



## POLICY REPORT

Report Date: November 15, 2018  
Contact: Jason Olinek  
Contact No.: 604.871.6479  
RTS No.: 12697  
VanRIMS No.: 08-2000-20  
Meeting Date: January 15, 2018

TO: Vancouver City Council

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

SUBJECT: Heritage Designation – 1290 Homer Street – MacPherson and Teetzel Co. Building

### **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 1290 Homer Street (PID: 012-842-079; Lot 14, Block 76, District Lot 541, Plan 3469 (the “site”)), known as the MacPherson and Teetzel Co. Building (the “heritage building”), which is listed on the Vancouver Heritage Register in the ‘C’ 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 MacPherson and Teetzel Co. Building at 1290 Homer Street, which is listed in the ‘C’ evaluation category on the Vancouver Heritage Register, as protected heritage property.

As incentive and compensation to the owner for the heritage designation and conservation of the heritage building's exterior, certain discretionary development relaxations are proposed to permit the development as set forth in the Development Permit Application Number DP-2018-00572 (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.

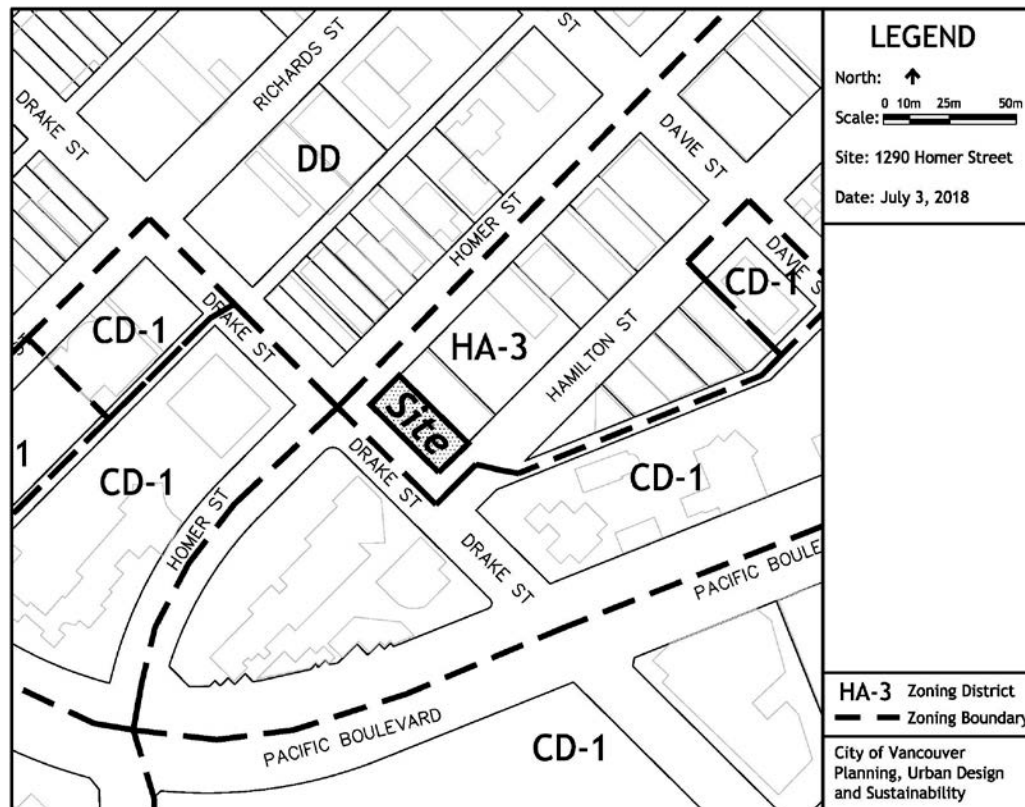
### **CITY MANAGER'S/GENERAL MANAGER'S COMMENTS**

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

### **STRATEGIC ANALYSIS**

#### ***Site and Context***

The site consists of a parcel located in Yaletown in an area zoned HA-3 (see Figure 1), addressed as 1290 Homer Street. The building occupies the entire site, fronting Homer, Drake and Hamilton Streets. The total area of the site is 1,576 sq. m (16,967 sq. ft.). There is no on-site parking; however, there is a former loading dock at the rear, within the Hamilton Street right-of-way, characteristic of buildings in this historic area.



### ***Heritage Value***

Built in 1910, the MacPherson and Teetzel Company Building, on the Vancouver Heritage Register as a C-listing, is valued as a good example of the early development of Yaletown as a commercial warehouse district and its Edwardian-era architecture (Appendix A). It illustrates how the placement of the Canadian Pacific Railway yards along the north side of False Creek triggered the development of businesses that relied on rail transport and provided storage of goods en route to markets across the province, and related manufacturing uses.

MacPherson and Teetzel Company was a hardware distributor that occupied the building until 1929, followed by Dominion Cannery until 1934 and Dunlop Tire and Rubber until 1947. It is one of many commercial and industrial works by prolific local architects Thomas Fee and John Parr, who also designed the Hotel Europe in Gastown and the Vancouver Block on Granville Street. It features heavy timber construction with brick cladding, distinguishing horizontal concrete bands and a secondary cornice above the main corner entry.

### ***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 minor relaxations to off-street parking and loading requirements and the issue of encroachment 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 HA-3. The heritage building will undergo minor alterations to accommodate retail uses, along with a rooftop addition as proposed in the DP Application. The proposal by the owner of the heritage building is for a conditional Development Permit Application which includes retention, restoration and conservation of the heritage building. It proposes a mix of office and retail uses on the main and lower levels (Appendix C). 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 heritage designation approved by Council. To contribute to the conservation of a designated heritage building, the applicant is seeking minor relaxations to help achieve these objectives.

Both the proposed FSR and the height are within zoning limits. The proposed FSR is 4.68 whereas the maximum permitted is 5.0 FSR (max. FSR 3.0 of residential use and min. FSR 1.5 for commercial use). The proposed height is at the maximum permitted of 21.4 m. The first two levels (ground floor and basement) are proposed to be of commercial use and next four levels of an office use. (see Table 1 below and the Technical Zoning Summary in Appendix D).

The east façade of the existing building encroaches beyond the property line by approximately 8 inches. This is to remain in place, with alignment of the east façade of the new addition in order to achieve a consistent wall plane. The required stairs and ramp with necessary guardrails will also extend beyond the property line at the rear; this will provide access to the lower level of the building which is set slightly below the raised former loading dock on Hamilton Street.

### ***Compatibility with Existing Zoning and Land Use Regulations and Community Plans***

The Intent of the HA-3 Zoning District Schedule is to:

*“...encourage the conversion and renovation of existing warehouse buildings and the construction of compatible new buildings, to produce a more contemporary mix of commercial, industrial and residential uses, and to introduce more activity-oriented uses into this area. Emphasis is placed on requiring the external design of buildings to follow the proportions, rhythm and details of the predominant circa 1900 architectural features, whether renovating or constructing a new building.”*

The proposed heritage retention, restoration and development of the site is consistent with the intent of the District Schedule.

### ***Condition of the Heritage Building and Conservation Approach***

The heritage building is in good condition overall. The heritage consultant has provided a detailed Conservation Plan which is consistent with the approach specified in the *Standards and Guidelines for the Conservation of Historic Places in Canada*. There will be replication of elements previously lost during renovation, such as the decorative cornice along the Homer and Drake Street facings. The principle façade will be restored with repair of brick masonry throughout and preservation of the original windows, and those windows that were removed as part of inappropriate alterations in the past will be replaced with wood windows replicating the original.

### ***Results of Neighbourhood Notification***

Notification for the DP Application was sent to 2,493 addresses and 11 responses were received. The responses pertained to office use versus preferred residential use; that the heritage building should be maintained in its original state; and that the building design should be more distinguished and differentiate between the heritage section and the addition.

### ***Comments of the Vancouver Heritage Commission***

On July 16, 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 engineering infrastructure.

This site is subject to City-wide DCLs and City-wide Utilities DCLs on the proposed additional 1,590 sq. m (17,115 sq. ft.) of commercial floor area in excess of the existing 1,035 sq. m (11,137 sq. ft.) to be conserved and rehabilitated as designated heritage space. Based on rates in effect as of September 30, 2018, total DCLs of approximately \$335,797 would be anticipated from this development.

DCL rates are subject to future adjustment by Council including annual inflationary adjustments. DCLs are payable at building permit issuance based on rates in effect at that time. A development may qualify for 12 months of in-stream rate protection from DCL rate increases, provided that an application has been received prior to the rate adjustment. See the City's [DCL Bulletin](#) for details on DCL rate protection.

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

**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. As incentive and compensation, the owner would be permitted minor relaxations to off-street parking and loading requirements and encroachment of the existing building's east facade beyond the property line by 8 inches.

### ***Financial Implications***

The site is within the City-wide DCL District and it is anticipated that the applicant will pay approximately \$335,797 in DCLs should the DP Application be approved and the project proceed.

### ***Legal***

The discretionary minor relaxations 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 these relaxations for 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 minor 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 MacPherson and Teetzel Company Building at 1290 Homer Street, a C-listing on the Vancouver Heritage Register based on its architectural and historical values, is proposed to be protected by heritage designation. This will secure the building from demolition and exterior alterations which affect its heritage value. The owner has agreed to the proposed Heritage Designation By-law and any potential impact on market value created by that by-law, and for the heritage building's rehabilitation and conservation. The General Manager of Planning, Urban Design and Sustainability is prepared to approve the DP. Therefore, it is recommended that Council approve the recommendations of this report.

\* \* \* \* \*

1290 HOMER STREET



Homer Street (West) and Drake Street (South) Elevations





Hamilton Street (East) Elevation - Rear



1290 HOMER STREET



Dunlop Tire and Rubber Company, 1290 Homer Street, 1935

## 1290 HOMER STREET ELEVATIONS AND RESTORATION DETAIL

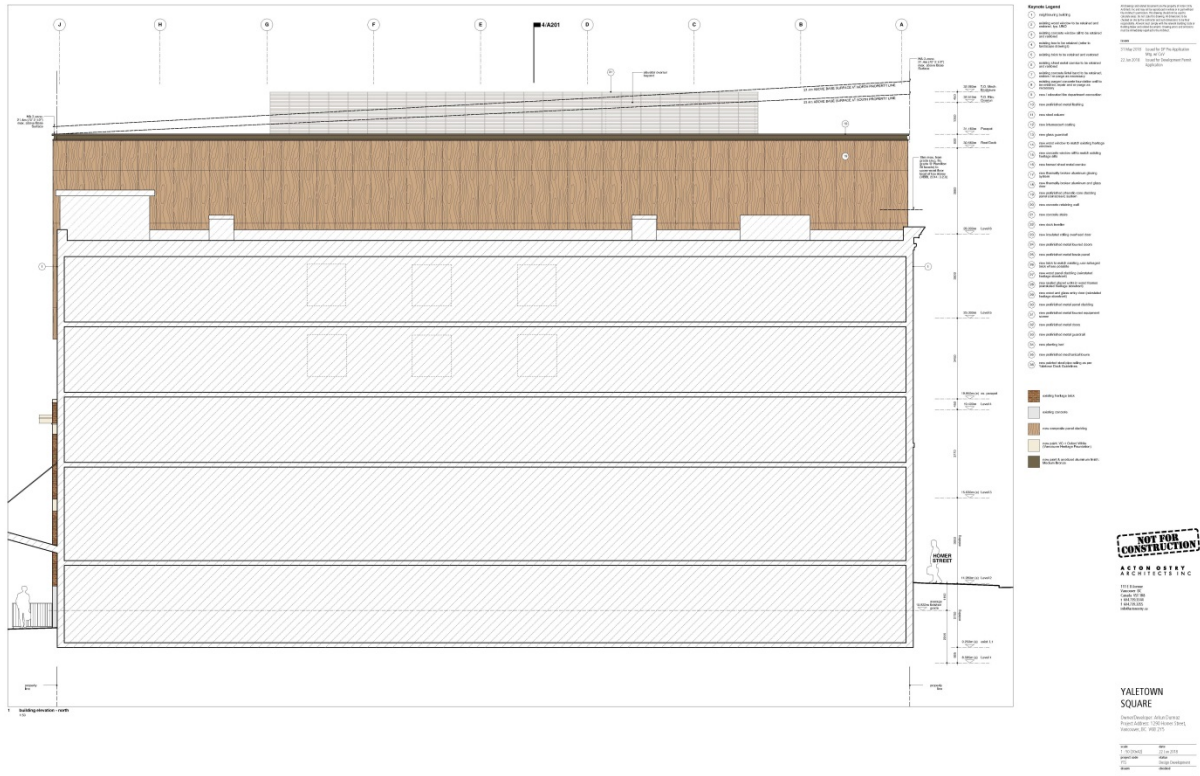


Proposed Front (West) Elevation -  
Homer Street

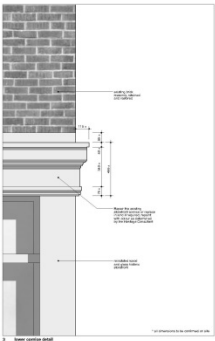
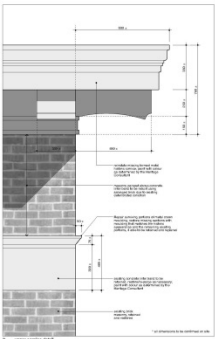
Proposed Rear (East) Elevation –  
Hamilton Street



Proposed South Elevation – Drake Street



Proposed North Elevation



NOT FOR CONSTRUCTION  
ARCHITECTURE

NOT FOR CONSTRUCTION  
ARCHITECTURE

YALETOWN  
SQUARE  
Project location: 1000 River Street,  
Portland, ME 04101

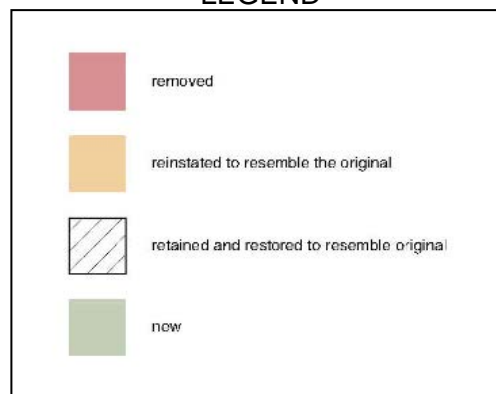
DATE: 08/20/2020  
DRAWN BY: J. J. J. J.  
CHECKED BY: J. J. J. J.  
SCALE: 1/8" = 1'-0"

Building Elevation  
Details: Heritage  
Restoration  
A321

Details of Main and Secondary Cornice Restoration



## LEGEND



### Details of Heritage Retention and Replication – South Elevation





1 East Elevation (Rear) - existing



West Elevation (Front)

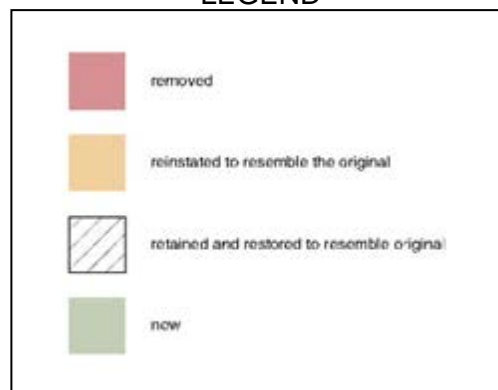


2 East Elevation (Rear) - proposed



East Elevation (Rear)

## LEGEND



Details of Heritage Retention and Replication – East and West Elevation

**Heritage Retention Notes**

1. General

1.1 The drawings show the proposed alterations to the existing building and the proposed new building. The drawings are for the proposed alterations to the existing building and the proposed new building. The drawings are for the proposed alterations to the existing building and the proposed new building.

2. Construction Details

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**NOT FOR CONSTRUCTION**

**YALETOWN SQUARE**

Drawn: [Name]  
Checked: [Name]  
Project: [Name]  
Date: [Date]



1 View east along Drake Street

All drawings and related documents are the property of Acton Ostry Architects Inc. and shall remain confidential. No part of this drawing shall be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or by any information storage and retrieval system, without the prior written permission of Acton Ostry Architects Inc. This drawing is for informational purposes only and is not to be used for any other purpose. The design is preliminary and subject to change without notice. The client is responsible for obtaining all necessary permits and approvals. The architect is not responsible for any errors or omissions in this drawing.

DATE: 18 Apr 2019 Issued For Review: City of Coquitlam  
18 May 2019 Issued For Review: City of Coquitlam  
22 Jun 2019 Issued For Review: City of Coquitlam



2 View west along Drake Street

**NOT FOR CONSTRUCTION**

ACTON OSTRY ARCHITECTS INC.

1111 E. 1st Avenue  
Vancouver, BC  
Canada V6C 1H1  
Tel: 604.278.1044  
Fax: 604.278.1055  
info@actonostry.ca

**YALETOWN SQUARE**

Client/Developer: Arkon Group  
Project Address: 1280 Fraser Street,  
Vancouver, BC V6B 2Y5

scale	As Shown
date	22 Jun 2019
project name	Yaletown Square
client	Arkon Group
designer	Acton Ostry Architects Inc.

3D Rendered View Studies

Review number: A381

View of Proposed Addition Looking East (Top) and West (Bottom)

**1290 HOMER STREET  
 TECHNICAL ZONING SUMMARY**

**Table 1: HA-3 Zoning District Schedule Summary**  
**Site Area: 1290 Homer Street – 560.7 m<sup>2</sup> (6,035 sq.ft.)**

<b>I-1 District Schedule</b>	<b>Existing</b>	<b>Required or Permitted</b>	<b>Proposed</b>
Section 4.3 Height *	10.1 metres (33 feet) – heritage building	21.4 metres (70 feet)	21.4 metres (70 feet)
Section 4.7 Density and Floor Area *	1.8 FSR 1,034.6 m <sup>2</sup> (11,137 sq.ft.)	5.0 FSR overall (max. 3.0 for residential and min. 1.5 for commercial) 2,803 m <sup>2</sup> (30,175 sq.ft.)	4.68 FSR 2,624.6 m <sup>2</sup> (28,252.2 sq.ft.)

\* No variance required

**Table 2: Parking By-law**

	<b>Existing</b>	<b>Required or Permitted</b>	<b>Proposed</b>
Off-Street Parking *	None	Min. one space for each 1.45 m <sup>2</sup> gross floor area = 11 spaces	None
Off-Street Loading	None	2 – office 2 – retail or restaurant	None

\* As per Section 4.3.4 of the Parking By-law, no new parking spaces are required for existing area (Levels 1 through 3)

**1290 HOMER STREET**  
**RESOLUTION OF THE VANCOUVER HERITAGE COMMISSION AND STAFF COMMENTS**

On July 16, 2018, the Vancouver Heritage Commission reviewed the Development Permit Application and resolved the following:

MOVED by Commissioner Keate  
SECONDED by Commissioner Massie

- A. THAT the Vancouver Heritage Commission support the proposal to retain and rehabilitate the MacPherson & Teetzel Company Building at 1290 Homer Street, including the designation of the building and the addition of a three-storey rooftop addition as presented to the Commission at their meeting on July 16, 2018.
- B. THAT the Vancouver Heritage Commission commend the applicant for the high-level conservation work, including seismic upgrading, brick repair, preservation in-place of the heavy timber internal structure, and the preservation of existing windows.
- C. THAT the Vancouver Heritage Commission request that the cladding be carefully considered for compatibility with the historic building, including its colour and tone, and the suitability of the vertical woodgrain; also, the thickness of the horizontal band between floors be considered for further design development; and

FURTHER THAT the Commission support the restoration of the historic cornice and its encroachment into the public realm, and the encroachment of the east façade of the new addition to align with the east façade of the existing building, and any further encroachments required by the historic building.

CARRIED UNANIMOUSLY

**Staff Comments:**

The points raised above have been noted to the applicant through Prior-to Conditions to address as part of the development permit approval.

## 1290 HOMER STREET PUBLIC BENEFITS SUMMARY

### Project Summary:

Rehabilitation and conservation of a heritage building incorporated into new 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	HA-3	HA-3
FSR (site area = 560.7 m <sup>2</sup> (6,035 sq. ft.))	5.0	4.68
Buildable Floor Area	2,803 m <sup>2</sup> (30,175 sq.ft.)	2,624.6 m <sup>2</sup> (28,252 sq.ft.)
Land Use	Commercial	Commercial

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed DE (\$)
Required <sup>1</sup>	DCL (City-wide) <sup>2,3</sup>	\$439,952	\$249,537
	DCL Utilities (City-wide)	\$152,082	\$86,260
	Public Art		
	20% Social Housing		
Offered (Community Amenity Contribution)	Childcare Facilities		
	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage		
	Housing (e.g. supportive, seniors)		
	Parks and Public Spaces		
	Social/Community Facilities		
	Unallocated		
	Other		
<b>TOTAL VALUE OF PUBLIC BENEFITS</b>		<b>\$592,034</b>	<b>\$335,797</b>

**Other Benefits: None**

<sup>1</sup> Based on rates in effect as at September 30, 2018. DCLs, Public Art and Social Housing may have exemptions and/or minimum thresholds for qualification. DCLs would not apply to existing floor area of the MacPherson and Teetzel Co. Building, 1290 Homer Street (1,034.6 m<sup>2</sup> (11,137 sq.ft.)) within the value under the Proposed column.

<sup>2</sup> City-Wide DCL revenues are allocated as follows: Replacement Housing (36%); Transportation (25%); Parks (18%); Childcare (13%); and Utilities (8%).

<sup>3</sup> DCL rates are subject to future adjustment by Council including annual inflationary adjustments. DCLs are payable at building permit issuance based on rates in effect at that time. A development may qualify for 12 months of in-stream rate protection, see the City's [DCL Bulletin](#) for details