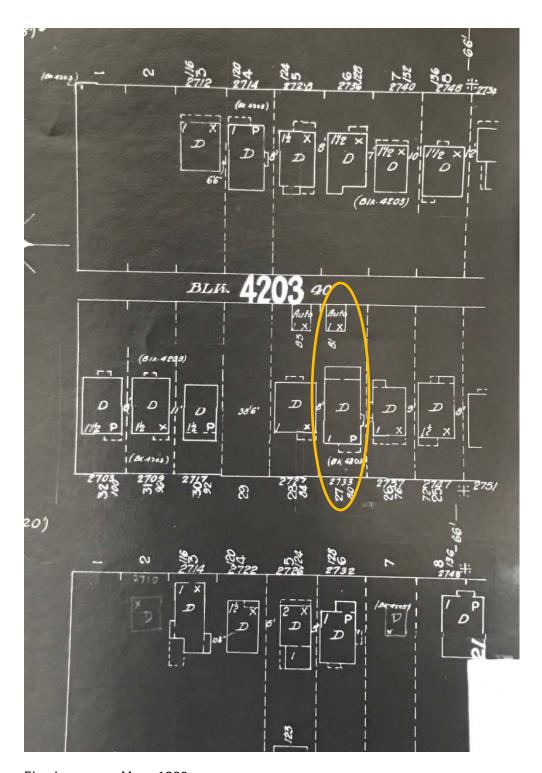
#### **CONCLUSION**

The approval of the heritage designation of the Ross Residence at 2733 Franklin Street will ensure that the heritage building is rehabilitated and protected from exterior alterations which affect its heritage value, and from demolition. The owner has agreed to heritage designation and in exchange for modest alterations to the house that will not compromise its heritage character. The General Manager of Planning, Urban Design, and Sustainability 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 proposed heritage designation of the Ross Residence at 2733 Franklin Street.

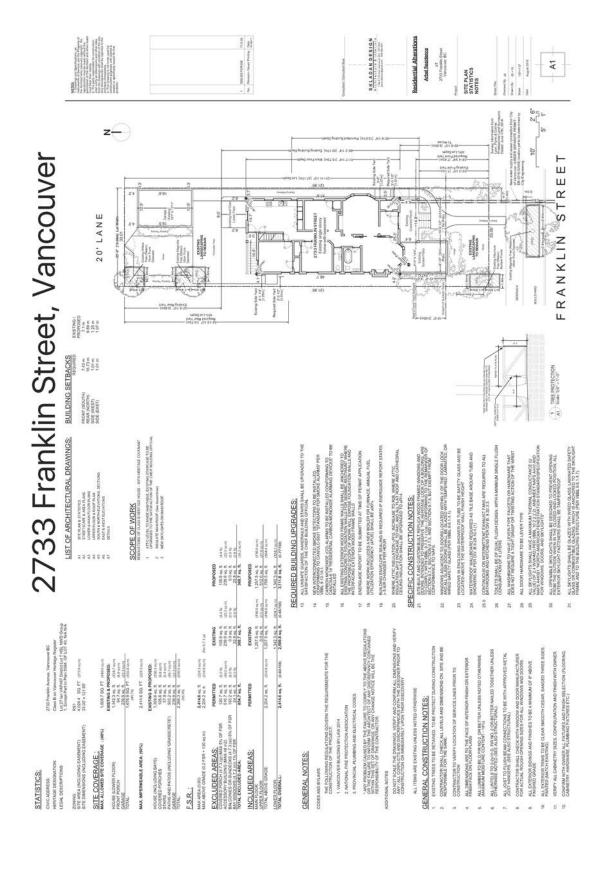
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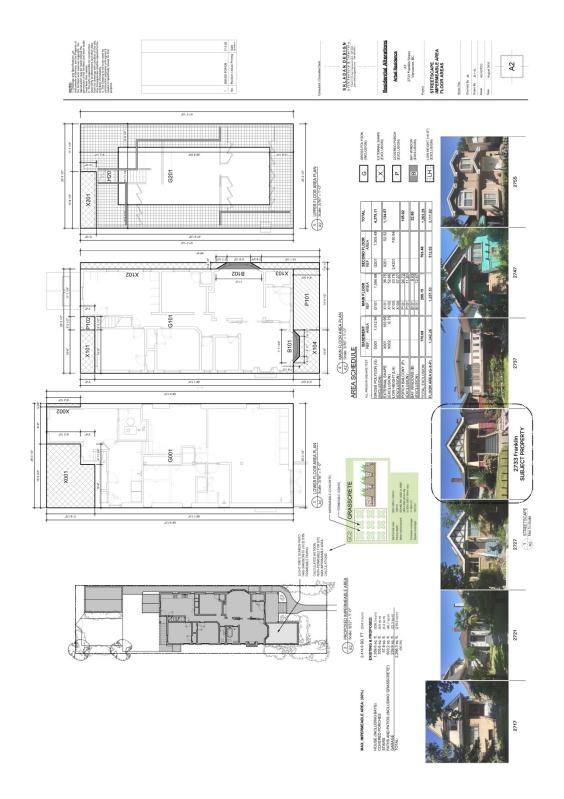


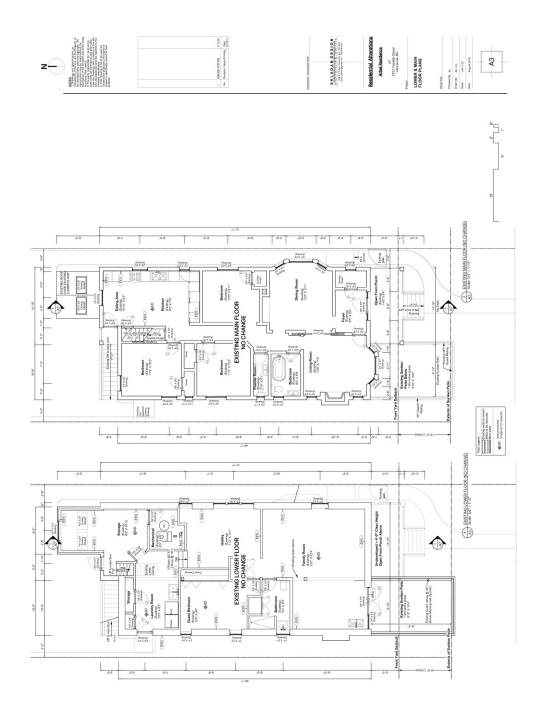
Ross Residence, 2733 Franklin Street

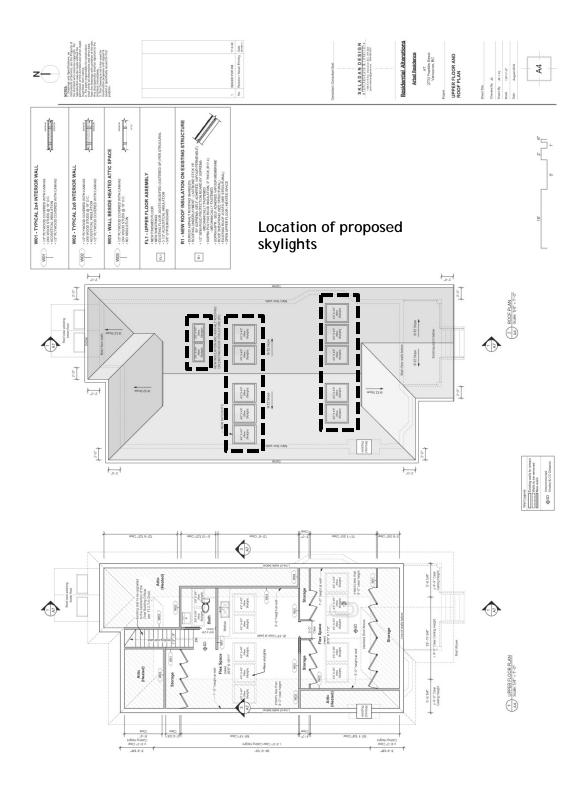


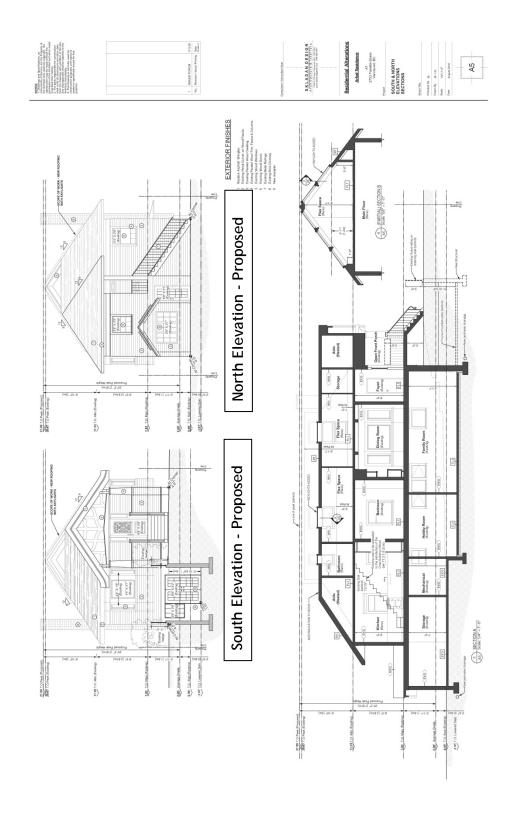
Fire Insurance Map, 1930



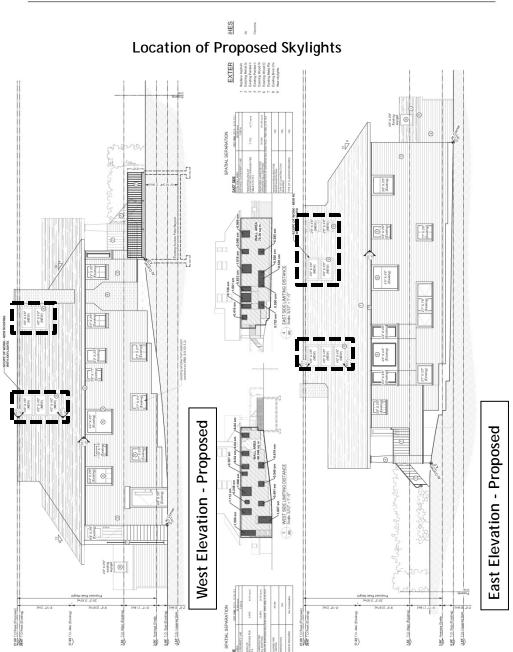












# 2733 Franklin Street TECHNICAL ZONING SUMMARY

<u>Variances of the RS-1 Zoning District Schedule of the Zoning and Development By-law:</u>

Regulations of the	Existing	Required or	Proposed
RS-1 District Schedule	dule Permitted		-
Section 4.7.1 - Floor	0.65 FSR	0.7 FSR overall	0.77 FSR
Space Ratio	$(241.5 \text{ m}^2 / 2,600)$	(261.7 m <sup>2</sup> /2,817	(289.1 m <sup>2</sup> /3,112
	sq.ft.)	sq.ft.)	sq.ft.)
Section 4.8.1 - Site	41.7%	40%	41.7%
Coverage *			

<sup>\*</sup> No variance required - existing non-conforming

# 2733 Franklin Street RESOLUTION OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS

On April 10, 2017, the Vancouver Heritage Commission reviewed the proposed heritage designation of the building known as the Ross Residence at 2733 Franklin Street and resolved the following:

THAT the Vancouver Heritage Commission supports the application to open-up 512 square feet of living area in the attic at 2733 Franklin Street, the Ross Residence, through the use of skylights, as presented at its meeting on April 10, 2017, noting the following:

 that the applicant consider adding ventilation and a fresh air intake to the roof assembly to mitigate condensation.

FURTHER THAT the Commission commends the applicant for their effort to lovingly maintain this house.

### CARRIED UNANIMOUSLY

#### Staff Comments:

The applicant will be directed to address the issue of attic ventilation in the form of prior-to conditions in the Development Permit

# 2733 Franklin Street PUBLIC BENEFITS SUMMARY

#### **Project Summary:**

Rehabilitation and conservation of a heritage building with opening up of attic to allow for modest increase in livable floor space.

#### **Public Benefit Summary:**

The project would result in the conservation and long-term protection of a heritage resource.

	Current Zoning	Proposed
Zoning District	RS-1	RS-1
FSR (site area = 374 m <sup>2</sup> (4,024 sq. ft.))	0.7	0.77
Buildable Floor Area	262 m <sup>2</sup> (2,817 sq. ft.)	289 m <sup>2</sup> (3,112 sq. ft.)
Land Use	Residential	Residential

	Public Benefit Statistics	Value if built under Current Zoning (\$)	Value if built under Proposed DE (\$)
*	DCL (City-wide) (See Note 1)	9098	1,654
irec	DCL (Area Specific)		
Required*	Public Art		
Re	20% Social Housing		
5.	Childcare Facilities		
Amenity	Cultural Facilities		
Am	Green Transportation/Public Realm		
nity tior	Heritage		70,000
nmu	Housing (e.g. supportive, seniors)		
Offered (Community Contribution)	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
	TOTAL VALUE OF PUBLIC BENEFITS	\$9098	\$71,654

Other Benefits (non-market and/or STIR)

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 241 m² (2,600 sq. ft.). However, in this case, since RS-1 does not require retention, "Value if Built Under Current Zoning" is based on floor area of new dwelling built at 0.7 FSR.