

COUNCIL REPORT

Report Date: September 11, 2023 Contact: Jason Olinek and Celine

Mauboules

Contact No.: 604.873.7492/7670

RTS No.: 15919 VanRIMS No.: 08-2000-20 Meeting Date: October 17, 2023

Submit comments to Council

TO: Vancouver City Council

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

Manager of Arts, Culture and Community Services, in consultation with the

Director of Legal Services

SUBJECT: 9 West Cordova Street, Boulder Hotel – Modification to Heritage Revitalization

Agreement (HRA), and Approval of Single Room Accommodation (SRA)

Conversion Permit

Recommendations

- A. THAT Council instruct the Director of Legal Services to bring forward for enactment a by-law to amend the Heritage Revitalization Agreement (HRA) entered into in 2008 pursuant to Heritage Revitalization Agreement By-law No. 9743, as modified in 2015 pursuant to By-law No. 11174, in respect of the municipally designated heritage building known as the Boulder Hotel, which is located at 9 West Cordova Street (the "Lands"), to allow for development as contemplated within development permit application DP-2022-00676 (see Appendix A).
- B. THAT, subject to approval of Recommendation A, Council approve a Single Room Accommodation (SRA) conversion permit pursuant to the Single Room Accommodation By-law (the "SRA By-law") to remove 22 designated rooms in the building from the SRA By-law, and convert them to eight self-contained secured residential market rental dwelling units as conditions of the previous approval were satisfied in 2015.
- C. THAT the agreements and related by-laws shall be prepared, registered, and given priority on title to the Lands, to the satisfaction of the Director of Legal Services, in consultation with the Director of Planning.
- D. 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.

Purpose and Executive Summary

The purpose of this report is to seek Council approval to enact a by-law to amend the Heritage Revitalization Agreement (HRA) currently registered on title for the parcel of land located at 9 West Cordova Street. This report is also seeking Council approval of a Single Room Accommodation (SRA) conversion permit (the "New Permit").

Council's approval of the HRA amendment and the New Permit is required prior to the issuance of a development permit under the current development permit application DP-2022-00676 to allow for the outstanding scope of work originally set out in the expired development permit (DE417522).

The proposed modification to the HRA is limited to adding references to the current development permit application number DP-2022-00676 and revised conservation plan dated April 10, 2023. There are no other proposed amendments.

Under the New Permit, the scope of work (conversion of 22 rooms to 8 self-contained units) is consistent with the previously approved SRA permit in 2015. The units will be secured through the existing Housing Covenant as rental for 60 years or the life of the building, whichever is greater.

Council Authority/Previous Decisions

On February 12, 2008 (RTS 07037), Council approved the issuance of an SRA By-law conversion permit.

On October 28, 2008, Council enacted <u>By-law No. 9743</u>, a by-law to authorize Council entering into a Heritage Revitalization Agreement with the Owner of Heritage Property, bearing the civic address of 265 Carrall Street.

On January 21, 2015 (<u>RTS 10280</u>), Council approved the conversion permit pursuant to the SRA By-law to remove 22 designated rooms from the SRA By-law and convert them to eight self-contained secured residential market rental dwelling units. Conditions of approval included a Section 219 Covenant on title to the property, and contribution of \$105,000 to the SRA reserve fund for the creation of replacement housing were satisfied.

On March 24, 2015, Council enacted <u>By-law No. 11174</u>, a by-law to authorize the amendment of the Heritage Revitalization Agreement authorized by By-law No. 9743 to reflect the new development proposal (DE417522) for the property located at 9 West Cordova Street.

Pursuant to <u>Section 592(4)</u> of the *Vancouver Charter*, an HRA may only be amended by by-law and with the consent of the owner of the subject property. The owners of the Lands have consented to the proposed amendment. Therefore Council may consider the amendments to the HRA as proposed.

Pursuant to <u>Section 592(8)</u> of the *Vancouver Charter*, this matter does not require a Public Hearing because the proposed HRA amendment does not permit any change to the use or density on the Lands.

The <u>SRA By-law</u> designates rooms in residential hotels, rooming houses, and other buildings in the Downtown Core. The SRA By-law was enacted to manage the rate of change in the low-income housing and the displacement of tenants in Vancouver's Downtown core. Pursuant to Section 4.2 of the SRA By-law, an owner may apply to Council for a permit approving the conversion or demolition of a designated SRA.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

In 2015, the Owner obtained a development permit DE417522 and received Council approval of a SRA conversion permit to:

- a) Convert 22 Single Room Accommodation By-law designated rooms in the Building into eight self-contained secured market rental housing units; and
- b) Restore and rehabilitate the Building in accordance with the conservation plan submitted to the City dated December 2, 2013, so as to:
 - (i) Preserve and restore the two principal facades of the Building;
 - (ii) Restore the main cornice based on archival photos and DE documentation and consistent in form, materials and details with the original;
 - (iii) Preserve, restore and rehabilitate the Building's storefronts;
 - (iv) Replace existing second and third floor double hung windows and frames with single hung wood window replica, double-glazed to match existing window detailing and character;
 - (v) Retain the Building structure, conduct voluntary structural upgrades and seismically upgrade the Building; and
 - (vi) Update all building systems.

The Owner obtained a building permit BP-2016-01160 for select exterior alterations that were limited to: the replacement of deteriorated windows with new wood window assemblies to match existing, and the installation of new wood storefront doors to replace existing. These were completed, but no subsequent building permit was obtained to complete the remaining scope of work since the Owner did not receive confirmation to proceed with the required electrical service upgrade from BC Hydro until 2022.

In order to complete the outstanding work contemplated by the expired development permit and SRA conversion permit, the Owner has now applied for a new development permit (DP-2022-00676) and the New Permit. The new application includes a revised conservation plan, which identifies the status of the original scope of work, including confirmation of the completed conservation work associated with the previously approved building permit BP-2016-01160.

Site and Context

The site is located in an area zoned HA-2, addressed as 9 West Cordova Street, in the Gastown Historic District National Historic Site (see Figure 1). The building is at the northwest corner of West Cordova Street and Carrall Street.

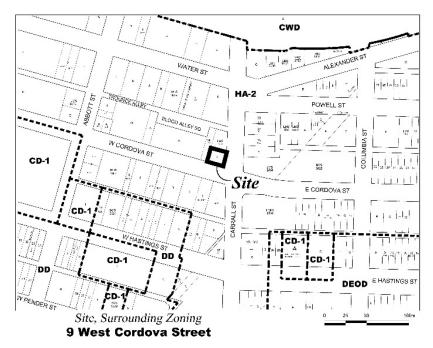


Figure 1. Site and surrounding zoning.

The Boulder Hotel is a three-storey, stone-faced commercial building. The first two storeys were constructed in 1890, with the third story added prior to 1910. The building is listed on the Vancouver Heritage Register (VHR) under the 'B' evaluation category, and is protected by a municipal heritage designation.

The building is valued for its association with Arthur G. Ferguson, one of the city's early landowners and developers, along with its association with Robert Mackay Fripp, a leading architect of the time and an outspoken proponent of the Arts and Crafts Movement. With a simple and understated architecture, it is a reflection of the Arts and Crafts tradition of using natural materials in an honest manner. The subsequent addition of the third floor indicates the growth and expansion of the city during the pre-First World War era. The Boulder Hotel is one of the earliest buildings in Vancouver with plain, rectangular sash windows set into a roughdressed masonry walls.





Figure 2 (Left). Boulder Hotel at corner of Cordova and Carrall Streets. (CVA LGN 718) Figure 3 (Right). Boulder Hotel from April 2023.

Discussion

Condition of the Heritage Building and Conservation Approach

The work contemplated within the current development permit and SRA conversion permit applications are limited to the outstanding scope of work set out in the expired development permit DE417522.

Although work has been deferred since the approval of the original development permit, the overall historic form, scale and massing of the heritage building remains intact. Staff conclude that the outstanding scope of work is consistent with the expired development permit, and is in general conformance with the national *Standards & Guidelines for the Conservation of Historic Places in Canada*.

Single Room Accommodation (SRA) Conversion Permit

The SRA By-law is a tool to manage the rate of change in the low-income housing stock by considering each conversion or demolition of a designated room on a case-by-case basis.

As set out in section 193D(6) of the Vancouver Charter, Council is required to consider certain factors when determining whether to approve either an SRA conversion or demolition permit. The following factors were also previously considered by Council, when it approved an SRA Permit in 2015:

- 1. Accommodation for Affected Tenants: The Boulder Hotel has been vacant since 1978, therefore no tenants will be affected as a result of converting the designated rooms.
- 2. Supply of Low-Cost Accommodation: Given that the Boulder Hotel has been closed since 1978, it has not been part of the available low income housing stock for 45 years.
- 3. Condition of the Building: Like many buildings constructed in the late 19th and early 20th centuries, the Building requires major seismic and building systems upgrades. It is not habitable in its current condition, and the degree of upgrading required is reflected in the number of years the upper floors have remained vacant.
- 4. Need to Improve and Replace SRA: The eight new self-contained market rental units will be secured through the existing Housing Covenant that was secured in 2015 as part of

the SRA permit approval at the time. Additionally, a fee of \$105,000 was allocated to the SRA reserve fund to support the creation of replacement housing.

In 2015, the Owner met all the conditions of approval for an SRA conversion permit application, including registration of a Section 219 Covenant on title to the property, and contribution of \$105,000 to the SRA reserve fund for the creation of replacement housing. However, because the work to convert the 22 rooms to 8 self-contained units was not commenced within 12 months and completed with 24 months as required by section 4.10 of the SRA By-law, the SRA permit is now invalid, and the Owner is required to apply for a new SRA conversion permit in order to proceed with the work.

Staff conclude that the scope of work contemplated under the New Permit application is consistent with the previously approved SRA conversion permit in 2015.

Financial Implications

There are no financial implications arising from this proposal.

Legal Implications

The owners have agreed to the modification to the HRA, which has been prepared by Legal Services in consultation with the Director of Planning.

Should Council approve the New Permit, the 8 self-contained units will be secured through the existing Housing Covenant secured in 2015 as rental for 60 years or the life of the building.

* * * * * * * * *

APPENDIX A DRAFT By-Law

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o vvest Gordova Street	
A By-law to au Heritage Revitalization Agr	-LAW NO thorize the amendment of a eement authorized by By-law No. 11174 /est Cordova Street
PREAMBLE	
WHEREAS	
Council has authority under the <i>Vancouver Cha</i> with the consent of the owner of heritage property	arter to amend an existing Heritage Revitalization Agreement erty.
WHEREAS	
Pursuant to By-law No. 9743, the City of Vano Agreement with the owner of certain property v	ouver (the "City") has entered into a Heritage Revitalization with a civic address of 9 West Cordova Street.
WHEREAS	
The Agreement was amended in 2015 pursual	nt to By-law No. 11174.
AND WHEREAS	
The owner now wishes to further amend the H amendments are acceptable to the City.	eritage Revitalization Agreement and the owner's proposed
NOW THEREFORE THE COUNCIL OF THE C	CITY OF VANCOUVER, in public meeting, enacts as follows:
substantially the form and substance of the F Schedule A to this by-law, and also authorizes	the Heritage Revitalization Agreement with the owner, in deritage Revitalization Amendment Agreement attached as the Director of Legal Services to execute the agreement on ner on such terms and conditions as the Director of Legal
2. This by-law is to come into force and t	ake effect on the date of its enactment.
ENACTED by Council this day of	, 2023
	Mayor
	City Clerk

Schedule A

TERMS OF INSTRUMENT - PART 2

SECOND MODIFICATION OF HERITAGE REVITALIZATION AGREEMENT 1-9 WEST CORDOVA STREET

WHEREAS:

- A. The Owner is the registered owner of the parcel of land having a street address of 1-9
 West Cordova Street in the City of Vancouver (the "Lands") which has the legal
 description shown in the Form C Part 1 part of this document.
- B. There is a building situated on the Lands, known as the "Boulder Hotel" (the "Building"), which is designated as a protected heritage building and listed in Category B on the Vancouver Heritage Register.
- C. The Owner and the City entered into a heritage revitalization agreement in respect of the Lands and an adjacent site also owned by the Owner having a legal description of PID: 015-713-351, The East 26 Feet of Lot 14, Block 2, Old Granville Townsite Plan 168 (the "Adjacent Site"), which was registered in the Land Title Office on December 8, 2008 under registration numbers BB1030307 to BB1030314 (the "Original HRA").
- D. The Original HRA was entered into as part of a proposed development of the Lands and the Adjacent Site pursuant to Development Permit Application No. DE410844 (the "First DP Application"), which contemplated consolidation of the Lands with the Adjacent Site; the First DP Application was subsequently withdrawn and the Original HRA has now been discharged from the Adjacent Site.
- E. Pursuant to Development Permit Application DE417522 (the "Second DP Application"), an accompanying new conservation plan dated December 2, 2013, and an application for a conversion permit pursuant to the City of Vancouver Single Room Accommodation By-law No. 8733, the Owner applied to redevelop the Lands (but not the Adjacent Site) to:
 - (a) Convert 22 Single Room Accommodation By-law designated rooms in the Building into eight self-contained secured market rental housing units; and
 - (b) Restore and rehabilitate the Building in accordance with the conservation plan submitted to the City dated December 2, 2013, so as to:
 - (i) Preserve and restore the two principal facades of the Building;
 - (ii) Restore the main cornice based on archival photos and DE documentation and consistent in form, materials and details with the original;
 - (iii) Preserve, restore and rehabilitate the Building's storefronts;
 - (iv) Replace existing second and third floor double hung windows and frames with single hung wood window replica, double-glazed to match existing window detailing and character;

- (v) Retain the Building structure, conduct voluntary structural upgrades and seismically upgrade the Building; and
- (vi) Update all building systems.
- F. Due to differences between the development of the Lands as proposed in the First DP Application and the development proposed in the Second DP Application, and in order to address the discharge of the HRA from title to the Adjacent Site, the City and the Owner agreed to modify the Original HRA and a modification agreement was registered on title to the Lands in the Land Title Office on April 22, 2015 under registration numbers CA4349611 to CA4349614 (the "First Modification") (the Original HRA as modified by the First Modification is referred to herein as the "HRA").
- G. The Second DP Application expired before the Owner obtained a building permit to complete the work contemplated by the Second DP Application.
- H. Pursuant to Development Permit Application DP-2022-00676 (the "Third DP Application"), an accompanying revised conservation plan dated April 10, 2023, and a new application for a conversion permit pursuant to the City of Vancouver Single Room Accommodation By-law No. 8733, the Owner has now applied to redevelop the Lands in order to complete the work contemplated by the Second DP application.
- In order to properly refer to the Third DP Application and revised conservation plan, the City and the Owner have agreed to further modify the HRA on the terms and conditions set out herein, subject to enactment of a bylaw authorizing this Modification (this "Agreement") pursuant to Section 592(4) of the Vancouver Charter.

NOW THEREFORE in consideration of the matters referred to in the foregoing recitals, covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed to by the Owner and the City), the Owner and the City hereby covenant and agree as follows:

1. Interpretation

All capitalized terms in this Agreement, unless otherwise defined in this Agreement, have the meanings ascribed thereto in the HRA.

2. Modification of HRA

The HRA is hereby modified as of the date that this Agreement is registered in the Land Title Office as follows:

- (a) Recital C is amended by deleting "DE417522" and replacing it with "DP-2022-00676"; and
- (b) the definition of "Conservation Plan" in section 1.1(f.1) is hereby deleted and replaced with the following:

"(f.1) "Conservation Plan" means the written plan and guidelines prepared by and/or under the supervision of the Consultant dated April 10, 2023 and explicitly accepted by the City for the rehabilitation and conservation of the Building as provided for hereunder;".

3. HRA Ratified and Confirmed

Except as hereby expressly modified, the HRA is hereby ratified and confirmed by the City and the Owner to the effect and with the intent that the HRA and this Agreement will be read and construed as one document.

4. Conflict

In the event of any conflict between the terms and conditions of the HRA and this Agreement, the terms and conditions of this Agreement will prevail.

5. Further Assurances

The City and the Owner will do and cause to be done all things and execute and cause to be executed all documents which may be necessary to give proper effect to the intention of this Agreement.

6. Binding Effect

This Agreement will enure to the benefit of and be binding upon the City and the Owner and their respective successors and permitted assigns.

CONSENT AND PRIORITY INSTRUMENT

In this consent and priority instrument:

- (a) "Existing Charges" means the Mortgage registered under number CA2743490 and the Assignment of Rents registered under number CA2743491;
- (b) "Existing Chargeholder" means CANADIAN WESTERN BANK;
- (c) "New Charges" means the modifications of the Section 219 Covenants, Statutory Right of Way, and Equitable Charge contained in the attached Terms of Instrument - Part 2; and
- (d) words capitalized in this instrument, not otherwise defined herein, have the meaning ascribed to them in the attached Terms of Instrument Part 2.

For ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which the Existing Chargeholder acknowledges, the Existing Chargeholder:

- (i) consents to the Owner granting the New Charges to the City; and
- (ii) agrees with the City that the New Charges charge the Lands in priority to the Existing Charges in the same manner and to the same effect as if the Owner had granted the New Charges, and they had been registered against title to the Lands, prior to the grant or registration of the Existing Charges or the advance of any money under the Existing Charges.

To witness this consent and priority instrument, the Existing Chargeholder has caused its duly authorized signatories to sign the attached General Instrument - Part 1.

END OF DOCUMENT

APPENDIX B SRA Conversion Permit Application



SINGLE ROOM ACCOMMODATION CONVERSION*

VANCOUVER	or DEMOLITION* PERMIT APPLICATION				
				SR No.	
Civic Address: 9 WEST CORDOVA STREET					
Legal Description: Lot B	Subdivision			Block 2	
	District Lot (OGT		Plan 10753	
Building Name: THE BOULDER HOTEL					
This area must be completed by the person si	igning this applica	tion.			
Name: ARON KESHOW				You are the:	
Mailing Address: #210 - 1080 MAINLAND STREET				Property Owner	
City: VANCOUVER	Postal Code:		22	0	
Company Name: KING TIGER INVESTMENTS LTD Non-Profit Number (if applicable):		118 112 11	3/	Agent for Property Own	er
Note: If the applicant is NOT the property own					
Owner's information (If owner is a corporation directors & associates):	n, provide Incorpo	ration Ce	ertificate	and names and addresses of all	
Property Owner's Name: KING TIGER INVESTM	ENTS LTD				
Address: #210 - 1080 MAINLAND STREET		Pos	tal Code:	V6B 2T4	
City: VANCOUVER'		Phone	Number:	778 772 1737	
Property Owner's Name:					
Address:			tal Code:		
City:		Phone	Number:		
Property Owner's Name:					
Address:		Pos	tal Code:		
City:		Phone	Number:		
001 Convert* occupancy of designated	room(s)		3	Total # of storeys in this building	
002 Change term or nature of tenancy	of designated room	(s)	22	Total # of SRA rooms in this build	ing
003 Change frequency of rent payment	s for designated roo	m(s)	1	Total # of non-SRA rooms in this I	building
004 Convert* vacant designated room(s	5)			Total # of tenants in this building	
005 Repair or alter designated room(s)					
008 Demolish* designated room(s)					
"see definitions of "conversion" and "demolition"	on reverse side of				
form under "Explanatory Notes"					
Describe nature of the proposed conversion of	or demolition:				
TO REPLACE 22 SRA UNITS WHICH HAVE NO		D SINCE	1975 W	ITH 8 RENTAL RESIDENTIAL	
SELF-CONTAINED ONE-BEDROOM UNITS.					
THIS IS A PROPOSED HERITAGE CONSERVA	ATION/RENOVATIO	N PROJ	ECT WO	RKING WITH THE EXISTING	
STRUCTURAL PLAN. THE SRA PERMIT WAS APPROVED BY COUN	ICIL IN JAN 2015 V	NITH ALL	COV FF	ES PAID IN FULL. BUT THE PER	MIT
EXPIRED AS THE APPLICANT COULD NOT G					
BUILDING UNTIL RECENTLY.					

Please continue application on reverse

THIS SECTION MUST BE COMPLETED:		
Are there any permanent residents needing to relocate as a result of this proposed conversion?		
Yes No		
If Yes, you must provide the following information:		
The number of permanent residents that will be affected?		
You must also include with this application the following required supporting documents:		
1 Tenant Relocation Plan Application Form (must be submitted whether or not tenant relocation may be necessary)		
2 An affidavit, sworn by the owner or, if the owner is a corporation, by a director of the corporation, setting out why the owner wants to convert or demolish the designated room		
✓ 3 One set of floor plans of the existing and proposed floor layout as described below*		
4 Tentative schedule for construction (if applicable)		

* Explanatory Notes:

Definition of "conversion" or "convert" means the following under the Single Room Accommodation By-law:

- "(a) a change in the form of occupancy, intended form of occupancy, or customary form of occupancy of a designated room from living accommodation for a permanent resident to living accommodation for a transient guest or to another
- (b) a change in the term or nature of the tenancy to which a permanent resident has the right in respect of a designated
- (c) a change in the frequency of the rent payments a permanent resident must make in respect of a designated room,
- (d) an occupancy or use, or the suffering or allowing of an occupancy or use, of a vacant designated room for a purpose other than living accommodation for a permanent resident,
- (e) a repair or alteration to a designated room or any improvement or fixture in it or a replacement of any such improvement or fixture, except for repairs or alterations that are minor in nature and have no material effect on the enjoyment by permanent residents of their living accommodation, and do not include the relocation of a permanent resident during the repair or alteration and does not result in the room ceasing to be a designated room,
- (f) a reclassification of a building or any portion of a building from Class 1-residential to any other class referred to in the Assessment Act and its regulations, or
- (g) a loss of exemption in respect of a designated room from an obligation to pay or remit hotel room tax under the Hotel Room Tax Act and its regulations;"

Definition of "demolition" or "demolish" means the following under the Single Room Accommodation Bylaw: "to pull, knock, or tear down or to raze, wholly or partially, a designated room"

Floor plans must be legible, drawn to a scale NOT less than 1/8" to 1', and must:

- (a) Include dimensions and layout of all floor levels including basement and underground parking;
- (b) Identify on each floor:
 - rooms that provide accommodation for permanent residents;
 - rooms that provide accommodation for transient guests (tourists);
 - rooms that provide other non-residential accommodation uses (e.g., lounge, storage rooms, etc.);
- (c) Indicate on each floor the square footage of all rooms and common areas;

Office Use Only	у
ADON KECHOW	

- ✓ By submitting this application, I, ARON KESHOW

 , as owner or owner's agent:
 - (a) have verified that the information contained within this document and associated applications and plans is correct and accurate, and describes a use, a building or a work which complies with all relevant bylaws and statutes;
 - acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors;
 - (c) acknowledge that any information and documents provided with this SRA conversion/demolition permit application will be attached to the report to Council and as such, be made available to the public; and
 - (d) hereby agree to indemnify and save harmless the City of Vancouver, its officials, employees and agents against all claims, liabilities and expenses of every kind, in respect of anything done or not done pursuant to this application or fact sheet or ensuing permit.

SUBMITTED AT VANCOUVER, BC THIS	15th	DAY OF AUG	2023		Submit
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Canada

Province of British Columbia

In the Matter of the City of Vancouver Single Room Accommodation By-law (the "By-law")

AFFIDAVIT
Vancouver, British Columbia, make oath and say as follows: Vancouver, Br.
1. I am a director of
I wish to convert or demolish the following rooms in the building on the property for the following purpose:
Room Nos: twenty two (i.e. 22)
Purpose: To replace 17 SPA units which have not been occupied Since 1975 with 8 rental residential self-contained? One-bedroom units is This is a proposed trenitage conservation/truovation Project, working with the existing structural
Sworn before me at Vancouver, British Columbia this 17 day of A Commissioner for taking Affidavits for British Columbia Barrister & Spilctor
HEENAN BLAKIE LLP Suite 2200 - 1055 West Hastings Street Vancouver, B.C. Vet 259 (Commissioner's Signip of Sea must be provided