



POLICY REPORT
DEVELOPMENT AND BUILDING

P3

Report Date: February 4, 2011
Contact: Kent Munro
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RTS No.: 7808
VanRIMS No.: 08-2000-20
Meeting Date: February 15, 2011

TO: Vancouver City Council
FROM: Director of Planning
SUBJECT: CD-1 Rezoning: 1030 Denman Street (Coast Plaza Hotel)

RECOMMENDATION

- A. THAT the application by Brook + Associates Inc. to rezone 1030 Denman Street (PID: 002-982-455 Lot D, Block 59, D.L. 185, Plan 17575) from C-5 (Commercial) to CD-1 (Comprehensive Development), to enable conversion of the existing hotel to residential (rental) and office uses, be referred to a Public Hearing, together with:
- (i) plans prepared by DA Architects + Planners, received on November 19, 2008;
 - (ii) draft CD-1 By-law provisions, generally as presented in Appendix A; and
 - (iii) the recommendation of the Director of Planning to approve, subject to conditions contained in Appendix B;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary CD-1 By-law generally in accordance with Appendix A for consideration at Public Hearing.

- B. THAT, if the application is referred to a Public Hearing, the application to amend Schedule C of the Sign By-law to establish regulations for this CD-1 in accordance with Schedule "B" (C-5), be referred to the same Public Hearing;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary by-law generally as set out in Appendix C for consideration at the Public hearing.

- C. THAT, subject to approval of the rezoning, the Noise Control By-law be amended to include this CD-1 in Schedule B, generally as set out in Appendix C;

FURTHER THAT the Director of Legal Services be instructed to bring forward the amendment to the Noise Control By-law at the time of enactment of the CD-1 By-law.

- D. THAT Recommendations A to C 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; 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.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS approval of the foregoing.

COUNCIL POLICY

Relevant Council Policies for this site include:

- C-5 District Schedule
- Central Area Plan: Goals and Land Use Policy (1991)
- West End Commercial Areas Policy Plan (1986)
- Homeless Action Plan - Action 23 (2005)
- EcoDensity Action Item A-1 (2008)
- Metro Core Jobs & Economy Land Use Plan: Issues and Directions Report (2007).

PURPOSE AND SUMMARY

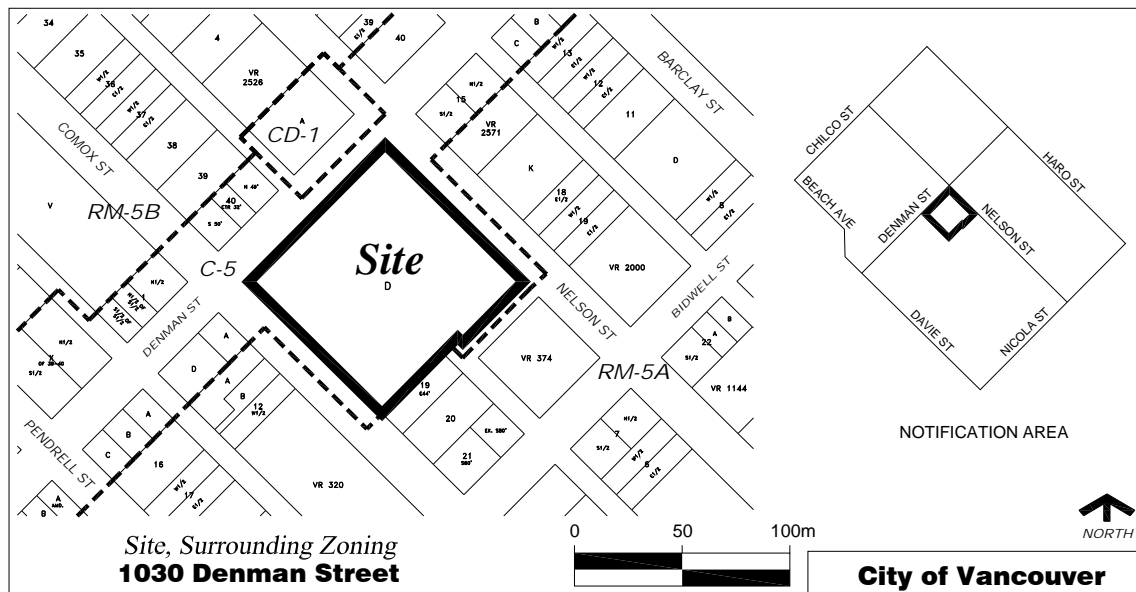
This report assesses an application to rezone the site at 1030 Denman Street (the "site") from C-5 (Commercial) District to CD-1 (Comprehensive Development) District. The rezoning seeks to remove the restriction on the amount of floor area attributed to residential use, in order to enable conversion of the Coast Plaza Hotel & Suites ("Coast Plaza") portion of the existing development on the site to residential and general office uses at some time in the future. The Denman Place Mall, which occupies the remainder of the site, would remain largely unchanged as a result of the rezoning, apart from minor façade and landscaping improvements. The rezoning would also bring into conformity the existing height of the building, which is substantially taller than the C-5 zoning permits.

Staff support the application and the Director of Planning recommends that it be referred to a Public Hearing and, subject to the Hearing, it be approved along with conditions of approval.

BACKGROUND

Site and Context: The site is occupied by the Coast Plaza Hotel & Suites, a movie theatre and numerous commercial enterprises in the Denman Place Mall, built in 1968, under a site-specific CD-1 by-law. The streetscape on Denman Street in this area is predominantly small scale, with restaurants and shops and local-serving businesses. Multiple dwellings are predominant in the RM-5A and RM-5B-zoned lands to the east and west of the commercial frontage on Denman Street.

Figure 1 – Site and Surrounding Zoning (including notification area)



Development History – The initial (1968) approval for the development at 1030 Denman Street was for an “apartment tower” and commercial uses under a site-specific CD-1 by-law, but that CD-1 by-law was amended in 1969 to change the apartment use to hotel use. The CD-1 was rescinded in 1975 when the West End District Official Development Plan was introduced. In 1986, the West End’s commercial areas, including this site, were rezoned to either C-5 or C-6 (West End Commercial Districts).

The C-5 District, which applies to the commercial areas on both Denman and Davie streets, lists “Hotel existing as of September 30, 1986” as a “conditional approval” use and hotels that met that criteria, such as the Coast Plaza, were specifically made conforming to the zoning by permitting their existing floor areas at the date of enactment. The by-law further allowed for small increases in density to accommodate renovations that would enhance the pedestrian environment.

Rezoning Application History – The current rezoning application was submitted in November 2008 in anticipation that the Coast Plaza would cease operations following the 2010 Olympics and with the opening of the new Coast Coal Harbour Hotel at 1180 West Hastings Street. Discussions were underway at that time, between Coast Hotels & Resorts and the union representing the hotel workers at the site, regarding the operation of the Hotel. Pending resolution of those discussions, the owners requested that their rezoning application be put on hold.

In late 2009, it was announced that an agreement had been reached for the Coast Plaza to continue to operate as a hotel until 2017. The property owner subsequently requested that the rezoning application be re-activated. It is the applicant's intention to obtain permission in zoning now to facilitate the conversion to residential in the future, after the hotel operator has ceased operations at the site.

DISCUSSION

1. **Land Use, Density and Height** – The primary purpose of this rezoning application is to remove the restriction on the amount of floor area attributable to residential use to enable conversion of the hotel rooms to that use. The rezoning would also permit an increase in commercial floor area over what is permitted in the C-5 District, to reflect the current and proposed additional commercial density on site. It is noted that should Council approve this proposed CD-1 by-law, both residential and commercial (hotel) uses would be allowable until such time as the hotel conversion takes place, which is anticipated in 2017, however the timing of the conversion is up to the owner as this rezoning does not require the owner to convert the hotel to residential use.

Multiple Dwelling is an "outright" use in the C-5 District. The maximum density permitted in the C-5 District is 2.20 FSR, of which 1.0 FSR may be residential use and 1.20 FSR may be commercial use. Conversion of the hotel space to residential use would result in a residential floor space ratio (FSR) of 2.74, within the overall existing density of 5.067 FSR.

As noted in the West End Commercial Areas Policy Plan, residential use is supported in the commercial areas as long as it has a secondary role to the desired local-serving retail and service uses which are desired. Historically, the existing building was constructed for "apartment" use, confirming that it was thought to be an appropriate use at that time, being secondary to the Denman Place Mall at the base of the tower.

General Office use is also an "outright" use in the C-5 District and is supportable in this location. The FSR attributable to new office use through the conversion of the hotel conference facilities on Level 2, would be 0.42, for a total commercial FSR of 1.795. The remaining 0.463 FSR comprises the existing above-grade parking, which counts towards overall floor area.

The height of the existing building at 91 m (298 ft.) is non-conforming to the existing zoning. It is 26.8 m (88 ft.) higher than the 64 m (210 ft.) permitted in the C-5 District. In the CD-1 by-law, it is proposed that the height limit be 91 m but that this be only applicable to the existing building, such that any subsequent redevelopment of the site would be subject to further rezoning.

The site is affected by the "Granville Island to Hollyburn Mountain" view cone which was established by Council in 1989, many years after the existing building was constructed. The view cone traverses the southwest corner of the site and does not include the area of the site occupied by the existing tower, but rather only the three story portion of the development. Even if the tower had been affected by the view cone, staff would not have recommended any change to the height of the building as it is a pre-existing condition.

Table 1 - Land Use and Density and Height

Land Use	C-5 District (for a new building)	Existing Building with hotel use*	Converted Building - proposed CD-1 By-law*
hotel	not permitted	3.253 FSR 269 guest rooms	none
residential	1.00 FSR	none	2.74 FSR 314 dwelling units
retail-commercial	1.20 FSR	1.351 FSR	1.795 FSR
above-grade parking	discouraged	0.463 FSR	0.463 FSR
all uses (total density)	2.20 FSR	5.067 FSR	5.067 FSR
maximum height	64 m (210 ft.)	91 m (298 ft.)	91 m (298 ft.)

* The proposed CD-1 By-law would continue to permit the existing hotel use.

Staff support the retention and reuse of the existing building and its conversion to residential and office uses. Staff recommend, however, that any future demolition of the current structure and comprehensive redevelopment of the site should not necessarily be replicated at the scale of the existing development. The proposed parameters of a CD-1 by-law outlined in Appendix A, therefore, require that in the future any new redevelopment would require a further rezoning process, based on policies and plans in place for the West End at that time.

2. Conversion of Hotel Space to Residential Use – Staff support the conversion of the hotel rooms at the Coast Plaza to residential rental accommodation because the majority of rooms have been replaced at the new Coast Coal Harbour Hotel and because the provision of rental housing is a Council priority.

In July 2007, Council adopted the Metro Core Jobs and Economy Land Use Plan: Issues and Directions Report. Eleven Overall Policy Directions were approved, including one which directed staff to “Develop appropriate policy regarding conversion of existing hotel space for various sub-areas and situations.” To date, staff have held several exploratory meetings with industry experts and other stakeholders in the Vancouver hotel sector. The key message from those who have been involved to date is that the City should ensure a steady growth in hotel rooms. Stakeholders point out that a stable and growing stock of rooms is particularly important given the anticipated demand from the expanded convention centre. Further technical work and consultation with other stakeholders is needed.

3. Provision of Rental Housing – On June 6, 1995, Council adopted “CityPlan: Directions for Vancouver” which, under the title “Addressing Housing Costs”, includes a specific policy to “maintain a stock of rental housing.” Action 23 of the City’s “Homeless Action Plan” (2005), states that the City of Vancouver should develop a cohesive rental housing strategy that includes recommendations to “encourage the private sector to create more rental housing” e.g. through zoning for higher density and density bonusing). Further, the “EcoDensity Charter” (2008) committed the City to “Use density, design and land use strategically to support and facilitate greater housing affordability and diversity” and to plan “densification strategically ... including the strategic retention and enhancement of existing purpose-built rental options”.

4. Livability and Unit Sizes – Given that the Coast Plaza was actually constructed as a residential apartment building, almost half of the hotel rooms/suites are one- and two-bedroom self-contained units.

Standard hotel rooms would be converted into Studio Units. Unit sizes range from 35.3 m² (380 sq. ft.) for a studio unit, to 110.6 m² (1,191 sq. ft.) for a two-bedroom + den unit. The breakdown in the unit types proposed is as follows:

Studio	178
One bedroom	106
One bedroom + den	2
Two bedroom	24
Two bedroom + den	4
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Total dwelling units	314

Of the 178 proposed studio units, half (89) are less in area than the 37 m² (400 sq. ft.) minimum specified for a dwelling unit in Section 10.21.2 of the Zoning and Development By-law. Under the zoning regulations, a lesser minimum floor area of 29.7 m² (320 ft.) may be considered subject to the design, location and occupancy of the units. The 89 studio units which are below 37 m² (400 sq. ft.) are all 35.3 m² (380 sq. ft.). The studio unit sizes are a result of this being an existing building. The studio units each have access to a balcony and have large windows. Access to ample daylight and some private outdoor space enables a liveable unit. Further, common outdoor space is available on the third level. Staff conclude that an acceptable level of livability has been demonstrated and support acceptance of these 89 marginally smaller units.

The remaining 89 studio units are around 42.7 m² (460 sq. ft.). The one-bedroom units average 55.7 m² (600 sq. ft.) and the two-bedroom units 83.6 m² (900 sq. ft.), with the largest two-bedroom + den unit being 110.6 m² (1,191 sq. ft.) in area.

5. Changes to the Form of Development (Note Plans: Appendix D) – The form of development will remain unchanged in other than cosmetic measures. In the short term, the owner is in the process of replacing the tower's windows, upgrading the roof and updating the façade. The hotel operator is currently upgrading the guest rooms and renovating the ballroom.

In terms of changes specifically associated with this rezoning, which will occur once the Coast Plaza ceases operation, the following interior changes are anticipated:

- all hotel rooms would be converted to dwelling units;
- portions of hotel back-of-house facilities on levels 2, 3 and 4 would be converted to dwelling units and residential storage facilities;
- the majority of the hotel's conference centre on level 3 would be converted to office use;
- the landscaped open space adjacent to the conference centre would be demised for separate, common use by residents and office workers;
- the hotel lobby and portions of the back-of-house area on level 2 would be converted to the residential lobby, bike storage, laundry room and other facilities; and
- the hotel's restaurant and lounge would be retained as standalone uses and accessed through a separate commercial entry point.

The scope of this proposal does not include significant change to the retail levels of the building. Two separate retail units in the mall are currently occupied by the West End Seniors Network (WESN), which has provided programs and services to seniors in the West End for 31 years. "Kay's Place" provides information and referral services, as well as being a drop-in centre for seniors. The second unit is a thrift store from which all proceeds from sales support the WESN programs and events. The total space occupied is approximately 92.9 m² (1,000 sq. ft.). The property owner has expressed interest and willingness to consolidate the two parts of the WESN services into a single unit of a comparable size, when one comes available in the mall, as part of their Community Amenity Contribution, as discussed below.

The existing public realm interface at this building has some challenges. The steps at many retail entries along Denman Street constrain access. Way-finding to the various uses at Comox Street is quite complex. The Nelson Street elevation consists mainly of blank walls and bulky concrete stairs. Addressing many of these conditions would require extensive demolition and rebuilding and staff conclude that it would not be a reasonable requirement of this proposal. In spite of its challenges, the existing Denman Street interface is reasonably engaging and animated.

This application does propose some improvements to the existing street-facing building elevations, including removing two large sets of concrete stairs on the Nelson Street (north) side of the building. This will improve safety, visibility and opportunity for landscaping along Nelson Street. More minor improvements to the landscaping are proposed along Denman and Comox Streets.

Staff generally support the proposal. However, staff recommend several design development conditions including further improvements to the public realm interface to improve pedestrian interest, weather protection and way-finding.

6. Parking – Access to the two levels of underground residential parking is located on the east side of the site, and is accessed from Comox Street. The access to the Level 2 commercial parking is on the north side of the site, adjacent to the lane. These are existing conditions. The access points are not proposed to be changed.

Modifications are proposed to the parking levels to provide bicycle parking and storage as well as the visitor parking required for residential use, as per the current Parking By-law standards.

7. Sustainability – This rezoning application was submitted during the period where EcoDensity Action Item A-1 applied to rezoning applications. That policy applies to "all rezoning buildings which meet the minimum requirements to participate in the LEED® for New Construction (NC) program". As an existing building, the Coast Plaza does not qualify to participate in the New Construction program.

Although this building is not listed in the Vancouver Heritage Register, Action Item A-1 references Heritage Buildings which are the subject of a rezoning application and states that the requirement for LEED® equivalency will not directly apply. Nonetheless, reasonable design efforts shall be made to improve green performance where appropriate, while respecting heritage aspirations and promoting heritage retention. EcoDensity policy does not specifically reference existing buildings which are not heritage buildings; however staff have applied a similar philosophy to their review of this project with respect to sustainability measures.

The application notes that while a LEED® Silver equivalency cannot be obtained; major energy and water consumption savings can be achieved. Renovations to the building at the time it is converted to residential use will include upgrading the building's heating and lighting systems, which will result in reductions in the consumption of gas and electricity. Installation of water-saving fixtures will occur as the building is renovated and water and electrical use will be metered to encourage reduced consumption.

Based on the energy conservation measures suggested by the owner's consultants, annual consumption of electricity will be reduced by 30% and annual gas consumption by 4%.

Staff conclude that the reuse of an existing building for residential use in an area well served by transit, local conveniences and amenities, where residents do not have to rely on automobiles for mobility, further meets the City's sustainability goals.

PUBLIC INPUT

Three rezoning information signs were installed on the site on June 8, 2010. A notification postcard was then mailed to 1,905 neighbouring property owners and six local community groups. On June 30, 2010, the City hosted an Open House at the West End Community Centre, which was attended by 88 people. Sixteen comment sheets were completed at the event. Two email responses were received prior to the Open House and three were received subsequent to the Open House, for a total of 21 responses.

Eleven (11) respondents supported the rezoning application. Supportive comments included:

- great to have more rental in the West End (6)
- makes sense to re-use an existing building and not reduce green space
- support this application but not other rezonings in the neighbourhood (5)
- may remain affordable since it is an older building
- support the idea of securing a space for the West End Seniors Network.

Of the remaining ten respondents, five opposed the application. Five respondents did not express opposition or support, but made general comments. Opposing or neutral comments included:

- concerned about loss of the hotel – loss of jobs, loss of function and meeting spaces as well as access to the hotel pool and the gardens on level 3
- opposed to any rezoning in the West End
- would like to see units secured for low income seniors housing (5)
- the West End does not need more rental accommodation
- there is not enough parking provided
- conversion will increase rental rates and population density
- is the City being adequately compensated – what is the benefit to the City?

The applicant has indicated that Coast Plaza Hotel will continue to operate for some time under the current agreements between the owner and hotel operator, with the function and meeting spaces/gardens and hotel pool still available to the public on the same terms as they are at present. If and when the building is converted to rental accommodation, the gardens will remain available to residents and office tenants only. In terms of parking, the proposal meets the Parking By-law requirements. Staff support the addition of rental housing to this

neighbourhood and concur that the age of the building may enhance the affordability for its future rental units relative to new construction.

Staff discussed the provision of seniors (S.A.F.E.R.) units in this project, but after consideration, the owner advised that they preferred to maintain a totally market rental model for the building. In response, however, they offered to make a contribution to the Affordable Housing Fund as a public benefit (see below) and to have that money specifically targeted to the West End neighbourhood. Staff recommend that Council accept the public benefit offerings which the applicant has proposed, as they will provide immediate benefits to the community.

PUBLIC BENEFITS

In response to City policies which address changes in land use and density, this rezoning application offers the following public benefits.

Required Public Benefits:

- Development Cost Levies (DCLs) – Development Cost Levies are collected on new development prior to building permit issuance. The levies help pay for facilities made necessary by growth, including parks, childcare facilities, replacement housing (social/non-profit housing) and various engineering infrastructure. Pursuant to City Policy, DCLs are not applicable to projects where alterations are made to an existing building where the total floor area of the building is not increased. Therefore, no DCLs will accrue from this rezoning application.
- Public Art Program – Pursuant to the City's Public Art policies and Guidelines, the public art program will not apply to this application as there is no increase in floor area proposed as a result of this requested rezoning.

Offered Public Benefits:

- Community Amenity Contribution (CAC) – Pursuant to the City's Financing Growth Policy, the City anticipates the offer of a community amenity contribution from the owner of a rezoning site to address the impacts of rezoning. Contributions are negotiated and evaluated by staff in light of the increase in land value expected to result from rezoning approval. For this application, the increase in land value or land lift is estimated to be in the region of \$2,100,000. The total value of the public benefits offering represents approximately a 77% share of the land lift (\$1,622,000). Real Estate Services staff have reviewed the applicant's development proforma and staff recommend that the offer be accepted.

It is noted that in this particular application, the circumstances relating to the timing of development are unique. Although the applicant is requesting the zoning change now, the anticipated date for the conversion of the hotel to residential uses is not until 2017. Given that the CAC offering has been established at this time, yet the conversion may not occur for some period of time, staff in this circumstance are recommending as a condition of the rezoning that the CD-1 By-law, if approved, be enacted (i.e., all rezoning conditions fulfilled, including obligations associated with the CAC offering) within eighteen (18) months of any Council approval of the By-law.

For this application, the owner's CAC offer has three components.

Firstly, the owner has offered to provide to the City two retail units within the Denman Place Mall of approximately 500 sq. ft. each, totalling 92.9 m² (1,000 sq. ft.) for a period of 20 years at a nominal lease rate. Included are two storage lockers and one parking stall. The lease would be structured so that the City (lessee) does not pay any rent for the 20 years and the sub-lease will pay the operation costs, common area maintenance and taxes directly to the owner. Real Estate Services estimates the present value of this portion of the offer at \$776,000.

Staff support the offering and have begun discussions with the owner and the WESN regarding the details of the lease and sub-lease. Staff propose a condition of enactment (noted in Appendix B (c) 7) to ensure that the amenity remains in public service in a form of tenure and related conditions to facilitate the sustainable operation of the facility by non-profit community service organizations.

Secondly, the owner has offered to make a cash contribution to the City's Affordable Housing Fund in the amount of \$596,000. It is possible to target these funds to another project in the West End neighbourhood. Staff recommend that this contribution be secured as a condition of zoning enactment (Appendix B (c) 6).

The third component of the applicant's CAC contribution is \$250,000 which will be directed to public realm improvements on Comox Street, to Central Valley Greenway standards, including reconstruction of the sidewalk, provision of lighting, an on-site water fountain, bike racks, street trees and benches (Appendix B (c) 4).

Staff recommend that these offers be accepted.

FINANCIAL IMPLICATIONS

Although the City will hold the head lease on the two retail units, storage space and parking space allocated for non-profit use, there will be at no cost to the City in terms of operating or maintenance costs which will be the sole responsibility of the non-profit group. Therefore, there are no financial implications with respect to the City's operating expenditures, fees or staffing.

CONCLUSION

Planning staff conclude that the conversion of this hotel to residential (rental) use is supportable as it will see an existing building being renovated and reused, with improvements to energy performance and livability. The net result will be an additional 314 units of rental accommodation being provided in an area well-served by local services which may reduce the reliability on automobile travel. The fact that it is an existing, older, building, may result in increased affordability. Staff support acceptance of the community amenity contributions offered by the developer, particularly as they can be delivered now, despite the timing for the actual conversion of the hotel to residential use. In the meantime, the community will benefit from the improved pedestrian facilities on Comox Street and the continuation of the

West End Seniors Network programs in the Denman Place Mall. The contribution to the Affordable Housing Fund will be earmarked for new housing projects which may be approved in the West End in the future.

The Director of Planning recommends that the application be referred to a Public Hearing, together with a draft CD-1 By-law with provisions generally as shown in Appendix A and a recommendation of the Director of Planning that it be approved, subject to the hearing and subject to the conditions listed in Appendix B, including approval in principle of the form of development as shown in the plans included here as Appendix E.

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1030 Denman Street
DRAFT CD-1 BY-LAW PROVISIONS

Note: A By-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

Uses

- Cultural and Recreational Uses, limited to artist studio, billiard hall, club, community centre or neighbourhood house, fitness centre, library, museum or archives, theatre;
- Dwelling Use, limited to dwelling units in conjunction with any of the uses listed in this section, residential unit associated with and forming an integral part of an artist studio, seniors supportive or assisted housing;
- Institutional Uses, limited to child day care facility, public authority use, school - elementary or secondary, school - university or colleges, social service centre;
- Office Uses;
- Retail Uses, limited to adult retail store, furniture or appliance store, grocery or drug store, liquor store, pawnshop, retail store, secondhand store, small scale pharmacy;
- Services Uses, limited to animal clinic, barber shop or beauty salon, beauty and wellness centre, cabaret, catering establishment, hotel existing as of [*date of enactment of by-law*], laundromat or dry cleaning establishment, neighbourhood public house, photofinishing or photography studio, print shop, repair shop - class B, restaurant - class 1, restaurant - class 2, school - arts and self improvement, school - business, school - vocational or trade;
- Utility and Communication Uses, limited to public utility; and
- Accessory Uses customarily ancillary to the above uses.

Density

- For the purposes of computing floor space ratio, the site is deemed to be 7 972 m² [85,813 sq. ft.] being the site size at the time of application for rezoning:
 - For a building existing on or before [*date of enactment of by-law*] the floor space ratio shall not exceed 5.07.
- The following areas shall be included in the computation of floor space ratio:
 - All floors of all buildings, having a minimum ceiling height of 1.2 m, including earthen floors and accessory buildings, both above and below ground level, to be measured to the extreme outer limits of the building.
- The following areas shall be excluded from the computation of floor space ratio:
 - Open residential balconies or sundecks and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, provided that the total area of all exclusion does not exceed eight percent (8%) of the residential floor area being provided;
 - Patios and roof gardens, provided that the Director of Planning first approves the design of sunroofs and walls;
 - Where floors are used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage, heating and mechanical

equipment, or uses which in the opinion of the Director of Planning are similar to the foregoing, those floors or portions thereof so used, which are at or below the base surface provided that the off-street parking spaces do not have a length of more than 7.3 m for the purpose of exclusion from floor space ratio computation;

- All residential storage space above or below base surface, except that if the residential storage space above base surface exceeds 3.7 m² per dwelling unit, there will be no exclusion for any of the residential storage space above base surface for that unit;
- where exterior walls greater than 152 mm in thickness have been recommended by a Building Envelope Professional as defined in the Building By-law, the area of the walls exceeding 152 mm, but to a maximum exclusion of 152 mm thickness, except that this clause shall not apply to walls in existence prior to March 14, 2000; and
- with respect to exterior:
 - wood frame construction walls greater than 152 mm thick that accommodate RSI 3.85 (R-22) insulation, or
 - walls other than wood frame construction greater than 152 mm thick that meet the standard RSI 2.67 (R-15);

the area of such walls that exceeds 152 mm to a maximum exclusion of 51 mm of thickness for wood frame construction walls and 127 mm of thickness for other walls, except that this clause is not to apply to walls in existence before January 20, 2009.

A registered professional must verify that any exterior wall referred to in subsection (ii) of this section meets the standards set out therein.

- Amenity areas, including child day care facilities, recreational facilities and meeting rooms accessory to a residential use, to a maximum total area of ten percent (10%) of the total permitted floor area, provided that for child day care facilities the Director of Planning, on the advice of the Director of Social Planning, is satisfied that there is a need for a day care facility in the immediate neighbourhood.

Height

- A maximum of 91 m (298 ft.) for a building existing as of [*date of enactment of by-law*].

Parking

- Parking, loading, and bicycle spaces shall be provided and maintained according to the provisions of the Parking By-law, except for the following:
 - at least 0.075 and no more than 0.15 visitor parking spaces per dwelling unit, and
 - a minimum of eight visitor parking spaces reserved as full-time residential visitor parking;

- Any future changes of use of the site must require that parking, loading, and bicycle spaces be provided and maintained according to the provisions of the Parking By-law, including those concerning exemptions, and relaxations and are to the satisfaction of the Director of Planning after consultation with the General Manager of Engineering Services, except that for residential uses there must be:
 - at least 0.075 and no more than 0.15 visitor parking spaces per dwelling unit, and
 - a minimum of eight visitor parking spaces reserved as full-time residential visitor parking.

Acoustics

- All development permit applications require evidence in the form of a report and recommendations prepared by a person trained in acoustics and current techniques of noise measurement, demonstrating that the noise levels in those portions of dwelling units listed below do not exceed the noise level set opposite such portions. For the purposes of this section, the noise level is the A-weighted 24-hour equivalent (Leq) sounds level and is defined simply as noise level in decibels.

Portions of dwelling Units	Noise levels (Decibels)
Bedrooms	35
Living, dining, recreation rooms	40
Kitchen, bathrooms, hallways	45

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1030 Denman Street
PROPOSED 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.

PROPOSED FORM OF DEVELOPMENT

- (a) That the proposed form of development be approved by Council in principle, generally as prepared by DA Architects + Planners, and stamped "Received City Planning Department, November 18, 2008", 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:

Design Development

- 1. design development to enhance pedestrian interest at the Comox Street elevation;

Note to Applicant: This can be achieved by introducing a minimum of two windows, of approximately 48 ft. each, to the exterior wall of the grocery store. Further, landscape improvements should be included in the areas where the concrete stairs are to be removed.

- 2. design development to incorporate high quality weather protection along Denman and Comox Streets;

Note to Applicant: Provide large-scale sections illustrating the complete streetscape condition, including any existing canopies, street fixtures and proposed new canopies, complete with dimensions. At a minimum, weather protection should be proposed at the entry to street-fronting retail. Proposed canopies must be a minimum of 5 ft. in depth and 9 ft. from grade, and of light, high-quality construction.

- 3. improvement to pedestrian way-finding at the Comox Street elevation that distinguishes retail, service and residential entries;

Note to Applicant: This can be achieved through a variety of measures, including landscape and lighting. Further, the guard rail at the mall and cinema could be more transparent, and paving treatments at the interface of the residential, fitness and parking entries could be introduced to distinguish safe routes for pedestrians.

- 4. provision of a rationale, referenced to the plans, illustrating a means of circulation and egress for residential and commercial tenants through shared floor that addresses CPTED (Crime Prevention Through Environmental Design) issues;

Note to applicant: The current layout appears to allow for commercial space users to enter elevators and stairs that connect with residential use areas on L2 and parking levels. This may cause conflict between the two different user groups.

5. provision of information on the site plan accurately depicting the streetscape condition including steps, planters, and location of canopies over;

Note to Applicant: The drawing "Commercial Mall L1" submitted does not identify all these items.

6. provision of additional information on the elevations and site plans identifying the exterior finishes, new and existing, and the location of exterior lighting and its specification;

Note to Applicant: Typical exterior finishes, such as wall, railing, and glazing and frame type should be noted on the drawings. Any proposed revisions to these materials, such as paint or replacement should be noted.

7. design development to the lane elevation taking into consideration the principles of CPTED having particular regard for reducing opportunities for nuisances such as graffiti;

Note to Applicant: Large blank walls, especially adjacent to Nelson Street should be treated with landscape that discourages the application of graffiti and enhances pedestrian interest.

8. design development to improve security and visibility in the underground in accordance with section 4.13 of the Parking By-law and by painting the walls and ceiling of the parking garage white;

Landscape Design

9. upgrades and improvements to the street-level and upper roof deck landscaping;

Note to Applicant: Staff support the general approach to landscape improvements outlined in Appendix F of the Rezoning application. An Arborist should be engaged to provide further analysis with regard to tree removals. Where tree removals are necessary, tree replacements should be provided. Special attention should be given to public/private realm interface improvements, such as refurbishing planters. Weather protection should not conflict with existing trees. Irrigation may be needed to provide water to sustain plants and trees under canopies.

10. design development to provide sufficient soil depth and volume to ensure long-term plant health;

Note to Applicant: Soils should meet or exceed BCLNA Landscape Standards.

11. provision of a detailed Landscape Plan illustrating soft and hard landscape treatment;

Note to Applicant: The Landscape plan should include a planting plan listing common and botanical name, size and quantity of all existing/proposed plant material. Differentiate the "existing" and "proposed" landscape work. Plant materials should be clearly illustrated on the Landscape Plan, and keyed to the Plant List. Illustrate and clarify all outdoor surface/paving materials, site furniture, lighting, trash receptacles, hose bibs, signs, retaining wall treatment, anti-skateboard guards (where applicable), parking vents, at-grade utilities and public real (building edge to the curb, street trees, lamp posts, fire hydrants, sidewalk treatment).

12. satisfaction of the requirements of a Tree Plan, including dimensioned tree protection barriers, where applicable;

Note to Applicant: Trees to be retained/removed/replaced may be shown on the Landscape Plan. Refer to Protection of Trees By-law (Sections 4.0, 4.3).

13. provision of spot elevations for all outdoor areas (including top/bottom walls), including off-site context spot elevations in proximity (e.g. in the lane);

14. new street trees to be provided adjacent to the development site, to be shown on the development permit plans and confirmed prior to issuance of the building permit;

Note to Applicant: Contact Eileen Curran, Streets Engineering (604.871.6131) to confirm tree planning locations and Park Board (604.257.8587) for tree species selection and planning requirements. Provide a notation on the plan, "Final spacing, quantity and tree species to the satisfaction of the General Manager of Engineering Services. New Trees must be of good standard, minimum 6 cm calliper, and installed with approved root barriers, tree guards and appropriate soil. Root barriers shall be 8 ft. long and 18 in. in. Planting depth of root ball must be below sidewalk grade. Call Park Board staff for inspection after completing tree planting.

Engineering

15. provision of a Loading Management Plan (LMP);

Note to Applicant: The LMP is required to formalize the delivery process to the Denman Place Mall tenants so as to ensure minimal disruption to the neighbouring residents and to formalize a loading arrangement that will meet the needs of both the commercial tenants and the neighbours.

16. provision of a technical table with the number of parking, loading and bicycle parking spaces being required and to be provided;

17. provision of parking plans which clearly number and label all parking spaces as "standard", "small car" or "disabled". Column off-sets and aisle width dimensions should also be provided;
18. eliminate all parking stalls which encroach into the parking ramps and path of on-coming vehicles;
19. modify the 12 ft. opening in the drive aisle to a 21'-8" opening on parking levels B1 and B2 on drawings A-02 and A-03;

Note to Applicant: A 12 ft. opening does not provide adequate access in and out of the first row of parking spaces west of the opening.

20. provision of adequate drive aisle width for parking spaces adjacent to the storage room on parking level B1, on drawing A-03;

Note to Applicant: removal of the storage room opposite the parking spaces will be required.

21. Removal of a Class A loading space from the parking stall count;

Note to Applicant: Required loading spaces cannot be counted as parking spaces. Calculations show that only one Class A loading space is required.

22. clarification and review of the existing crossing widths on Comox Street to determine if they might be reduced;

23. provision of details of existing and proposed garbage storage and pick-up practises for the development;

Note to Applicant: The site must have the capacity to store all of the waste generated on-site and must not rely on any storage of bins on public property.

24. dimension property lines on all plans.

PROPOSED CONDITIONS OF BY-LAW ENACTMENT

- (c) That, should this by-law not be enacted by Council within 18 months of any Council approval of the by-law then such approval lapses and shall be of no force and effect.

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 Director of Planning, the General Manager of Engineering Services, the Managing Director of Social Development and the Approving Officer as necessary, and at the sole cost and expense of the owner/developer, make arrangements for the following:

Engineering

1. provision of adequate water service to meet the fire flow demands of the project;

Note to Applicant: The rezoning application lacks the level of detail needed to determine if watermain upgrading is required. Please supply project details including projected fire flow demands to determine if water system upgrading is required. Should upgrading be necessary, then arrangements to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services will be required.

2. confirmation of all existing and proposed encroachments;

Note to Applicant: Clarification of any proposed encroachments is required, including confirmation that existing canopies and awnings are drained to the buildings internal drainage system and are fully demountable at or near the property line. Legal arrangements will be required for all existing or proposed encroachments.

3. undergrounding of all new utility services from the closest existing suitable service point;

Note to Applicant: All services and in particular electrical transformers to accommodate a primary service must be located on private property. The development site is not to rely on secondary voltage from the existing overhead network. Any alterations to the existing underground/overhead utility network to accommodate the development will require review and approval by the Utilities Management Branch. Early contact with the Branch is encouraged.

4. provision of sidewalk improvements on Comox Street, adjacent the site in keeping with the Central Valley Greenway standards, as follows:
 - Reconstruction of the sidewalk with standard broomed-finished and saw-cut panels,
 - street lighting to Greenway standards,
 - on-site water fountain accessible to the public,
 - bike racks where space permits,
 - a minimum of two Greenways standards benches, and
 - infill street trees where space permits;

Note to Applicant: A legal agreement securing the payment of \$250,000 for the cost of these works and to secure public access to the fountain and setting out maintenance obligations will be required.

Housing

5. make arrangements to secure the dwelling units as rental tenure for 60 years or the life of the building, whichever is greater; subject to a no-separate-sales covenant and a non-stratification covenant, and subject to such rental dwelling units being made available for a term of not less than one month;

6. payment of the agreed Community Amenity Contribution of \$596,000, which will be directed to the Affordable Housing Fund for use in the West End neighbourhood, is to be made to the City prior to enactment of the CD-1 By-law, at no cost to the City and on terms and conditions satisfactory to the Director of Legal Services;

Non-Profit Facility

7. make arrangements to secure, by way of a lease, approximately 92.9 m² (1,000 sq. ft.) of community amenity for a period of 20 (twenty) years at an amount no greater than the sum of Common Area Maintenance and proportionate property tax and on such other terms and conditions consistent with sustainable operation by a non-profit, community service organization;

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 covenants pursuant to Section 219 of 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 site as are 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-law.

The preceding agreements shall provide security to the city including indemnities, warranties, equitable charges, and letters of credit, and provide for the withholding of permits, as deemed appropriate by, and in the form and content satisfactory to, the Director of Legal Services.

* * * * *

1030 Denman Street
ADDITIONAL INFORMATION

Site, Surrounding Zoning and Development: This 0.80 ha (1.97 ac.) site is comprised of a single parcel fronting onto Comox, Denman and Nelson Streets. The site has an irregular shape with a frontage on Denman Street of 89.92 m (295.01 ft.), a depth on Comox Street of 87.16 m (285.97 ft.) and a depth on Nelson Street of 90.50 m (296.94 ft.).

Proposed Development: The existing development will be retained, with only modest changes being made to the exterior. The existing hotel rooms would be converted to residential (rental) use and other hotel facilities would be converted to office use.

Public Input: A notification letter was sent to 1,905 nearby property owners and 6 community groups on June 9, 2010, and rezoning information signs were posted on the site on June 8, 2010. A summary of the comments received is provided on page 8 of this report.

Comments of the General Manager of Engineering Services: The General Manager of Engineering Services has no objection to the proposed rezoning, provided that the applicant complies with conditions as shown in Appendix B.

Environmental Implications: Nearby access to transit and commercial services may reduce dependence on use of automobiles.

Comments of the Applicant: The applicant has been provided with a copy of this report and has provided the following comments:

“On behalf of the ownership group and project team we have reviewed the Policy Report and Draft CD-1 Bylaw and accept its content and conditions. We want to take this opportunity to thank staff for their hard work during this process and look forward to completing this exciting development.”

* * * * *

1030 Denman Street
PUBLIC BENEFITS SUMMARY

Project Summary:

Future conversion of the existing hotel to residential (rental) use, with the hotel facilities on Level 2 being converted to office use. The existing Denman Place Mall would remain largely unchanged.

Public Benefit Summary:

The CAC offering consists of a cash contribution to the City's Affordable Housing Fund, provision of retail space in the Mall for a non-profit use and a contribution for local public realm improvements.

	Current Zoning	Proposed Zoning
Zoning District	C-5	CD-1
FSR (site area = 7,972.0 sq. m / 85,813 sq. ft.)	5.07	5.07
Max. Allowable Buildable Floor Space (sq. ft.)	434,792	434,792
Land Use	Hotel, retail, service	Same, plus dwelling use

Public Benefit Statistics		Value if built under Current Zoning (\$)	Value if built under Proposed Zoning (\$)
Required*	DCL (City-wide) (Note 1)	0	0
	DCL (Area Specific)	0	0
	Public Art	0	0
	20% Social Housing	0	0
Offered (Community Amenity Contribution)	Childcare Facilities	N/A	
	Cultural Facilities		
	Green Transportation/Public Realm		
	Heritage (transfer of density receiver site)		
	Housing (e.g. supportive, seniors)		596,000
	Parks and Public Spaces		
	Social/Community Facilities		776,000
	Unallocated		
	Other		250,000
TOTAL VALUE OF PUBLIC BENEFITS		\$0	\$1,622,000

Other Benefits (non-market and/or STIR components):

* DCLs, Public Art and Social Housing may have exemptions and/or minimum thresholds for qualification. For the City-wide DCL, revenues are allocated into the following public benefit categories: Parks (41%); Replacement Housing (32%); Transportation (22%); and Childcare (5%). Revenue allocations differ among Area Specific DCL Districts.

Note 1: Dwelling uses are not permitted under the current zoning.

1030 Denman Street
APPLICANT, PROPERTY, AND DEVELOPMENT PROPOSAL INFORMATION

APPLICANT AND PROPERTY INFORMATION

Street Address	1030 Denman Street
Legal Description	PID: 002-982-455 Lot D, Block 59, D.L. 185, plan 17575
Applicant	Brook + Associates, Inc.
Architect	DA Architects + Planners
Property Owner	0792203 BC Ltd.

SITE STATISTICS

SITE AREA	1.97 ac
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DEVELOPMENT STATISTICS

	DEVELOPMENT PERMITTED UNDER EXISTING ZONING	PROPOSED DEVELOPMENT	RECOMMENDED DEVELOPMENT (if different than proposed)
ZONING	C-5	CD-1	
USES	Hotel, Retail, Office, Service, Cultural & Recreational, Institutional	Multiple Dwelling, Office (new uses) Retain all other existing uses.	
DWELLING UNITS	267 Hotel Rooms/Suites	314 dwelling units	
MAX. FLOOR SPACE RATIO	5.07	5.07	
MAXIMUM HEIGHT	64 m (210 ft.)	91 m (298 ft.) (existing)	
PARKING SPACES	316	347	