



POLICY REPORT
DEVELOPMENT AND BUILDING

Report Date: March 16, 2018
Contact: Anita Molaro
Contact No.: 604.871.6479
RTS No.: 12469
VanRIMS No.: 08-2000-20
Meeting Date: April 17, 2018

TO: Vancouver City Council

FROM: General Manager, Planning, Urban Design and Sustainability in consultation with the Director of Legal Services

SUBJECT: Heritage Designation - 35-43 West 6th Avenue - Coulter House

RECOMMENDATIONS

- A. THAT Council add the Coulter House at 35 West 6th Avenue (PID: 015-558-487; Lot 12, Block 32, District Lot 200A, Plan 197 (the "site")) 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 Sections 593 and 594 of the *Vancouver Charter*, a by-law to designate the exterior of the Coulter House (the "heritage building") as protected heritage property.
- C. THAT Recommendations A and B 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 add the existing building at 35 West 6th Avenue to the Vancouver Heritage Register in the 'C' evaluation category, and to designate it as protected heritage property to ensure its rehabilitation and conservation, and long-term protection. 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-2017-00940 (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 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 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)
- *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 maximizing the use of available tools to conserve the City's heritage resources.

GENERAL MANAGER'S COMMENTS

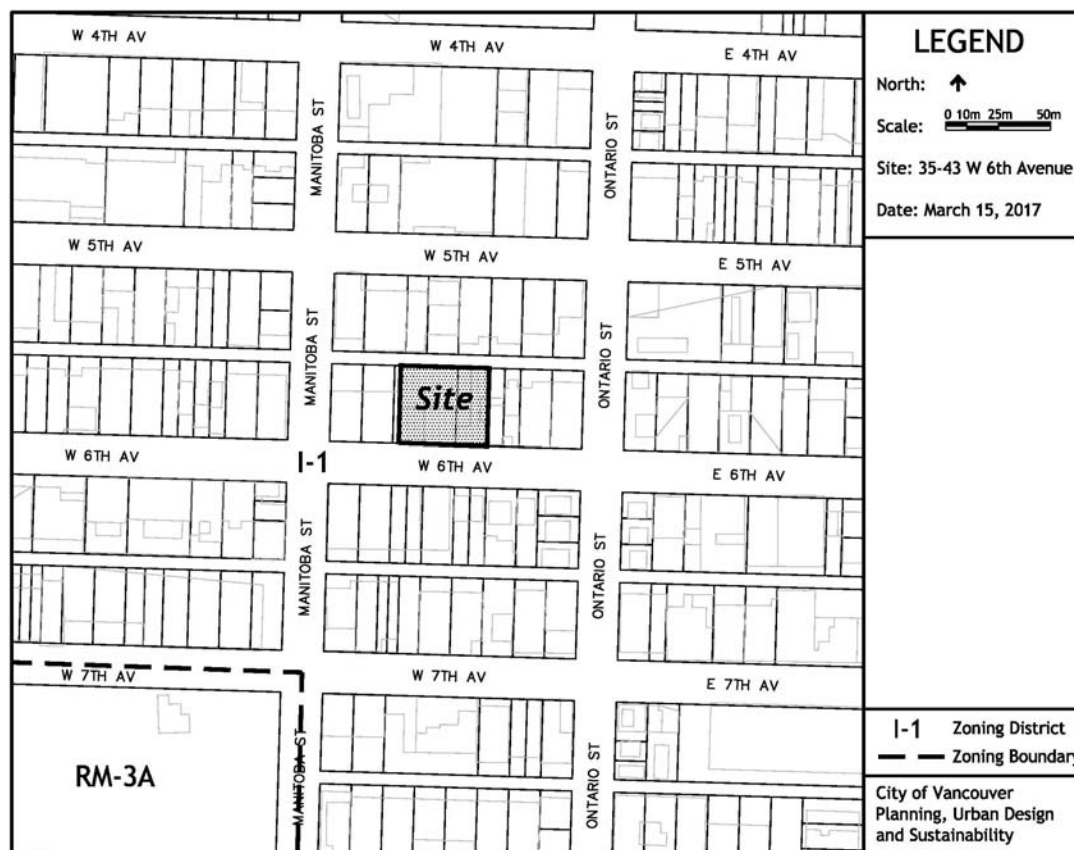
The General Manager of Planning, Urban Design, and Sustainability RECOMMENDS approval of A, B and C.

STRATEGIC ANALYSIS

Site and Context

The site consists of two lots located in the Mount Pleasant neighbourhood in an area zoned I-1 (see Figure 1), addressed as 35 and 43 West 6th Avenue. The heritage building is situated on the easterly lot, addressed as 35 West 6th Avenue. The *I-1 District Schedule* of the *Zoning and Development By-law* permits light industrial uses and allows for inclusion of compatible commercial, office and retail uses. The site area of the two lots is 1,576 m² (16,967 sq.ft.) and a 6-metre (20 ft.) wide lane exists at the rear of the property.

Figure 1: Site and Surrounding Zoning



Heritage Value

Built in 1901, the Coulter House is a good example of an early vernacular style house (Appendix A). It exemplifies what was a predominantly working-class residential area of Mount Pleasant, north of Broadway, at the turn of the century (Appendix B). The proximity of industrial expansion along the shores of False Creek at that time drew workers from the surrounding areas such as this. It is proposed to add the Coulter House to the Vancouver Heritage Register in the 'C' evaluation category.

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.

The zoning applicable to the site is I-1. The heritage building will be moved from the easterly lot to the west end of the westerly lot, with a minor alteration to the rear to attach it to the new building, as proposed in the DP Application. The proposal by the owner of the heritage

building at 35 West 6th Avenue, and the adjacent lot at 43 West 6th Avenue, is for a conditional Development Permit Application which includes retention, restoration and conservation of the heritage building. It proposes a mix of manufacturing, office and ground floor restaurant uses above 2 levels of underground parking (Appendix C). Included is the adaptive re-use of the heritage building as part of a new boutique restaurant. In accordance with permitted uses in I-1, residential condominiums would not be permitted. In addition the Vancouver Heritage Action Plan identifies that heritage buildings are highly valued by Vancouver residents. The conditions of the DP Application therefore include addition of the heritage building to the Vancouver Heritage Register, and heritage designation approved by Council. To contribute to the conservation of a designated heritage building, the applicant is seeking relaxations available under the *Zoning and Development By-Law*, to help achieve these objectives.

The total density for the proposed development would be 3.1 FSR, which is 52,713 square feet (see Table 1 below and the Technical Zoning Summary in Appendix D). The interior layout of the heritage building will be modified to allow for its conversion to a restaurant.

Table 1: Zoning Summary

Site Area: 35 West 6th Avenue – 561.4 m² (6,043 sq.ft.)
 43 West 6th Avenue – 1,014.8 m² (10,924 sq.ft.)
 Total – 1,576.2 m² (16,967 sq.ft.)

Item	Required or Permitted	Proposed
Overall Density	3.00 FSR 4,729 m ² (50,901 sq.ft.)	3.1 FSR 4,897 m ² (52,713 sq.ft.)
Restaurant – Class 1	Not to exceed: 150 m ² (1,615 sq. ft.)	Not to exceed: 200 m ² (2152 sq. ft.)
General Office	Maximum 1.0 FSR 1,576 m ² (16,967 sq.ft.) plus 1 sq.ft. for each sq.ft. of manufacturing or industrial uses on the ground floor up to an additional 1.0 FSR (i.e. max. 2.0 FSR) which is 3,152 m ² (33,934 sq.ft.)	Maximum 2.12 FSR 3,341 m ² (35,967 sq.ft.)
Industrial or Manufacturing Uses	Minimum 1.0 FSR 1,576 m ² (16,967 sq.ft.) on ground floor to achieve maximum General Office	Minimum 0.99 FSR 1,556 m ² (16,746 sq.ft.) on ground floor and mezzanine levels
Height	18.3 metres (60 feet)	22.1 metres (72.5 feet)

The proposed FSR is providing for a modest incentive of 10% over permitted floor area based on the calculation of the smaller lot on which the heritage building sits. The requested height is based on the need to set the new building back from the heritage building, providing massing that is respectful of the heritage character. The top floor is proposed to be set back significantly from the northern property line to minimize impact on neighbouring properties. There will be adequate separation between the restored house and the new building: a glazed corridor will connect the two spaces. The proposed area for the Class 1 Restaurant use is the

sought by the applicant to make the restaurant economically viable in the context of the requirement for restoration. The proposed floor area comprises that which would be normally allocated to a restaurant (150 sq.m.) with an additional area (50 sq.m.) that is made up of the heritage building.

Compatibility with Existing Zoning and Land Use Regulations and Community Plans

The Intent of the I-1 Zoning District Schedule is to:

“...permit light industrial uses that are generally compatible with one another and with adjoining residential or commercial districts. It is also the intent to permit advanced technology industry, and industry with a significant amount of research and development activity. Commercial uses, including office and retail uses, which are compatible with or complementary to light industrial uses, are also permitted, subject to the limitations in this schedule.”

The retention of the heritage building contributes to the historic character of the immediate area, which includes a cluster of original houses on the south side of West 6th Avenue that extends east to Ontario Street. The new building steps back from the heritage building and its design is in contrast to the character of the heritage building responds well to its neighbours in terms of scale, massing, privacy impact, and placement. Staff conclude the proposal is consistent with the intent of the zoning and community planning objectives for the area.

Condition of the Heritage Building and Conservation Approach

The Coulter House is in generally good condition, as noted in the Conservation Plan presented as part of the DP Application. The front windows and entry door have been replaced and the shiplap cladding has experienced some weathering. The porch posts, roofing and other details will be retained, while the porch floor will be re-built with floorboards in keeping with what would have originally been in place. The DP Application proposes to restore the original character of the building, including retaining the drop siding and new double-hung wood windows in keeping with the original. The front door will be a contrasting new style making it distinguishable as the entry to the proposed restaurant. The building will be painted in a two-tone colour scheme comprising of off-white (light grey) and medium grey: these are researched historic colours from the turn of the twentieth century, and are considered appropriate for a building of this era. Staff have concluded that the rehabilitation scheme is consistent with best conservation practices.

Results of Neighbourhood Notification

170 notifications were sent out as part of the DP Application, and 13 responses were received objecting to the proposal. These expressed concern for the impact of the proposed height on views and the aesthetic value of the neighbourhood and possible impact on property values, and the parking that would be required in an area where on-street parking is already at a premium. The proposal will create traffic and parking impacts commensurate with those anticipated to occur over time with development permitted under the I-1 zoning. Staff considered the results of neighbourhood notification and concluded that the DP Application is supportable.

Comments of the Vancouver Heritage Commission

On December 5, 2016, the Vancouver Heritage Commission reviewed and endorsed the recommendation to add the Coulter House to the Vancouver Heritage Register in the 'C' evaluation category.

On February 5, 2018, the Vancouver Heritage Commission reviewed the DP Application and supported it with comments (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 for Mixed Employment (Light Industrial) of \$112.38/m² (\$10.44/square foot) is applicable to the project. On this basis, a DCL of approximately \$550,325 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 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 \$603,500.

See Appendix F 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. The DP Application complies with the policy and therefore a proforma analysis of the project is not required.

Financial Implications

As noted in the section on Public Benefits, the applicant has offered the on-site conservation and rehabilitation of the Coulter House valued at \$603,500. The site is within the City-wide DCL District and it is anticipated that the applicant will pay approximately \$550,325 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 addition of the Coulter House at 35 West 6th Avenue to the Vancouver Heritage Register, along with approval of the heritage designation, will ensure that the heritage building is rehabilitated and protected from exterior alterations which might 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 as protected heritage property and for the rehabilitation and conservation of the heritage structure. 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 addition of the Coulter House at 35 West 6th Avenue to the Heritage Register, and the proposed heritage designation of the exterior as protected heritage property.

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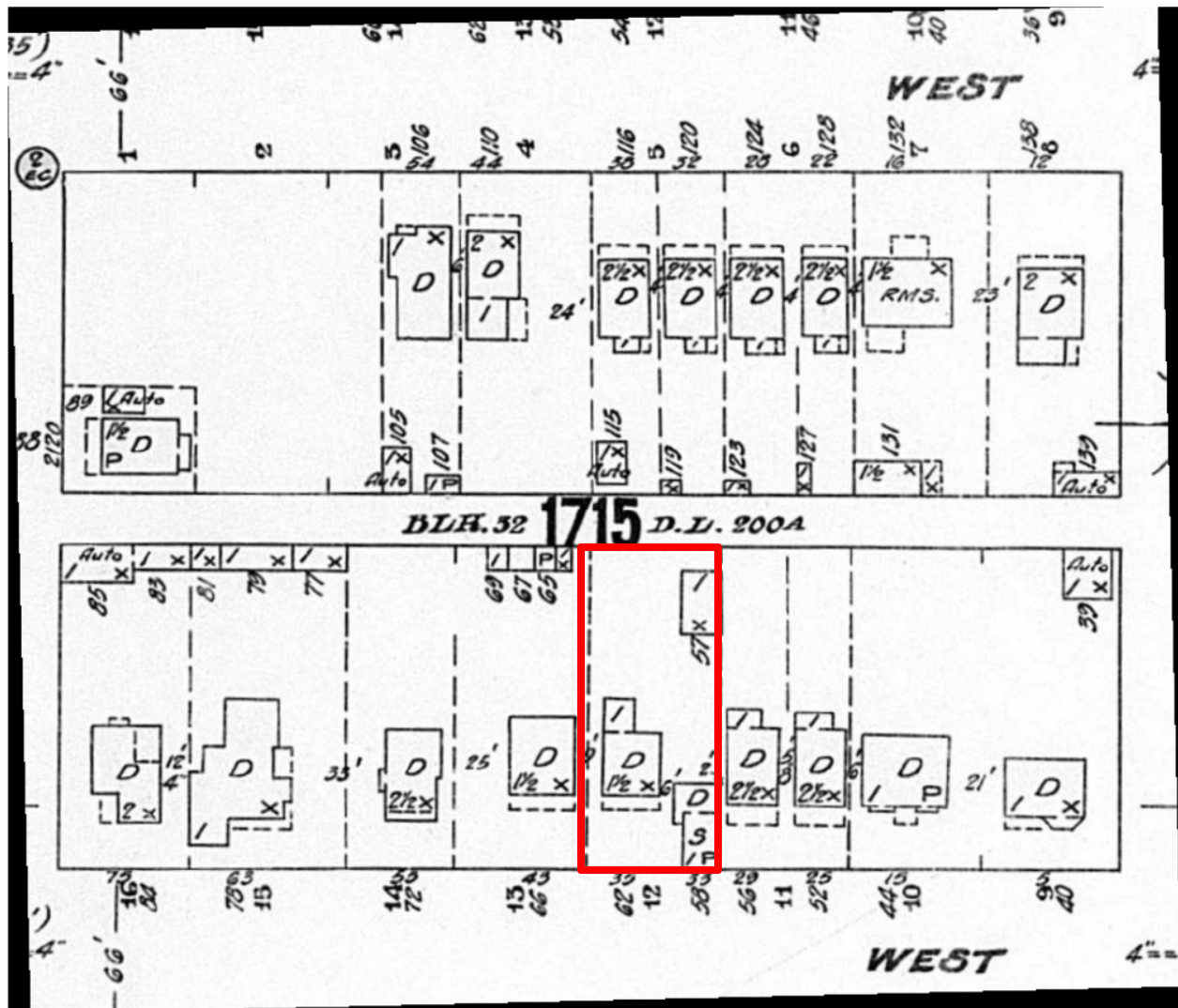
Coulter House, 35 West 6th Avenue



Coulter House, 35 West 6th Avenue - Front Porch Detail

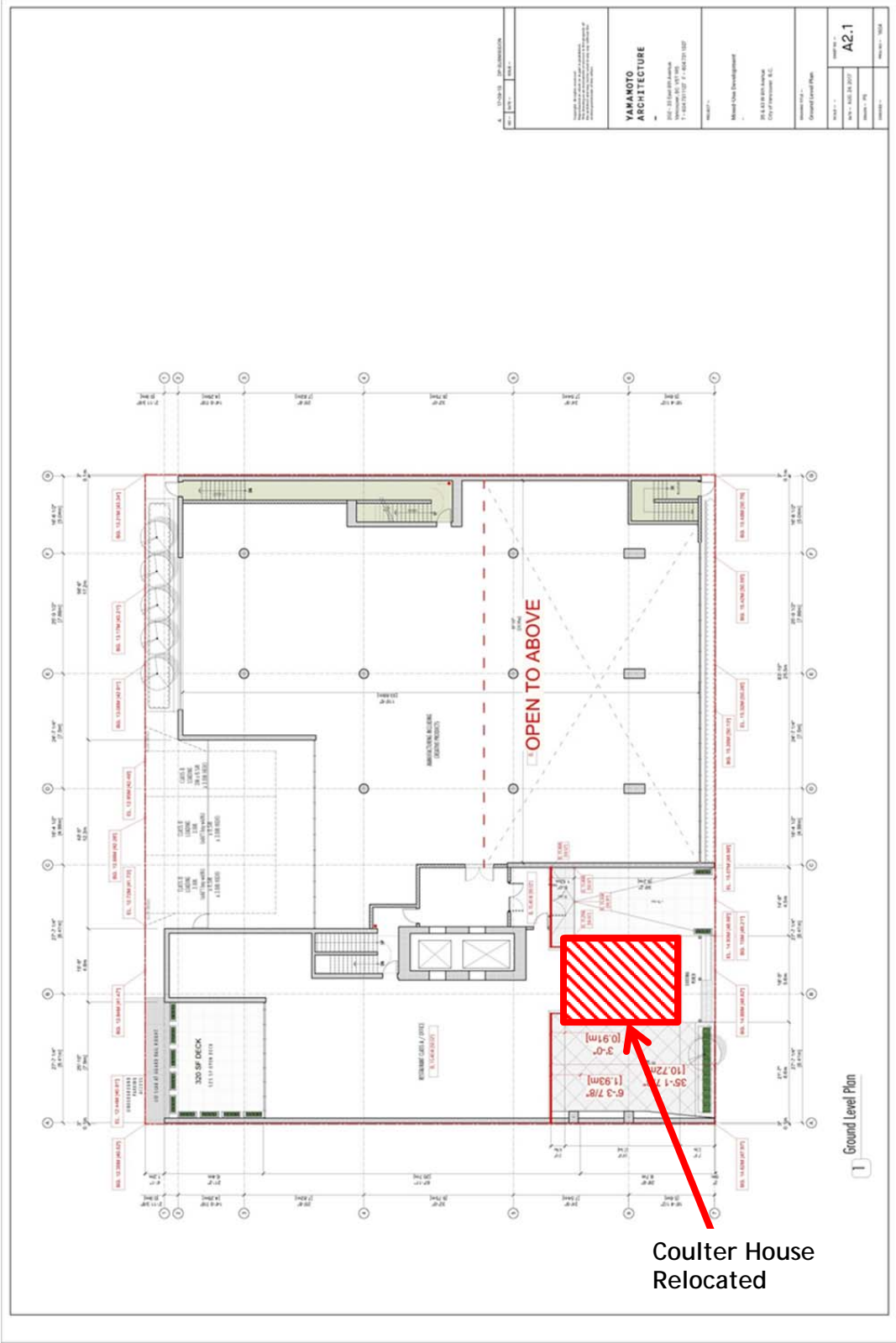


Coulter House, 35 West 6th Avenue
Upper Floor Detailing - Patterned Shingles in Gable and Drop Siding

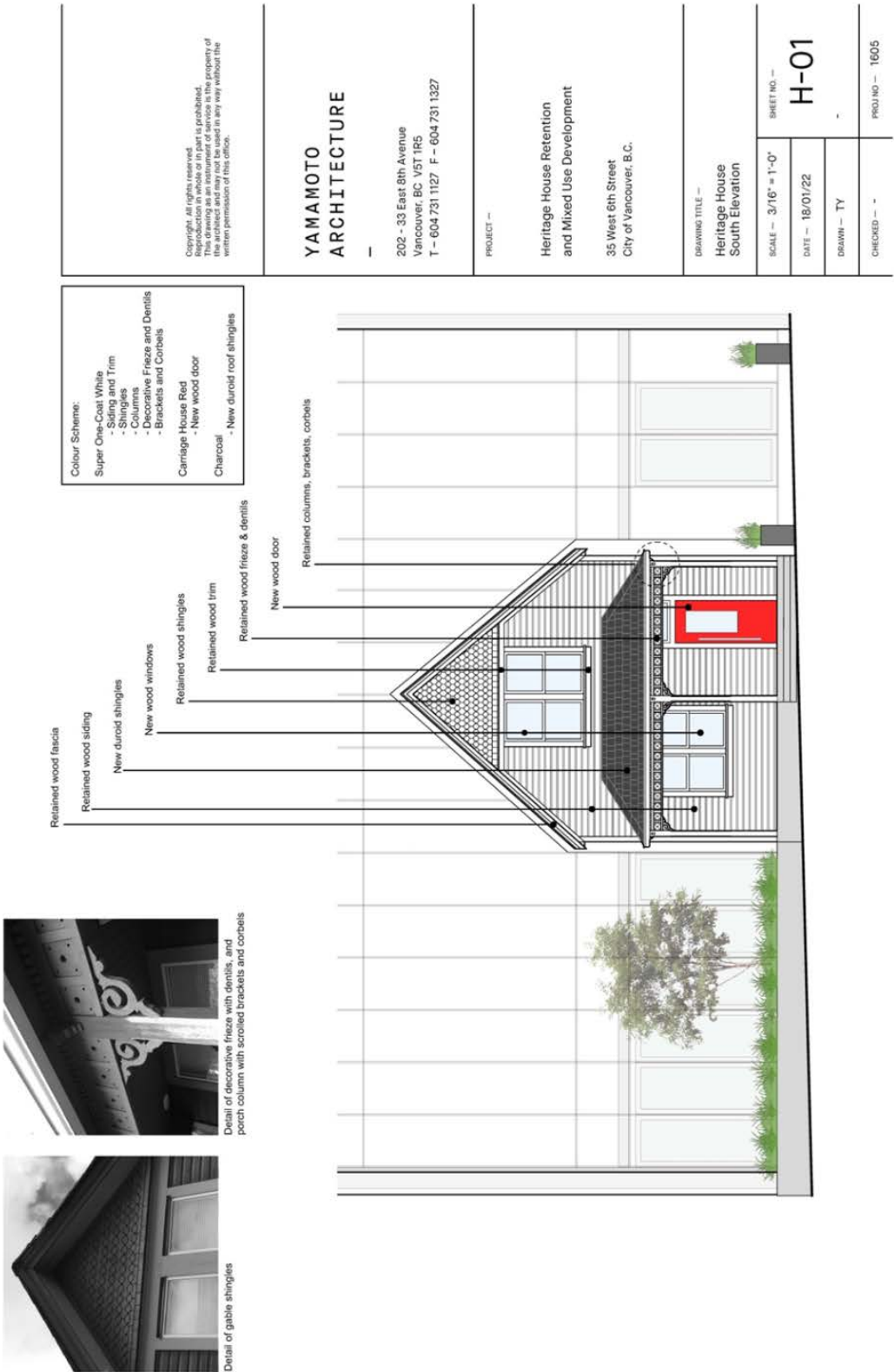


1927 Fire Insurance Map showing placement of Coulter House and surrounding residential development along West 6th Avenue and West 7th Avenue

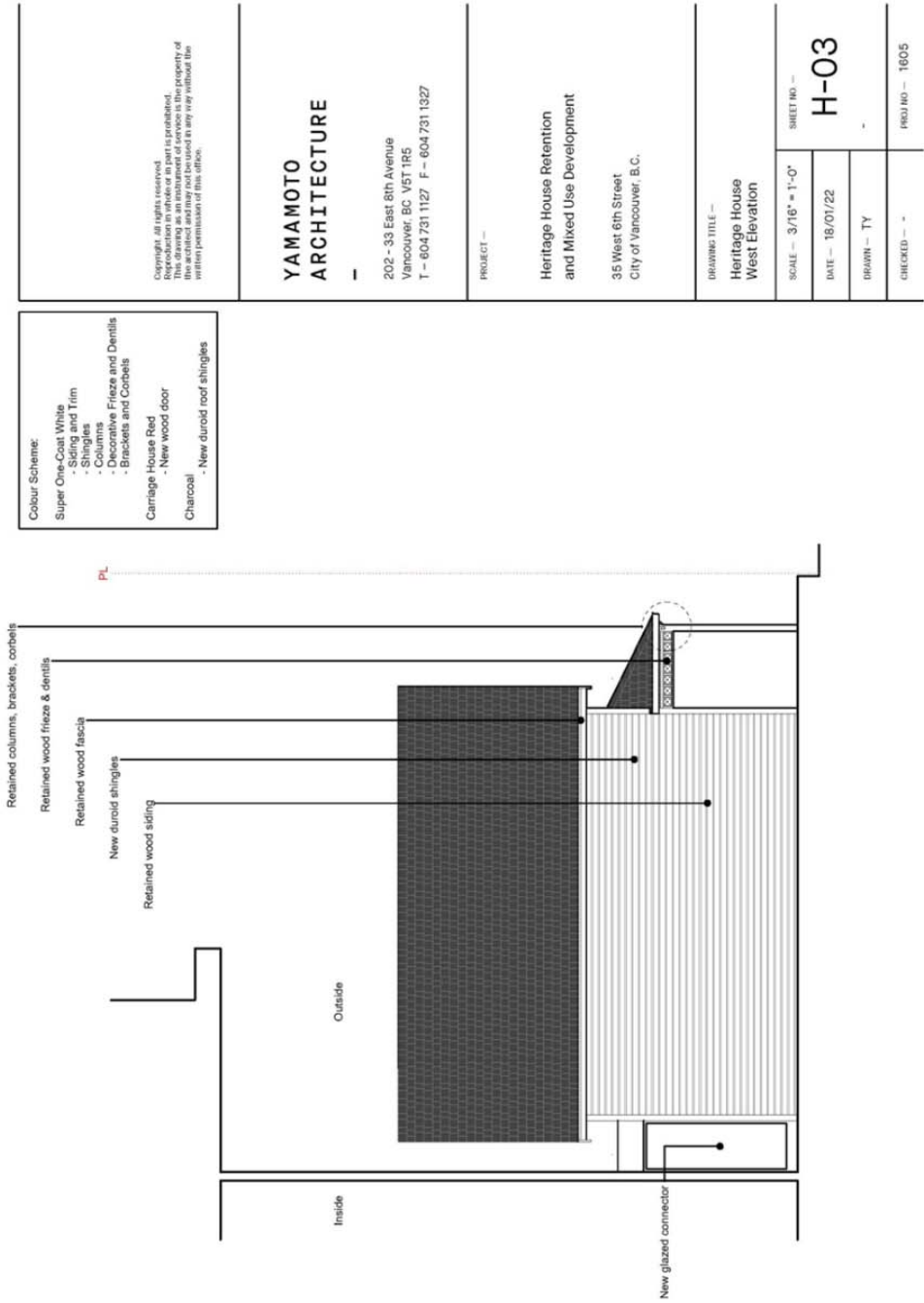
Site Plan - 35-43 West 6th Avenue



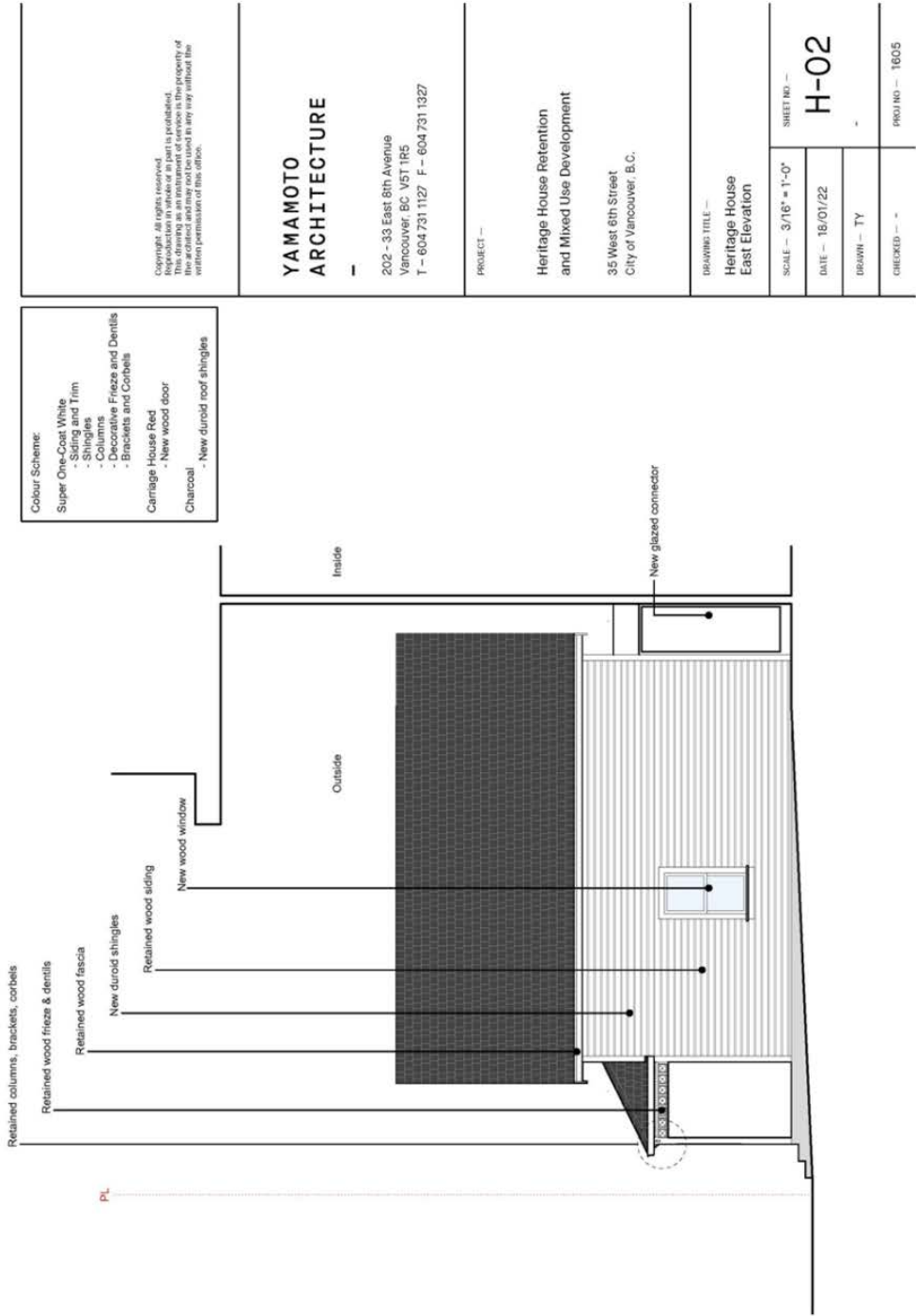
South Elevation of Coulter House



West Elevation of Coulter House



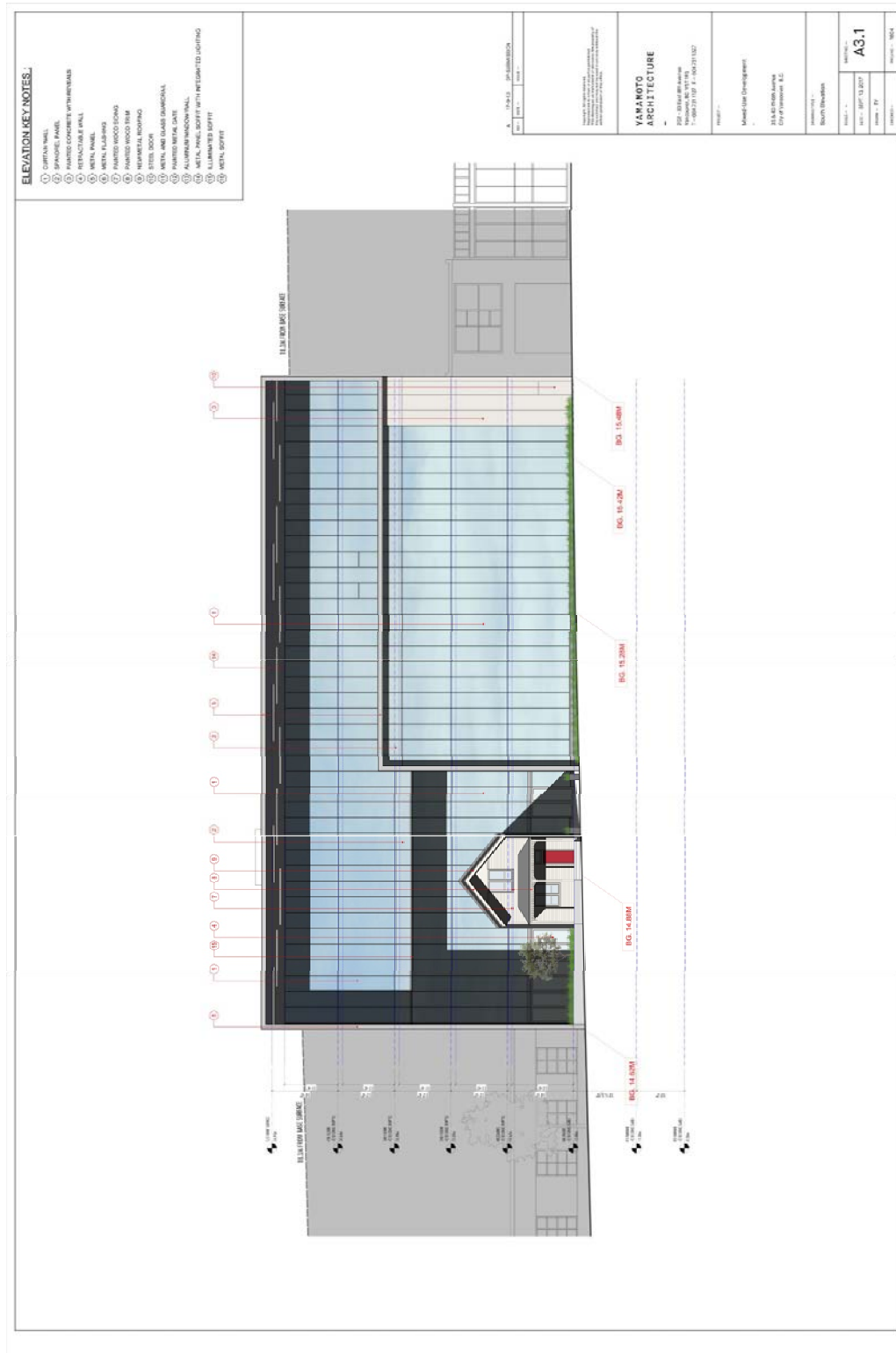
East Elevation of Coulter House



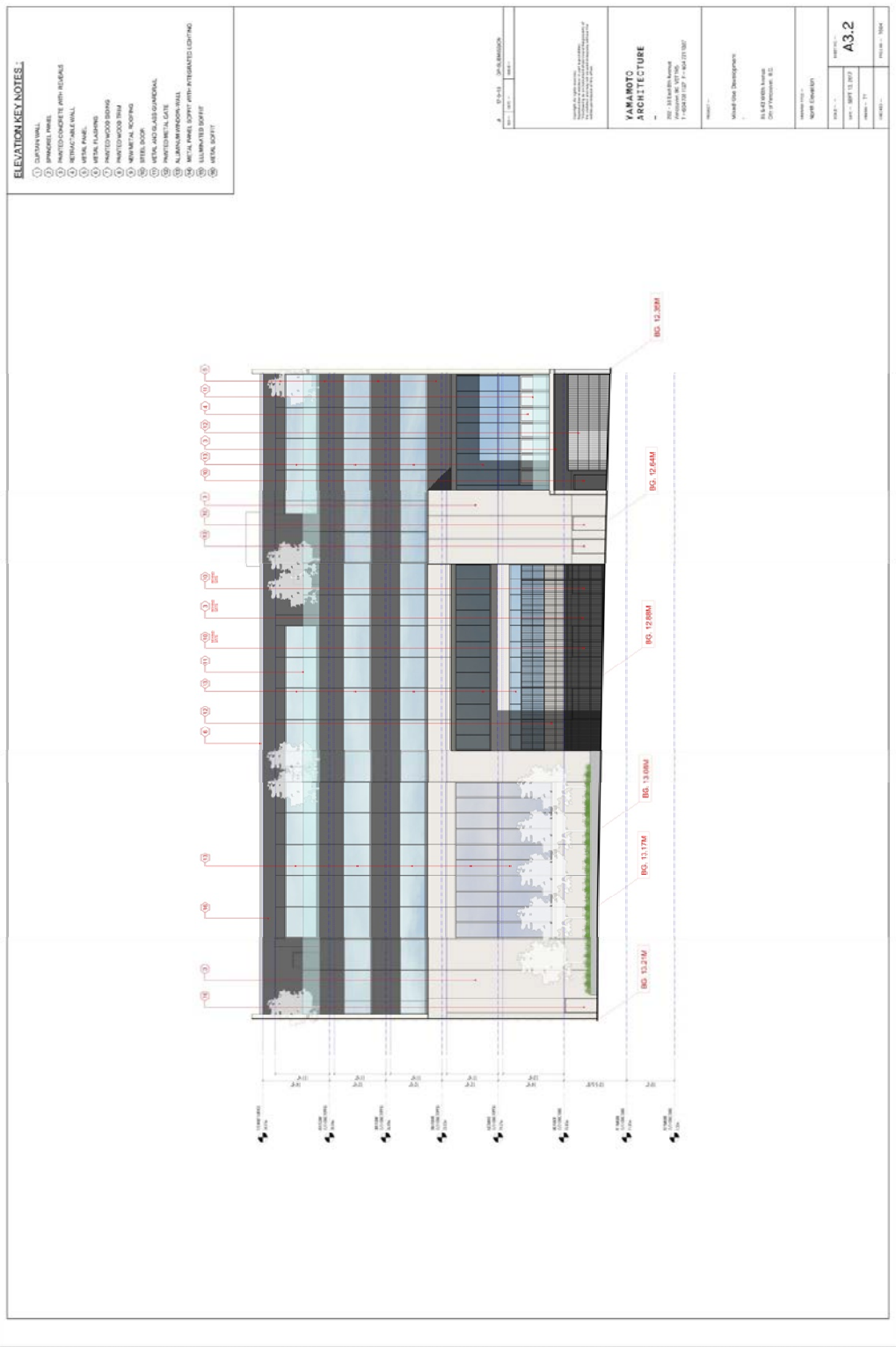


<p>Copyright. All rights reserved. This drawing is confidential. This drawing as an instrument of service is the property of the architect and may not be used in any way without the written permission of this office.</p>	<p>YAMAMOTO ARCHITECTURE</p>		<p>PROJECT —</p>
	<p>202 - 33 East 8th Avenue Vancouver, BC V6T 1R5 T — 604 731 1127 F — 604 731 1327</p>		<p>Heritage House Retention and Mixed Use Development</p>
	<p>35 West 6th Street City of Vancouver, B.C.</p>		<p>DRAWING TITLE —</p>
	<p>Heritage House Colour, Signage, and Handrail Concept</p>		<p>Heritage House Colour, Signage, and Handrail Concept</p>
<p>SCALE — NTS</p>		<p>SHEET NO —</p>	<p>PROJ NO — 1605</p>
<p>DATE — 18/02/27</p>		<p>AP-03</p>	
<p>DRAWN — TY</p>		<p>—</p>	
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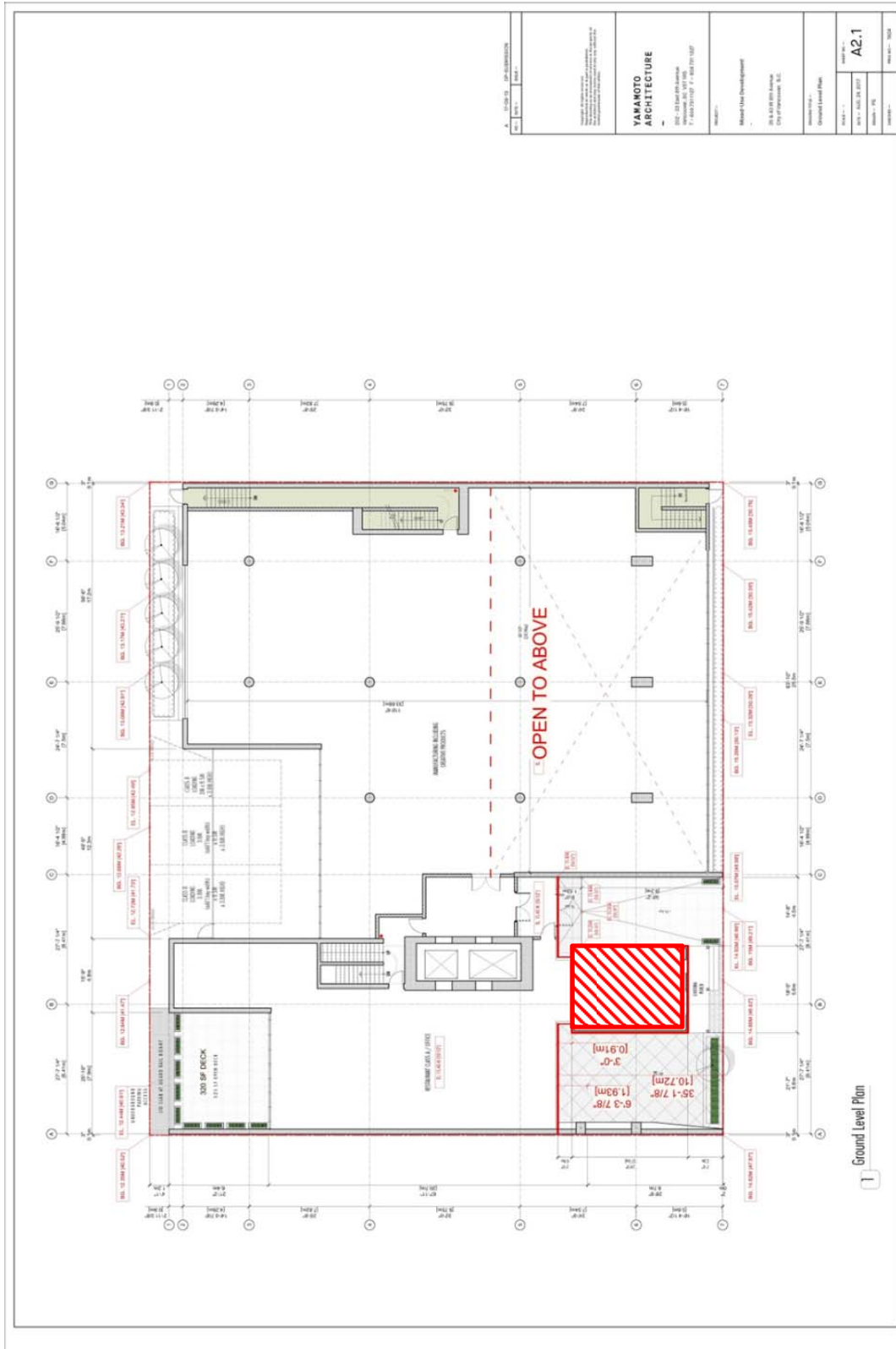
Front Elevation - 35-43 West 6th Avenue



Rear Elevation - 35-43 West 6th Avenue



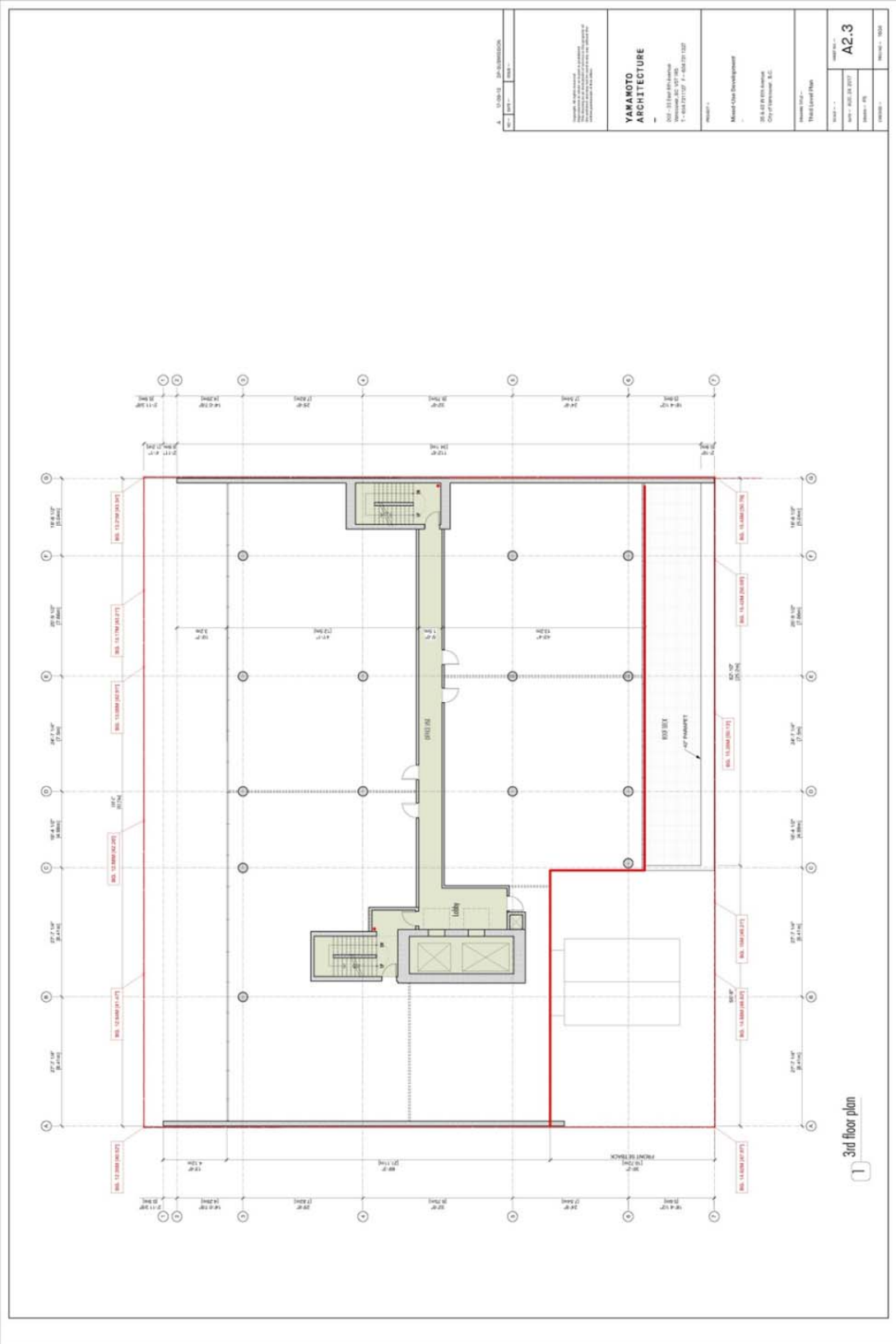
Ground Level Plan - 35-43 West 6th Avenue



Mezzanine Floor Plan - 35-43 West 6th Avenue

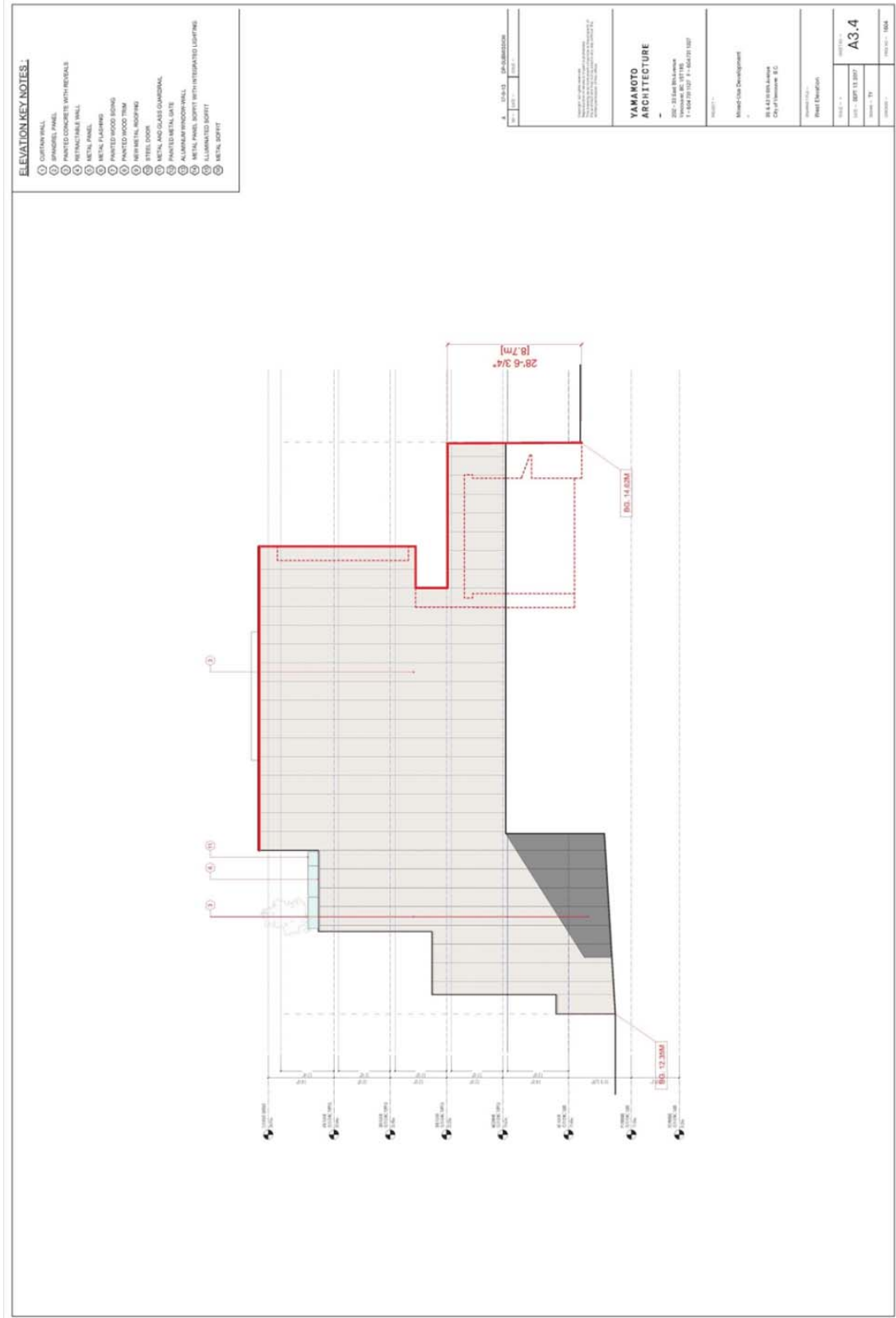


Third Floor Plan - 35-43 West 6th Avenue

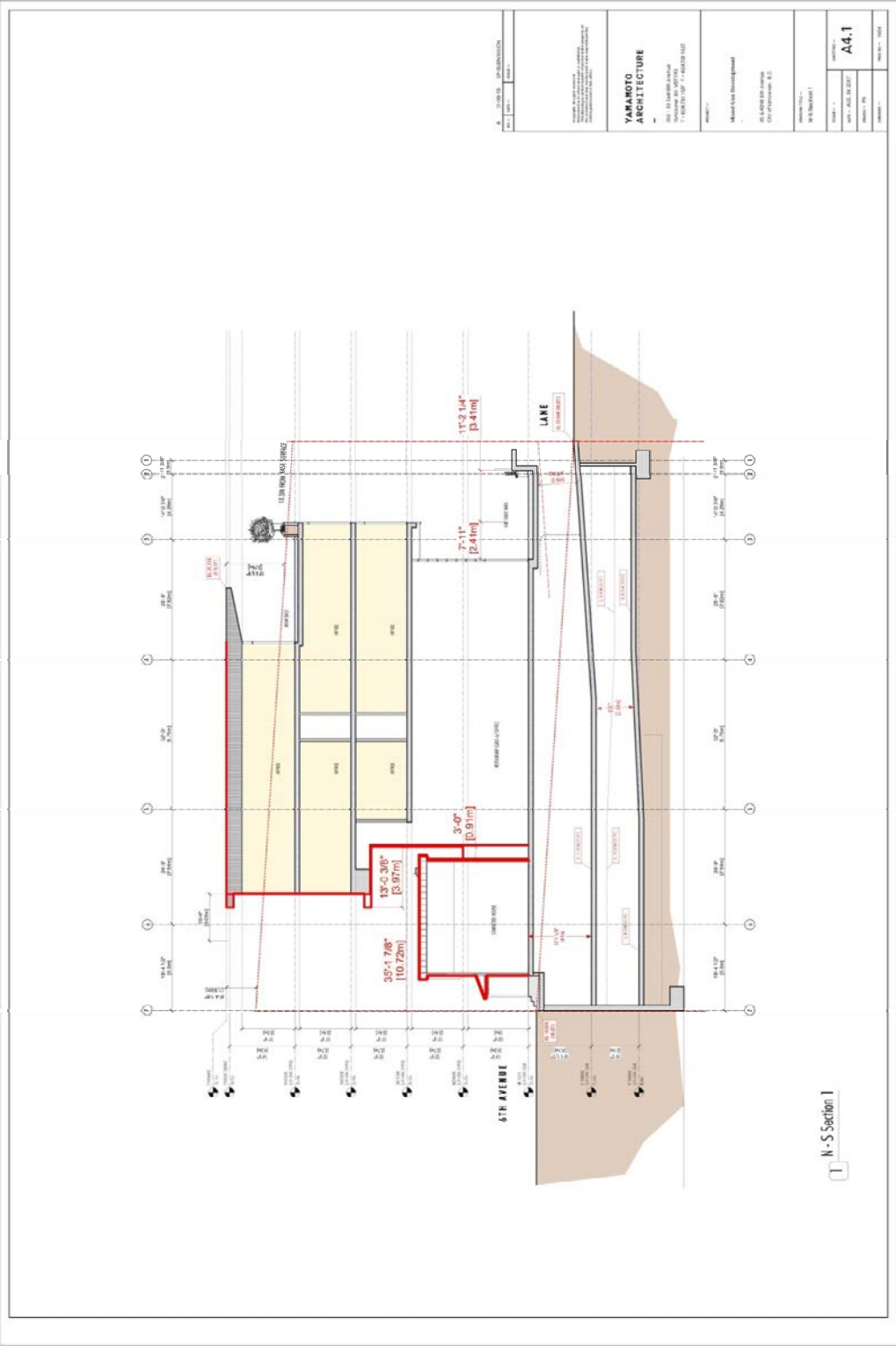




West Elevation - 35-43 West 6th Avenue



North-South Section





35-43 West 6th Avenue - Front and West Side of Coulter House integrated into new development



35-43 West 6th Avenue - Front and East Side of Coulter House integrated into new development



35-43 West 6th Avenue - Proposed Streetscape

35-43 West 6th Avenue
TECHNICAL ZONING SUMMARY

Variances of the I-1 Zoning District Schedule of the Zoning and Development By-law:

Table 1: I-1 Zoning District Schedule Summary
Site Area: 35 West 6th Avenue - 561.4 m² (6,043 sq.ft.)
43 West 6th Avenue - 1,014.8 m² (10,924 sq.ft.)
Total - 1,576.2 m² (16,967 sq.ft.)

I-1 District Schedule	Existing	Required or Permitted	Proposed
Section 4.3 Height	7.6 metres (25 feet) - heritage building	18.3 metres (60 feet)	22.1 metres (72.5 feet)
Section 4.7 Floor Area and Density	Westerly Lot: 0.64 650 m ² (7,000 sq.ft.) Easterly Lot: 0.55 309 m ² (3,324 sq.ft.)	3.00 FSR 4,729 m ² (50,901 sq.ft.)	3.1 FSR 4,897 m ² (52,713 sq.ft.)
Restaurant - Class 1 Use	N/A	Not to exceed: 150 m ² (1,615 sq. ft.)	Not to exceed: 200 m ² (2,152 sq. ft.)
General Office	N/A	Maximum 1.0 FSR (1,576 m ² / 16,967 sq. ft.) + 1 sq. ft. for each sq. ft. of manufacturing or industrial uses on the ground floor up to an additional 1.0 FSR (i.e. maximum 2.0 FSR) which is 3,152 m ² (33,934 sq. ft.)	Maximum 2.12 FSR 3,341 m ² (35,967 sq. ft.) For future flexibility, floor area integrated with the Coulter House to be either Restaurant - Class 1 or Office use.
Industrial or Manufacturing Uses	Westerly Lot: 0.64 650 m ² (7,000 sq.ft.)	Minimum 1.0 FSR 1,576 m ² (16,967 sq. ft.) on ground floor to achieve maximum General Office	Minimum 0.99 FSR 1,556 m ² (16,746 sq. ft.) on ground floor and mezzanine levels

35-43 West 6th Avenue
RESOLUTION OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS

Review of Heritage Register Nomination and Statement of Significance

On December 5, 2016, the Vancouver Heritage Commission reviewed the report from the Statements of Significance/Vancouver Heritage Register Subcommittee and resolved the following:

THAT the Vancouver Heritage Commission supports adding the following building to the Vancouver Heritage Register as a C-listing:

- 35 West 6th Avenue (Coulter House)

THAT the Vancouver Heritage Commission requests that the Statement of Significance for the following building be referred back to the consultants for revisions and, where necessary, to complete revisions to the Vancouver Heritage Register Evaluation:

- 35 West 6th Avenue (Coulter House)

Review of Development Permit Application

On February 5, 2018, the Vancouver Heritage Commission reviewed the proposed heritage designation of the building known as the Coulter House at 35 West 6th Avenue and resolved the following:

MOVED by Commissioner Sandy
SECONDED by Commissioner Hulbert

THAT the Vancouver Heritage Commission supports the application to relocate and restore the Coulter House at 35-43 West 6th Avenue, including its repurposing as the entryway for a restaurant, as presented at its meeting on February 5, 2018. However the Commission has not been provided with enough information to make a completely informed decision on the level of heritage conservation because issues of insulation and seismic have not been addressed in the proposed vision for the interior space of the house, including the proposed new front door, or accessible access to the restaurant, and restaurant signage.

THAT the Commission wishes to note the following:

- The separation of house from new building is satisfactory;
- The design of new building is supportable;
- The integration of house with new building is satisfactory;
- The restoration of the house's foundation style, steps and porch floor is a required item for the commissions support;
- There is a need for a proper landscape plan to soften the "yard" of the house;
- A condition should be placed on the heritage designation that the house's interior remain accessible to the public;
- The Commission needs to see a plan for accessible access to the restaurant and for signage; and
- The Commission would like to see a justification for the monochrome colour scheme which has been presented as part of the restaurant's business plan.

FURTHER THAT the Commission would like an opportunity to have a second review of the project due to the issues identified above.

CARRIED (Commissioner Jacques opposed)

Staff Comments:

Restoration of the house's foundation style, steps and porch:

The Conservation Plan has been amended to clarify the proposed approach for the "apron" surrounding the base of the porch and for the new porch flooring that will be of a historically compatible finish, with the wood boards set in a way that is typical for a house of this era. The remainder of the porch - posts, roofing and decorative elements - will remain intact. Minor repair will be necessary to one of the porch posts in keeping with good conservation standards.

Proper landscape plan to soften the "yard" of the house

Landscape staff have reviewed the plan and will request changes from the applicant by way of Prior-to Conditions tied to the issuance of the Development Permit to address this concern.

Condition that the house's interior remain accessible to the public:

The objective of allowing public access to a privately-owned building is for the public to see and appreciate significant interior features. Examples of where this practice has been used include the Hotel Georgia and, more recently, the Gabriola Mansion at 1523 Davie Street. A house of modest style and design such as the Coulter House does not warrant such a condition, as no significant interior elements have been documented and none is proposed to be retained as part of its conversion to a restaurant. Public access will be possible during the restaurant's regular business hours.

Plan for access to the restaurant and for signage:

An alternative access will be provided for wheelchair-accessible entry to the restaurant space as per the requirements of the *Vancouver Building By-law*. This access will be through the new building entry and follow through to the restaurant via the rear connection.

A concept plan for signage has been submitted to staff, and while this will be addressed through a separate sign permit, the simple understated approach to signage for the heritage building is considered appropriate and in keeping with the character of the building.

Justification for the monochrome colour scheme as part of the restaurant's business plan:

A two-tone, low-contrast paint scheme utilizing historic colours will emphasize the historic building's exterior texture, patina and the details of its ornamental millwork. This relatively neutral colour scheme helps the historic building integrate into the composition of the new modern development complex. The off-white (light grey) and medium grey are researched historic colours from the turn of the twentieth century, and are considered appropriate for a building of this era. The contrasting red front door will draw attention to the entry to the restaurant without having to utilize excessive signage or lighting.

An update report will be scheduled for the Vancouver Heritage Commission at which time each of these comments will be addressed.

35 West 6th Avenue
PUBLIC BENEFITS SUMMARY

Project Summary:

Rehabilitation and conservation of a heritage building incorporated into new manufacturing, office and retail building.

Public Benefit Summary:

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

	Current Zoning	Proposed
Zoning District	I-1	I-1
FSR (site area = 1,576 m ² (16,967 sq. ft.))	3.0	3.1
Buildable Floor Area	4,729 m ² (50,901 sq. ft.)	4,897 m ² (52,713 sq. ft.)
Land Use	Residential	Residential

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed DE (\$)
Required*	DCL (City-wide) (See Note 1)	\$526,691	550,325
	DCL (Area Specific)		
	Public Art		
	20% Social Housing		
Offered (Community Amenity Contribution)	Childcare Facilities		
	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage		603,500
	Housing (e.g. supportive, seniors)		
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
TOTAL VALUE OF PUBLIC BENEFITS		\$526,691	\$1,153,825

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: Replacement Housing (36%); Transportation (25%); Parks (18%); Childcare (13%); and Utilities (8%). Revenue allocations differ among Area Specific DCL Districts. DCL rate based on "Mixed Employment" (Light Industrial) @ \$112.38/sq.m.

Note 1: DCLs do not apply to existing floor area. The value for the 'Current Zoning' column does not include the existing floor area of the Coulter House (42.3 sq.m./455 sq.ft.).