



POLICY REPORT
BUILDING AND DEVELOPMENT

Report Date: November 28, 2017
Contact: Karen Hoes
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RTS No.: 12117
VanRIMS No.: 08-2000-20
Meeting Date: December 12, 2017

TO: Vancouver City Council
FROM: General Manager of Planning, Urban Design and Sustainability
SUBJECT: CD-1 Text Amendment: 1128 West Georgia Street

RECOMMENDATION

- A. THAT the application by James KM Cheng Architects Inc., on behalf of KBK No. 11 Ventures Ltd., to amend CD-1 (426) By-law No. 8943 for 1128 West Georgia Street (1119 Alberni Street) [*PID: 027-700-291, Air Space Parcel 3, Block 18, District Lot 185, Group 1, New Westminster District, Air Space Parcel Plan BCP38696; and PID: 017-483-093, Lot G, Block 18, District Lot 185, Group 1, New Westminster District, Plan LMP1597 Except Air Space Parcel Plan BCP38696*] to increase the floor space ratio from 13.41 to 13.50 to allow for expansion of uses accessory to the hotel presently on the site, be referred to public hearing, together with:
- (i) a draft by-law amendment, generally as presented in Appendix A;
 - (ii) revised building floor plans generally prepared James K.M. Cheng Architects Inc. received March 21, 2017 as presented in Appendix C; and
 - (iii) the recommendation of the General Manager of Planning, Urban Design and Sustainability to approve the application subject to conditions contained in Appendix B;

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 recommendation A 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 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 assesses an application to amend the CD-1 (426) By-law for 1128 West Georgia Street. CD-1 zoning for the site was approved in 2004 for a 59-storey mixed-use development (The Shangri-La). The CD-1 By-law permits a floor space ratio (FSR) of 13.41, or 64,692 sq. m (696,339 sq. ft.) for all uses combined. This text amendment proposes to increase the maximum floor area by 459.5 sq. m (4,947 sq. ft.) and the FSR to 13.50 to allow for expansion of restaurant and other uses accessory to the existing hotel on the site. It is recommended that the application be referred to public hearing with the recommendation of the General Manager of Planning, Urban Design and Sustainability to approve it, subject to the public hearing.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- CD-1 (426) By-law No. 8943, enacted on November 2, 2004 amended up to and including By-law 9311, dated June 13, 2006
- Financing Growth (Community Amenity Contribution) Policy (2003)
- West End Community Plan (2013)
- Transfer of Density Policy and Procedure (1983, last amended 2013)

REPORT

Background/Context

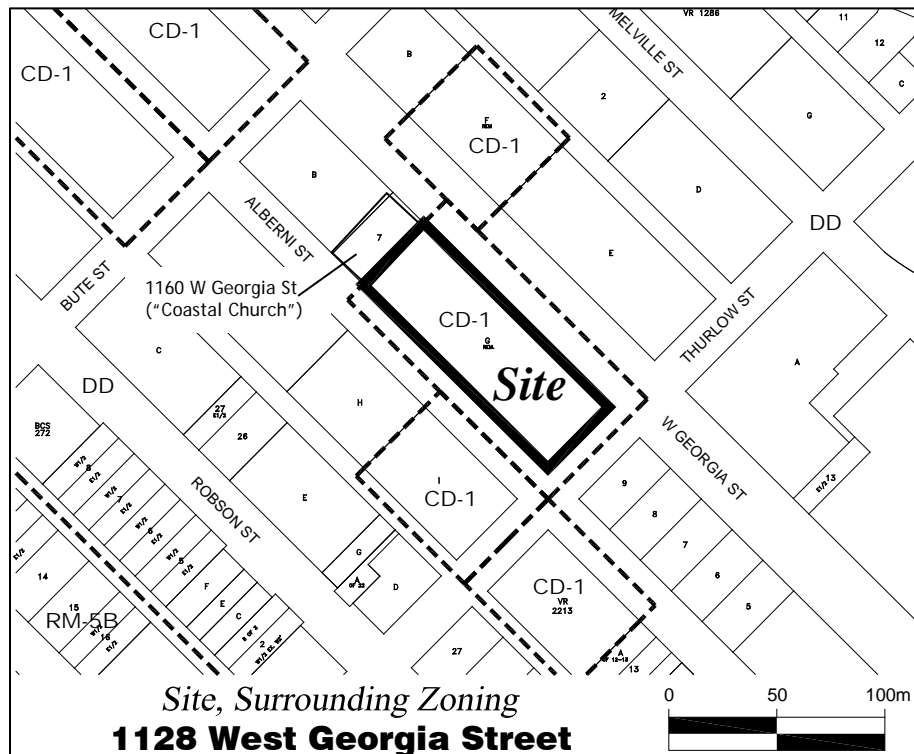
The Shangri-La is a 59-storey mixed-use development comprised of retail, restaurant, hotel and dwelling uses completed around 2008. It features at ground level public open space with outdoor art space and a pedestrian pathway, and in the tower a hotel with extended stay suites, including restaurants and a spa, general office live-work spaces and residential units.

The large site fronts and is bounded by Georgia, Thurlow and Alberni streets (see Figure 1). A heritage church (Coastal) is to the west side of the site, the designation and conservation of which formed part of the CD-1 rezoning's public benefits. The Shangri-La sits on the southern edge of the Central Business District, dominated by office towers, and in the West End Community Plan's Alberni Retail District corridor with a predominantly commercial character. A 24-storey mixed use retail-office tower (745 Thurlow Street) at the southwest corner of Alberni and Thurlow Streets was built after The Shangri-La was completed and has created a

shadowing effect on the site. A number of prominent residential and hotel buildings are also nearby.

Public pedestrian access is secured through the site between Alberni and Georgia streets by a Statutory Right of Way.

Figure 1 - Site and Surrounding Area



The general intent of the Alberni Retail District is to strengthen this area as a mixed-use street with small scale retail, patios and programming to help activate underutilized private plazas, and promote street-level vibrancy.

Strategic Analysis

The application proposes to amend CD-1 (426) to increase the FSR to 13.50 and the maximum floor area by 459.5 sq. m (4,947 sq. ft.) to 65,151.5 sq. m (701,286 sq. ft.) to:

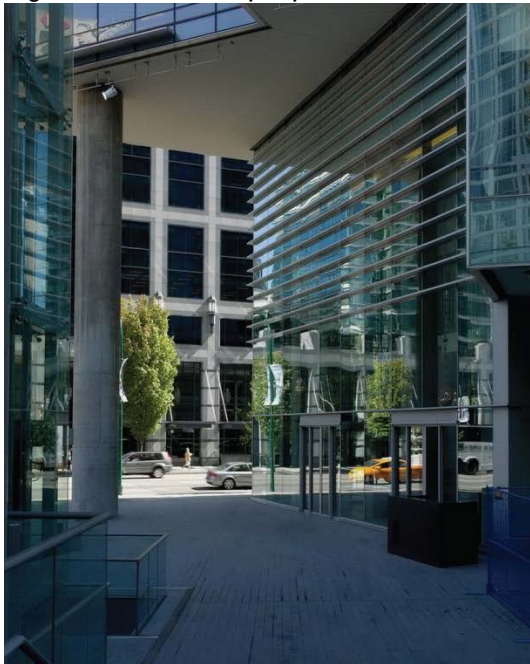
- permit expansion of the hotel lobby by adding a new 59.4 sq. m (639 sq. ft.) "tea room" lounge in the existing plaza on Georgia Street to the west of the lobby;
- enclose 183.7 sq. m (1,977 sq. ft.) of outdoor floor area comprising the third-floor restaurant's terrace and another 85.5 sq. m (920 sq. ft.) of exterior bridge floor area leading to the restaurant; and
- on Level 6, enclose 131 sq. m (1,411 sq. ft.) of outdoor floor area on an existing roof terrace facing Thurlow Street adjoining the hotel's meeting and convention space on that level.

A new “tea room” use is proposed at street level, immediately west of and connected to the hotel lobby (see Figure 2). The proposed siting of the “tea room” is within an area defined in the original rezoning application as outdoor hotel seating space. The hotel has since removed the outdoor seating initially at this location, as the area was too windy and shady. The “tea room” addition off the lobby proposes to re-introduce lounge use in this location within the footprint of the previously approved outdoor seating area. The “tea room” would operate as a lounge serving food and beverage items accessory to the hotel and adjacent to the lobby. The new lounge space would replace hotel lounge space previously located to the south that has been converted to retail. The public open space area, including the sculpture garden and pedestrian pathway defined and secured through a Statutory Right of Way, would not be impacted.

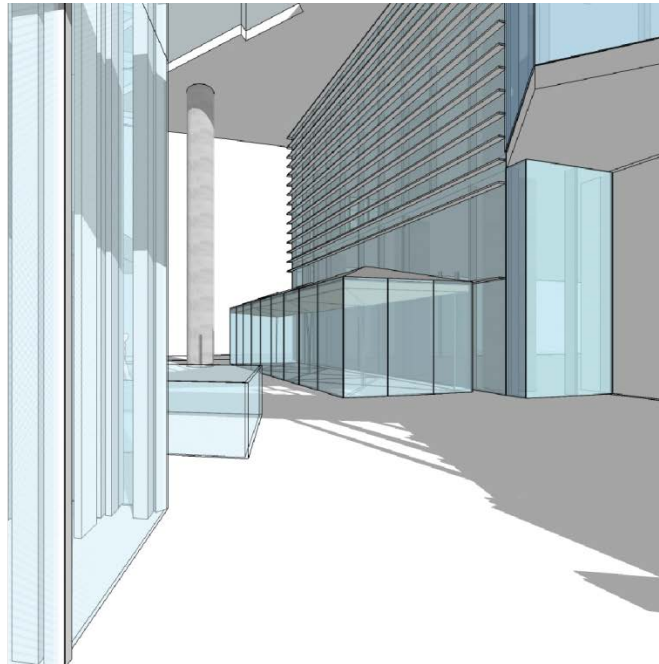
On the third floor, the proposal includes enclosing the existing restaurant terrace with southern exposure facing Alberni Street and the existing bridge connection linking the hotel to the west podium (see Figure 3). Enclosing the bridge would provide weather protection. Enclosure of the restaurant terrace is in response to a loss of sun exposure and increased shadows cast on the terrace by new towers on Alberni Street. The restaurant terrace was erroneously considered as excluded floor area in the original Development Permit (issued February 17, 2005).

Also proposed is removing the temporary weather protection currently used on a portion of the sixth floor’s roof terrace facing Thurlow Street and permanently enclosing this area (see Figure 4).

Figure 2 - View of proposed “Tea Room”



Existing Galleria View -
Formerly Outdoor Seating Area
(facing Georgia Street)



Proposed “tea room” Siting

Figure 3 - Third Floor: Enclosed Restaurant Terrace and Bridge



Existing Open Bridge and Restaurant Terrace View (from the pedestrian pathway)

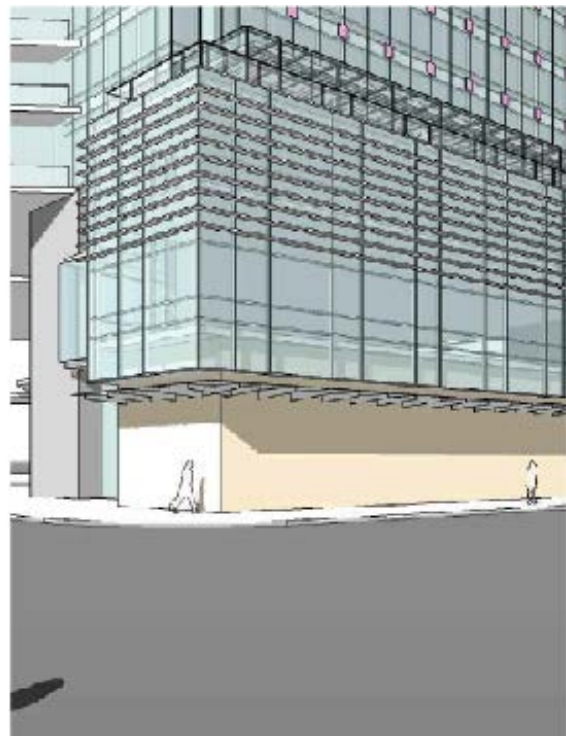


Proposed Enclosed Bridge and Restaurant Terrace

Figure 4 - Sixth Floor: Enclosed Terrace



Existing Level 6 Roof Terrace View with Temporary Canopy (from Alberni St and Thurlow St)



Proposed Level 6 Terrace Permanent Enclosure

Form of Development

Staff have assessed the additional floor area proposed and have concluded that the form of development is supported, subject to the conditions applicable to the development permit included in Appendix B.


Staff did have concern about the impact of the proposed new “tea room” on the site’s public open space area. To address this concern, a condition of rezoning has been included to ensure that the minimum distance between the elevator guardrail and “tea room” structure be increased from 2.8 m (9.1 ft.) to 3.7 m (12.1 ft.). This would ensure adequate space for pedestrian movement between the upper Alberni and lower Georgia plazas.

Parking

Parking and loading for the increase in floor area are to be in accordance with the Parking By-law. Under its current provisions two additional parking spaces are assessed for the added floor area. The loading provision is unchanged. The building was constructed with 13 surplus parking spaces above the by-law requirement. As such, no additional parking need be provided.

PUBLIC INPUT

A rezoning information sign was installed on the site on June 1, 2017. Notification and application information were provided on the City of Vancouver Rezoning webpage (vancouver.ca/rezoning). A total of 6,537 notifications were distributed within the neighbouring area on or about June 1, 2017. Notification and application information, as well as an online comment form, were provided on the City of Vancouver Rezoning Centre webpage (Vancouver.ca/rezapps).

Total notifications		6,537
Other feedback	4	

To date, staff have received mixed responses to this rezoning notification:

- one response in support of the rezoning, specifically for the proposed “tea room” as a retail amenity;
- two objections to the proposal, citing concerns over the increase in floor area;
- one response outlining concerns about the potential loss of public amenity space at street level; and
- concern from one of the strata councils in the building about the form of the proposed “tea room” lounge and its overall impact on the function of the lobby.

The public open space area, defined and secured through a Statutory Right of Way, would not be impacted. A design development condition to increase the space for pedestrian movement between the upper Alberni and lower Georgia plazas has also been provided (see Appendix B). Staff advised the applicant to meet with the relevant strata council to provide residents and owners information about this rezoning application and to seek input. The applicant made a presentation at a strata council meeting on October 30, 2017. City staff was in attendance. Strata members expressed concerns about ongoing maintenance and cost-sharing related to the additional glass enclosures proposed, and the interior design of the “tea room” lounge, specifically the layout of the back of house. A design development condition has been provided (see Appendix B) to ensure that the “back of house” space for the “tea room” lounge is coordinated with the overall interior design and concealed from the lobby.

PUBLIC BENEFITS

Development Cost Levies (DCLs) – 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. This site is subject to the City-wide DCL rate which, as of September 30, 2017, is \$149.73 per sq. m. (\$13.91 per sq. ft.) for commercial use. Based on the proposed net increase in floor area of 459.5 sq. m (4,947 sq. ft.) a DCL of approximately \$68,801 is anticipated.

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 DCP 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 Rezoning Development* requires that rezonings involving a floor area of 9,290.0 sq. m (100,000 sq. ft.) or greater allocate a portion of their construction budgets to public art as a condition of rezoning. As this application entails a building less than the floor area requirement, no public art contribution is required. A significant public art contribution was made at the time of the original rezoning application in 2004.

Community Amenity Contribution (CAC) – 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. CACs typically include either the provision of on-site amenities or a cash contribution toward other public benefits and they take into consideration community needs, area deficiencies and the impact of the proposed development on City services.

Real Estate Services staff have completed a review of the commercial renovations at the Shangri-La Hotel and summarize the following:

- The existing outdoor space on the restaurant and conference levels has seasonal weather protection and is already being used as restaurant/conference area.
- The “tea room” addition is in a space that was also originally set up as an outdoor patio and used as such until it proved too windy.
- These spaces are within the existing overall hotel and restaurant boundaries.
- Any additional value created from the 4,947 sq. ft. of additional commercial space would be entirely offset by the added costs to permanently enclose and improve these areas.
- The additional 4,947 sq. ft. of density will not produce any material land lift.

Given the above, staff conclude that, in this instance, no CAC is warranted.

Financial

As noted in the section on Public Benefits, the site is within the City-wide DCL district and it is anticipated that the applicant will pay a DCL of approximately \$68,801.

Also, as described in the Community Amenity Contribution section above, no CAC is anticipated from this text amendment.

CONCLUSION

Assessment of this text amendment application has concluded that the proposed floor area increase is supported, as it offers an additional ground floor commercial amenity in the Alberni Retail District and, would not encroach into the existing public space secured during the original rezoning application.

The General Manager for Planning, Urban Design and Sustainability recommends that the application be referred to public hearing together with the draft CD-1 By-law amendment, generally as shown in Appendix A along with conditions of approval in Appendix B including approval in principle of the Form of Development as shown in the plans included as Appendix C.

* * * * *

1128 West Georgia Street
A By-law to amend CD-1 (426) By-law No. 8943
to increase floor space ratio

1. This By-law amends the indicated provisions of By-law 8943.
2. In section 5.2, Council strikes out "13.41, or 64 692 m²" and substitutes "13.50, or 65 151.5 m²".

* * * * *

1128 West Georgia Street

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 James KM Cheng Architects Inc., on behalf of KBK No. 11 Ventures Ltd., as the applicant, and stamped "Received Planning & Development Services (Rezoning Centre) March 21, 2017", provided that the Director of Planning 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 Director of Planning, who shall have particular regard to the following:

Urban Design

1. Design development to ensure a minimum distance between the guard rail of the elevator shaft opening and the new tea room structure of no less than 3.7 m (12 ft.).
2. Design development to improve the integration of the covered terrace on level six with the existing building.

Note to Applicant: Provide annotation on Development Permit elevation drawings to show materials are of high-quality construction and match existing architectural elements.

3. Provision in the drawings of section details of the proposed covered bridge demonstrating a minimal impact on the access to daylight and views in the ground-level Public Open Space and Art Space.
4. Design development to visually conceal back-of-house and staff operations for the proposed tea room from the entrance lobby and other public and semi-public spaces.
5. Consideration to provide architectural devices and high performance glazing to improve the thermal performance and heat gain of the proposed glazed restaurant terrace enclosure.

Engineering

6. The proposed encroaching canopy edge along the Alberni Street frontage is to meet the Vancouver Building By-law for demountability and drainage where it is over public property or the canopy must be pulled back so no portion encroaches over public property.

Sustainability

7. Identification on the plans and elevations of the built elements contributing to the building's sustainability performance in achieving LEED® Gold, as required by the Green Buildings Policy for Rezoning, including a minimum of 63 points in the LEED® rating system, including at least 22% reduction in energy cost as compared to ASHRAE 90.1 2010, one water efficiency point, and one stormwater point.

Note to Applicant: A Sustainable Design Strategy must be submitted as part of the Development Permit that articulates which credits the applicant will be pursuing and how their building application, as submitted, incorporates strategies, features or technologies that will help achieve these credits. The strategy, along with the LEED checklist must be incorporated into the drawing submission. A letter from a LEED Accredited Professional or Administrator must confirm that the proposed strategy aligns with the applicable goals of the rezoning policy. Proof of registration of the CaGBC must be provided with the application and the project registration number incorporated into the drawings. Application for Certification will be required at a subsequent stage.

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 General Manager of Planning, Urban Design and Sustainability, the General Manager of Community Services, the General Manager of Engineering Services, and Approving Officer, as necessary, and at the sole cost and expense of the owner/developer, make arrangements for the following:

Environmental Contamination

1. If applicable:
 - (i) Submit a site profile to Environmental Services (Environmental Protection);
 - (ii) As required by the Manager of Environmental Services and the Director of Legal Services in their discretion, do all things and/or enter into such agreements deemed necessary to fulfill the requirements of Section 571(B) of the Vancouver Charter; and

- (iii) If required by the Manager of Environmental Services and the Director of Legal Services in their discretion, enter into a remediation agreement for the remediation of the site and any contaminants which have migrated from the site on terms and conditions satisfactory to the Manager of Environmental Services, the General Manager of Engineering Services and Director of Legal Services, including a Section 219 Covenant that there will be no occupancy of any buildings or improvements on the site constructed pursuant to this rezoning until separate Certificates of Compliance satisfactory to the City for the on-site and off-site contamination, issued by the Ministry of Environment, have been provided to the City.

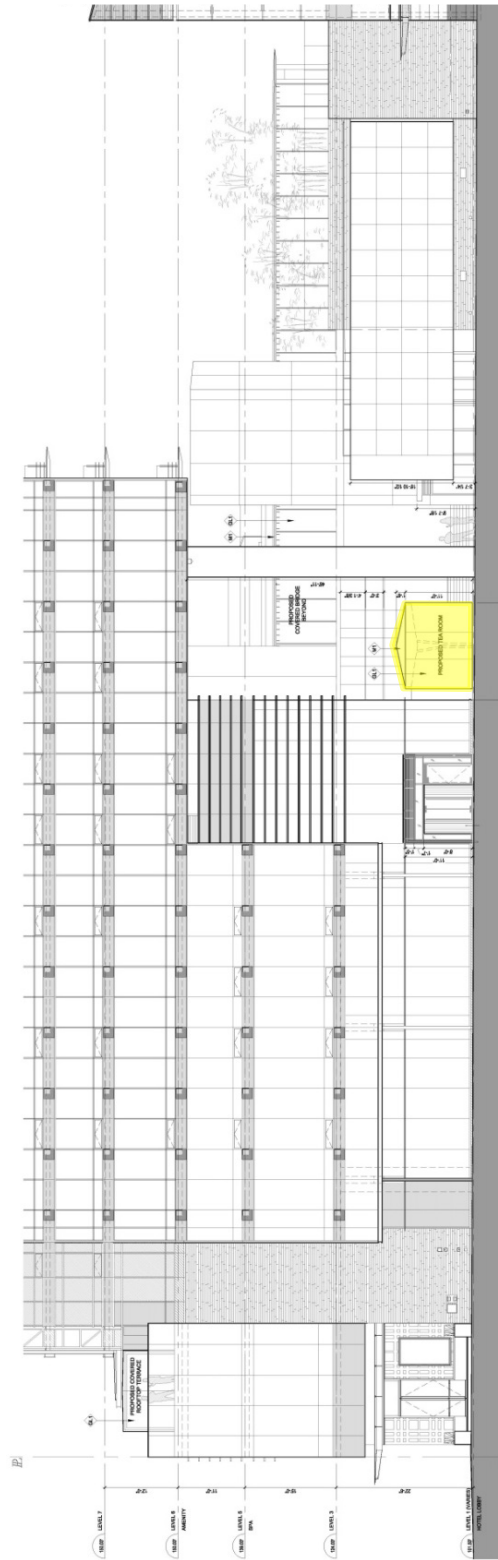
Note: Where the Director of Legal Services deems appropriate, the preceding agreements are to be drawn, not only as personal covenants of the property owners, but also as registered charges pursuant to the Land Title Act.

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 sites 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-laws.

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.

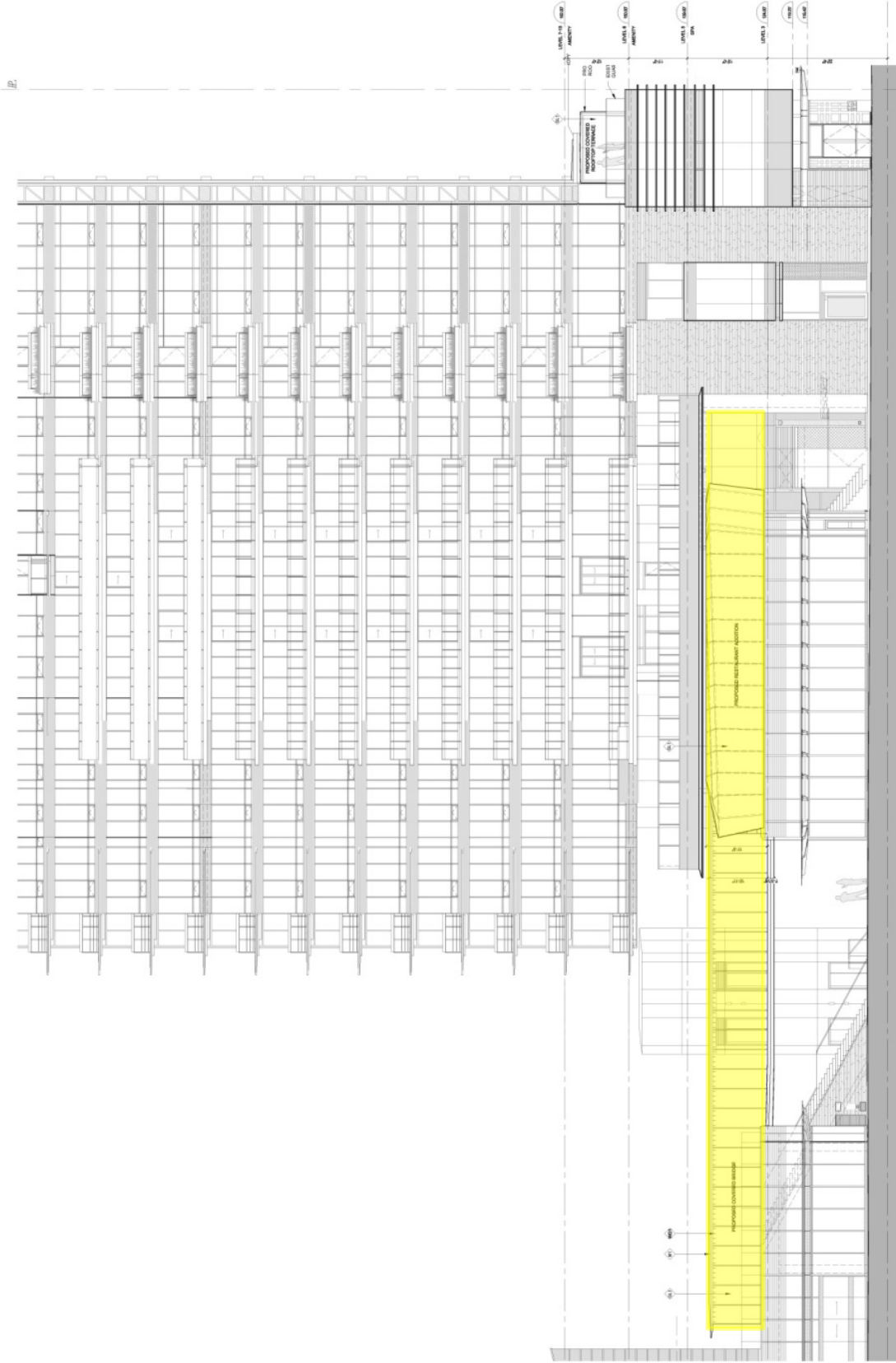
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1128 West Georgia Street
FORM OF DEVELOPMENT



Proposed "tea room" view from W Georgia St

2 WEST GEORGIA ELEVATION
SCALE: 1/8" = 1'-0"



Proposed Enclosed Bridge and Restaurant Terrace view from Alberni St

1 ALBERNI ELEVATION
SCALE: 1/8" = 1'-0"

1128 West Georgia Street
PUBLIC BENEFITS SUMMARY

Project Summary:

Text amendment to increase the maximum floor area by 459.5 sq. m (4, 947 sq. ft.) and the FSR to 13.50, or 65,147.5 sq. m (701,265 sq. ft.).

Public Benefit Summary: DCL contribution and heritage density.

	Current Zoning	Proposed Zoning
Zoning District	CD-1	Amended CD-1
FSR (site area = 4,823.3 sq. m / 51,919 sq. ft.)	13.41	13.50
Floor Area (sq. ft.)	696,339	701,286
Land Use	Mixed-use	Mixed-use

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if amendments approved (\$)
Required	DCL (City-wide) (\$13.91 per sq. ft.)		\$68,801
	DCL (Area Specific)		
	Public Art (\$1.98 per sq. ft.)		
	20% Social Housing		
Other Public Benefits Offered	Heritage		
	Childcare Facilities		
	Cultural Facilities		
	Green Transportation/Public Realm		
	Housing (e.g. supportive, seniors)		
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
TOTAL VALUE OF PUBLIC BENEFITS			\$68,801

1128 West Georgia Street
APPLICANT, PROPERTY AND DEVELOPMENT PROPOSAL INFORMATION

APPLICANT AND PROPERTY INFORMATION

Street Address	1128 West Georgia Street (1119 Alberni Street)
Legal Description	<i>PID 027-700-291; Air Space Parcel 3, Block 18, District Lot 185, Group 1, New Westminster District Air Space Plan BCP38696; and PID 017-483-093; Lot G, Block 18, District Lot 185, Group 1, New Westminster District, plan LMP1597 Except Air Space Plan BCP38696</i>
Applicant	James KM Cheng Architects Inc. on behalf of Westbank Projects Corp.
Property Owner	KBK No. 11 Ventures Ltd., Inc. No. BC0447605

SITE STATISTICS

DEVELOPMENT STATISTICS

	Development Permitted Under Existing Zoning	Proposed Development
Zoning	CD-1 (426)	Amended CD-1 (426)
Site Area	4,823.3 sq. m (51, 919 sq. ft.)	No change
Uses	Cultural and Recreational Uses; Dwelling Uses; General Office Live-Work; Institutional Uses; Office Uses; Retail Uses; Service Uses; and Accessory Uses.	No change
Floor Space Ratio	13.41	13.50
Floor Area	64,692 sq. m (696,339 sq. ft.)	65,151.5 sq. m (701,286 sq. ft.)
Parking Spaces	As per Parking By-Law	As per Parking By-law