EXECUTIVE SUMMARY

● Proposal: To provide interior alterations and change of use of a portion of 1128 Alberni Street tower from residential to hotel. The change of use is proposed on 12 floors (7, 11, 12, 14, 16, 21-25, 30, and 31) for a total of 96 units from residential rental use to hotel use.

See Appendix A Standard Conditions
Appendix B Standard Notes and Conditions of Development Permit
Appendix C Processing Centre - Building comments
Appendix D Plans and Elevations
Appendix E Applicant’s Rationale
Appendix F Minutes from the January 2011 Development Permit Board meeting

● Issues: Loss of rental accommodation
DEVELOPMENT PERMIT STAFF COMMITTEE RECOMMENDATION:  APPROVE

THAT the Board APPROVE Development Application No. DE418950 submitted, the plans and information forming a part thereof, thereby permitting the change of use of 12 floors (98 units) from residential use to hotel use on 12 floors (7, 11, 12, 14, 16, 21-25, 30, and 31) for a total of 96 units from residential rental use to hotel use, subject to the following conditions:

1.0  Prior to the issuance of the development permit, revised drawings and information shall be submitted to the satisfaction of the Director of Planning, clearly indicating:

   1.1  Enter into one or more agreements as required by the Director of Legal Services in consultation with the Chief Housing Officer to secure the remaining 145 units as residential rental accommodation. The agreement or agreements will address but not be limited to the following issues:

   i.  The 145 units will be secured as market rental through a housing agreement for a term of 60 years or the life of the building, whichever is greater;

   ii. that such air space parcel may not be subdivided by deposit of a strata plan;

   iii. that none of such units may be separately sold;

   iv.  that none of such units will be rented for less than one month at a time; and

   v.  such other terms and conditions as the Chief Housing Officer and the Director of Legal Services may in their sole discretion require.

2.0  That the conditions set out in Appendix A be met prior to the issuance of the Development Permit.

3.0  That the Notes to Applicant and Conditions of the Development Permit set out in Appendix B be approved by the Board.
Technical Analysis: Area 0 - Downtown Official Development Plan (ODP)

<table>
<thead>
<tr>
<th></th>
<th>PERMITTED (MAXIMUM)</th>
<th>REQUIRED (MINIMUM)</th>
<th>EXISTING</th>
<th>PROPOSED</th>
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<tr>
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<td>60,522 sq. ft.</td>
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<td>Floor Area 1</td>
<td>423 654 sq. ft.</td>
<td>-</td>
<td>1128 Alberni: 86,925 sq. ft.</td>
<td>1128 Alberni: 86,925 sq. ft.</td>
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<tr>
<td></td>
<td>436 248 sq. ft.</td>
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<td>Retail: 9,251 sq. ft.</td>
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<td>Total: 212,719 sq. ft.</td>
<td>Total: 222,488 sq. ft.</td>
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<td></td>
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<td>1166 Alberni: 207,085 sq. ft.</td>
<td>1166 Alberni: 207,085 sq. ft</td>
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<td>Total: 419,804 sq. ft.</td>
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<td>FSR 1</td>
<td>7.00 (overall)</td>
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<td>1128 Alberni: 3.51</td>
<td>1128 Alberni: 3.68</td>
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<td>7.21 (incl. hotel</td>
<td>1166 Alberni: 3.42</td>
<td>1166 Alberni: 3.42</td>
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<td></td>
<td>bonus)</td>
<td></td>
<td>Total: 6.93</td>
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<td></td>
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<td></td>
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<td>Units 5</td>
<td>-</td>
<td>243 residential rental units</td>
<td>96 hotel units</td>
<td>96 hotel units</td>
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<tr>
<td></td>
<td></td>
<td>2 hotel staff/office units</td>
<td>2 hotel staff/office units</td>
<td>2 hotel staff/office units</td>
</tr>
<tr>
<td></td>
<td></td>
<td>145 residential rental units</td>
<td>145 residential rental units</td>
<td>145 residential rental units</td>
</tr>
</tbody>
</table>

1 **Note on Floor Area and FSR:** The subject site is affected by a “single site covenant” which considers that the sites at 1128 Alberni Street and 1166 Alberni Street be considered as one for the purpose of computation of floor space ratio (FSR). Although no new “real” floor area is being proposed under this development application, the floor area is effectively increasing as a result of floor area exclusions that were previously permitted for Residential use, no longer being eligible for exclusion for Hotel use (such as balcony areas and storage). The result is an increase to the proposed floor area of 9 769 sq. ft. In accordance with Section 3 - Density of the Downtown Official Development Plan, the Development Permit Board may permit an increase in the floor space ratio for hotels in the area denoted by the letter ‘O’ to a maximum of 15%. Based on a total proposed hotel floor area of 83 958 sq. ft., the Development Permit Board may approve a hotel bonus of 12 594 sq. ft, or a total maximum FSR for this site of 7.21.

2 **Note on Parking:** The parking figures noted are the combined totals for 1128 and 1166 Alberni Street. Since the construction of this building the maximum parking standard has decreased in this zone. This proposal includes a reduction of the existing non-conforming parking from 452 spaces to 410.

3 **Note on Loading:** The change of Residential use to Hotel use would require 1 additional Class B off-street loading pursuant to the Parking By-law. Given that the floor area is unchanged, and that this is not a typical hotel use with associated ancillary uses, such as events and conferences, engineering supports the loading configuration as proposed.

4 **Note on Bicycle Parking:** The number of Class A Bicycle spaces are proposed to decrease in the application, however the minimum required pursuant to the Parking By-law will be met. Standard Condition A.1.1 seeks improved location for the Class A Bicycle Parking, and compliance with Section 6 - (Bicycle Parking) with respect to the design and minimum number of bicycle lockers.

5 **Note on Units:** A total of 98 residential units are proposed for conversion to hotel use. 96 of these shall be available as hotel units (8 units on each of 12 floors), and two shall be used for hotel staff rooms and offices.
• **Legal Description**  
  Parcel H, District Lot 185, Plan LMP25417  
  Lot F, Block 18, District Lot 185 Plan 23073

• **History of Application:**  
  15 03 24 Complete DE submitted  
  15 05 20 Development Permit Staff Committee

• **Site:** The site is located on the block of Alberni Street between Bute Street and Thurlow Street.

• **Context:** Significant adjacent development includes:

  (a) 1128 Alberni Street (Lot H) - “Carmana Plaza” - 34 storey residential/restaurant/retail  
  (b) 1166 Alberni Street (Lot J) - 16 storey office/restaurant/retail  
  (c) 1128 West Georgia Street - “Shangri-La” - 61 storey hotel/residential/retail  
  (d) 1160 West Georgia Street - “Coastal Victory Church”  
  (e) 1188 West Georgia Street - 19 storey office/commercial  
  (f) 1200 West Georgia Street - “Residences on Georgia” - 36 storey residential  
  (g) 1288 Alberni Street - “The Palisades” - 32 storey residential  
  (h) 1225 Robson Street - “Blue Horizon Hotel” - 29 storey hotel/retail/restaurant  
  (i) 1133 Robson Street - “Robson Fashion Park” - 2 storey retail/restaurant  
  (j) 1060 Alberni Street - “The Carlyle” - 21 storey residential/commercial  
  (k) 1111 West Georgia Street - “Terasen Centre” - 24 storey office/commercial  
  (l) 1151 West Georgia Street - “The Ritz-Carlton Hotel and Residences” - (under construction) approved 60 storey hotel/residential/retail

The site is on the southern edge of the central business area, dominated by office buildings, and immediately north of the Robson Street shopping district, with a predominantly commercial character. A number of prominent residential and hotel buildings are also nearby.
Background:

Approval to construct a 34 storey residential and commercial tower at 1128 Alberni Street was granted in July, 1996 and the tower was built in 1998. While the project was constructed as a purpose built rental project, there were no incentives or density bonuses that were given on that basis. The approved uses are an office, restaurant and 243 residential dwelling units. The owners have been operating 96 of the residential units as hotel suites since 2009.

Applicable By-laws and Guidelines:
- Central Area Plan
- Downtown Official Development Plan
- Downtown (except Downtown South) Design Guidelines
- Housing and Homelessness Strategy 2012-2021
- West End Plan (2013)
- Metro Core Jobs and Economy Land Use Plan (2008)

Response to Applicable By-laws and Guidelines:

Central Area Plan: The Plan identifies the site and the surrounding area as being located next to the southern boundary of the Central Business District. It is anticipated that the area will continue to be developed with a mix of uses, including retail, office, service, hotel and residential. The recently completed Metro Core Jobs and Economy Land Use Study identified the tourist sector and hotels as an important generator of jobs in the downtown. The proposed use as Hotel may be permitted in this sub-area of the Downtown ODP, subject to such conditions as may be prescribed by the Development Permit Board. Staff therefore support a hotel use on this site.

Downtown Official Development Plan: Conversion of the existing residential units will create an increase in the amount of floor area as calculated in determining FSR. Floor area which was previously excluded from FSR as storage space or balcony is not excluded in a hotel. However, the permitted density may be increased by the Development Permit Board for a hotel in this sub-area, to a maximum of 15% of the floor area in the portion of building having a floor-to-floor dimension of less than 10 ft. The existing building meets these criteria, and there is no further impact of the proposed density because there is no change to the building form. If the hotel bonus is approved by the Board, the proposal will conform to the relevant regulations in the Downtown ODP. Staff support the use of the hotel bonus provision, in combination with the following considerations.

Housing and Homelessness Strategy 2012-2021: On July 29, 2011, Council endorsed the Housing and Homelessness Strategy 2012-2021 which includes strategic directions to increase the supply of affordable housing and to encourage a housing mix across all neighbourhoods that enhances quality of life. There are priority actions to achieve some of the strategy’s goals, including protecting the existing rental stock.

Given City Council’s policies to maintain and encourage rental housing in Vancouver, the loss of 98 units of rental is regrettable. However, the rental units were not approved as part of any density bonus or rental incentive program, the applicant has indicated that the proposed units have not been used as residential rental since 2009, and that no tenants will be displaced. The applicants have also stated that they intend to operate the remaining 145 units as residential rentals (see Appendix E). Staff recommend that the applicant now enters into a housing agreement to secure the remaining 145 units as rental housing in perpetuity.

It is the City’s standard practice to secure rental units under a housing agreement for all rental projects.
Downtown (except Downtown South) Design Guidelines: The proposal does not have any significant effect in terms of the goals and intents of the urban design guidelines, because there is no significant change to the exterior of the building.

West End Plan: The Plan was recently approved by Council in 2013 with a significant amount of community support. The Plan provides direction for future growth and change in strategic locations that align with local values and City objectives. The West End Plan’s key applicable policy objectives include:

- Ensuring the Downtown can accommodate the demand for future job space (including office, hotels, and other types of job space);
- Minimizing the conversion of job space to residential and allow new opportunities for job space in and around the Central Business District (CBD); and
- Strengthening Alberni Street as an emerging retail and mixed-use street with active commercial frontages and vibrant sidewalks.

30 year rental housing targets set out in the West End Plan can be met through the retention of the existing secured rental housing stock, new laneway rental housing infill in the Neighbourhoods, and the creation of new secured rental housing along the Burrard Corridor, Lower Davie and Lower Robson streets. The Plan focuses new mixed-use and job space growth along Alberni between Burrard Street and Bute Street, including along the 1100 block of Alberni Street.

Metro Core Jobs and Economy Land Use Plan: Part of the Metropolitan Plan, supported by the West End Plan, is the need to minimize the conversion or loss of hotel rooms in the CBD or CBD shoulder areas as a means of supporting the local economy and vibrant commercial streets. The Downtown Planning Division supports the change of use at 1128 Alberni to accommodate additional hotel rooms.

Development Cost Levy By-law: This site is located in the area-specific Triangle West district, where DCL fees are based on a flat rate for new floor area regardless of whether the use is commercial or residential. DCL fees for areas previously excluded, and now considered to be new floor area in this proposal, would be due at building permit issuance.

- **Conclusion:** Staff support the application, subject to the conditions in this report.

ENGINEERING SERVICES

The recommendations of Engineering Services are contained in the prior-to conditions noted in Appendix A attached to this report.

HOUSING POLICY & PROJECTS

Given City Council’s policies to maintain and encourage rental housing in Vancouver, the loss of 98 units of rental is regrettable. However, the rental units were not approved as part of any density bonus or rental incentive program, the applicant has indicated that the proposed units have not been used as residential rental since 2009, and that no tenants will be displaced. The applicants have also stated that they intend to operate the remaining 145 units as residential rentals (see Appendix E). Staff recommend that the applicant enter into a housing agreement to secure the remaining 145 units as rental housing in perpetuity.

The Rental Housing Stock Official Development Plan and Rate of Change Guidelines do not apply to this site as it is zoned DD (Downtown) District. Staff are currently reviewing both of these policies with a report to Council anticipated before the end of the year.
NOTIFICATION

On May 4, 2015, notification postcards were sent to neighbourhood property owners advising of this development application, and seeking public comments. At the time of the writing of this report, 5 comments were received.

The comments are summarized as follows:

- **Objections with the city rewarding the operator for continuing to operate an unauthorized hotel.**
  
  **Staff Response:** Staff acknowledge the concern of operating without approvals. However, the Development Permit Board must assess this application on the basis of the Official Development Plan and other land use policies.

- **Objections to loss of rental.**
  
  **Staff Response:** This objection was the most common among respondents. See staff response in the Housing Policy and Projects section in Response to Applicable By-laws and Guidelines (page 7).

- **Perception that hotel is not a permitted use.**
  
  **Staff Response:** Sub-Area O in the Downtown Official Development Plan allows for Hotel as a conditional use.

- **The application was previously refused and the decision should stand.**
  
  **Staff Response:** Changes to the West End Plan have allowed for consideration of commercial uses in addition to residential uses. See also staff commentary on page 7.

- **Concern that allowing this change would encourage other rental owners to change from residential to hotel.**

- **Opinion that existing rental accommodation should be preserved in this area.**

  **Staff response:** The West End Plan lays out a strategy in creating rental stock and preserving existing residential uses in other areas of the West End. Not all sites in the West End would be eligible for hotel use.

- **Concern that the building was originally approved as purpose built rental.**

  **Staff response:** The original approval did not seek to secure or incentivize rental, distinct from residential use.
DEVELOPMENT PERMIT STAFF COMMITTEE COMMENTS:

The Staff Committee has considered the approval sought by this application and concluded that with respect to Official Development Plan it requires a decision of the Development Permit Board. This includes a decision by the Development Permit Board to increase the maximum floor space ratio (FSR) for hotel use in accordance with Section 3 - Density of the Downtown Official Development Plan.

The Staff Committee realizes that the perceived loss of rental units (in this case the units have not been used as rental units since the building was first occupied, and no actual tenants are being displaced) is nevertheless a sensitive issue. However, the provision of additional Hotel rooms in the area of the Downtown core, that can support the tourist market and provide additional jobs, is also a supportable notion. Also, given there are no exterior physical changes proposed to the building, and provided that the remaining residential rental units can be secured in an acceptable manner, the Staff Committee supports this application, subject to the conditions contained within this report.

J. Greer
Chair, Development Permit Staff Committee

S. Black, MAIBC
Development Planner

J. Bosnjak
Project Coordinator

Project Facilitator: A. Wroblewski
DEVELOPMENT PERMIT STAFF COMMITTEE RECOMMENDATIONS

The following is a list of conditions that must also be met prior to issuance of the Development Permit.

A.1  Standard Conditions

A.1.1 improved location for the Class A Bicycle Parking, and compliance with Section 6 - (Bicycle Parking) with respect to the design and minimum number of bicycle lockers;

Note to Applicant: The majority of bicycle spaces should be located no lower that the first complete parking level below grade. Bicycle lockers should be indicated on the plans in accordance with the specification in the Parking By-law, and references to “chain link fence” should be deleted as this is not a permitted enclosure in the Parking by-law.

A.2  Standard Engineering Conditions

A.2.1 provision of a disability door opening device on each vestibule door leading into Elevator #5, and on all parking levels to enable bicycle access into Elevator #5, and provision of a note on the plans that signage will be installed within the bicycle room stating Elevator #5 should be used by cyclists.

Note to Applicant: The Parking By-Law requires an elevator be provided for Class A bicycle parking that is below the first level of underground parking.

A.2.2 provision of written confirmation that elevator #5 located at grid line 2G is intended for use by cyclists and install a sign on the column at grid line 2G’ indicating it is for use by cyclists with direct access out to Alberni Street;

Note to Applicant: The Parking By-Law requires an elevator be provided for Class A bicycle parking that is below the first level of underground parking.

A.2.3 compliance with Section 6.3 of the Parking By-Law, Class A Bicycle Spaces;

Note to Applicant: Chain link fence is not permitted for bike compounds. Class A spaces must be provided in separate rooms or in compounds of reinforced expanded metal mesh. Class A bicycle parking shall be comprised of no more than 30% vertical spaces, and no less than 20% lockers and 50% horizontal spaces.

A.2.4 provision of as much Class A residential bicycle parking as possible on the first level of residential parking;

Note to Applicant: The intent is to provide convenient bicycle parking for residents.

A.2.5 provision of the required 1.2m (4’) separation between the 2 Class B bicycle racks located in the entry court;

Note to Applicant: each rack must have the 4’ clearance, so it total there should be 8’ separation between the two racks.

A.2.6 confirmation that there are no electrical service alterations required for this project;

Note to Applicant: In the case that electrical service alterations are required, the General Manager of Engineering Services will require all utility services to be underground for this “conditional” development. All electrical services to the site must be primary with all electrical plant, which include but not limited to System Vista, Vista switchgear, pad mounted transformers, LPT and kiosks (including non-BC Hydro kiosks) are to be located on private property with no reliance on public property for placement of these features. In addition, there will be no reliance on secondary voltage from the existing overhead electrical network on
the street right-of-way. Any alterations to the existing overhead/underground utility network to accommodate this development will require approval by the Utilities Management Branch.
B.1 Standard Notes to Applicant

B.1.1 The applicant is advised to note the comments of the Processing Centre-Building Department contained in the Staff Committee Report dated December 15, 2010. Further, confirmation that these comments have been acknowledged and understood, is required to be submitted in writing as part of the “prior-to” response.

B.1.2 It should be noted that if conditions 1.0 and 2.0 have not been complied with on or before December 15, 2015, this Development Application shall be deemed to be refused, unless the date for compliance is first extended by the Director of Planning.

B.1.3 This approval is subject to any change in the Official Development Plan and the Zoning and Development By-law or other regulations affecting the development that occurs before the permit is issuable. No permit that contravenes the bylaw or regulations can be issued.

B.1.4 Revised drawings will not be accepted unless they fulfill all conditions noted above. Further, written explanation describing point-by-point how conditions have been met, must accompany revised drawings. An appointment should be made with the Project Facilitator when the revised drawings are ready for submission.

B.1.5 A new development application will be required for any significant changes other than those required by the above-noted conditions.

B.2 Conditions of Development Permit:

B.2.1 All approved off-street vehicle parking, loading and unloading spaces, and bicycle parking spaces shall be provided in accordance with the relevant requirements of the Parking By-law prior to the issuance of any required occupancy permit or any use or occupancy of the proposed development not requiring an occupancy permit and thereafter permanently maintained in good condition.

B.2.2 The issuance of this permit does not warrant compliance with the relevant provisions of the Provincial Health and Community Care and Assisted Living Acts. The owner is responsible for obtaining any approvals required under the Health Acts. For more information on required approvals and how to obtain these, please contact Vancouver Coastal Health at 604.675.3800 or visit their offices located on the 12th floor of 601 West Broadway. Should compliance with the health Acts necessitate changes to this permit and/or approved plans, the owner is responsible for obtaining approval for the changes prior to commencement of any work under this permit. Additional fees may be required to change the plans.

B.2.3 This site is affected by a Development Cost Levy By-law and levies will be required to be paid prior to issuance of Building Permits.
Processing Centre - Building comments

The following comments are based on the preliminary drawings prepared by Musson Cattell Mackey Partnership dated Sept 01, 2010 for the proposed development permit. This is a preliminary review in order to identify issues which do not comply with the Vancouver Building Bylaw #10908 as amended (VBBL).

This project is for interior alterations and converting existing residential suites to hotel for this existing multiuse building. Code references are per Division B of the VBBL.

i. The proposed alteration falls under Major Renovation category per part 11 of the VBBL. All new work shall comply to the current VBBL and the rest of the building upgrade required to conform major renovation category

ii. All new spaces and rooms proposed in the parking garage to be separated by minimum of 90 min fire separation.

iii. Security gate in the parking garage to have man-door to facilitate egress / exit requirements.

iv. Hotel main entrance shall conform to VBBL 3.8.3.5.

v. Bathtubs in a hotel rooms to conform to VBBL 3.7.2.9.

vi. Public corridor to have 1 hour fire separation.

vii. Access to public facilities, accessible hotel room, public universal toilet room etc. to conform per VBBL 3.8.2.31.

viii. Since the building is a high-rise building, confirm life safety and fire protection level of the existing building reasonably confirm to current VBBL. A report from building code consultant may be required at the building permit stage.

ix. Detail review is required at the building permit stage when drawings are completed for construction.

x. Please note energy requirements in the current VBBL and the building requires to comply

*Items marked with an asterisk have been identified as serious non-conforming Building By-law issues.

Written confirmation that the applicant has read and has understood the implications of the above noted comments is required and shall be submitted as part of the “prior to” response.

The applicant may wish to retain the services of a qualified Building Code consultant in case of difficulty in comprehending the comments and their potential impact on the proposal. Failure to address these issues may jeopardize the ability to obtain a Building Permit or delay the issuance of a Building Permit for the proposal.
December 17, 2014

City of Vancouver
Planning & Development Services
515 West 10th Avenue
Vancouver, BC

Attention: Andrew Wroblewski

Dear Sir:

Re: 1128 ALBERNI STREET
CARMANA PLAZA – CHANGE OF USE
OUR PROJECT NO. 208049.01 – 1.6.1.1
HOTEL PROPOSAL

This letter is in support of a Change of Use Application for Carmana Plaza. The intent is to convert a portion of this building originally designated as Residential to Hotel Use. Carmana Plaza is a 34-storey tower located at 1128 Alberni Street. It consists of a ground level retail floor, with lobby, second floor office, and 32 tower floors of residential use. The intent is to convert 98 of these units from Residential Use to Hotel; two of the units would function as hotel, office and staff space, and 96 would be for hotel rooms. The hotel suites would be located on 12 different floors: 7, 11, 12, 14, 16, 21-25, 30 and 31. The proposal is essentially the same as was presented to the City of Vancouver in 2010 and as described in our letter to the City of February 25, 2010; a copy of this is enclosed for your reference. In addition, I enclose a letter of August 23, 2010 from Carmana Plaza outlining hotel operations. The purpose of this letter is to address issues of the urban context, with particular reference to the recently adopted “Rezoning Policy for the West End” and the “West End Community Plan”, both as adopted by Council on November 20, 2013. We believe that the proposed change-of-use is entirely consistent with these recently approved documents, and would have a positive impact in helping to meet goals for this part of the downtown.

Carmana Plaza is located within Alberni Retail District, described under Section 7.3.2 of the “West End Community Plan” and referred to as Area “B” of the Rezoning Policy. The Carmana Plaza, as constructed, meets the overall zoning stipulations, including total floor area and maximum tower floor plate.

With particular reference to the policies in Section 7.3.2 of the “West End Community Plan”, the design of the Carmana Plaza, together with the proposed Hotel Use, would enhance the mixed use nature of the street. The lobby area for the hotel is set back from the street, as described in the Plan, with a continuous retail strip over most of the building’s frontage. The presence of hotel rooms will encourage the presence of visitors who will help support the retail and restaurant uses prevalent along Alberni Street.

The conversion to Hotel Use is also consistent with the presence of other hotels in the neighbourhood (Hotel Vancouver, Shangri-La, Hyatt) and is also complementary in that it provides a moderate priced alternative to the higher end hotels in the neighbourhood.
Mr. A. Wroblewski, City of Vancouver  
December 17, 2014

while being attractive for guests who wish a longer stay and would like to take advantage of 
the residential feel of the suites (i.e., including kitchens) and residential amenities.

It should also be noted that the hotel would support approximately 50 jobs.

In terms of the physical context, we also enclose views of the development and a 
streetscape montage of the south side of Alberni from Burrard Street to Thurlow Street, 
showing how the Carmana Plaza frontage and its retail units fit into the streetscape and 
encourage retail activity and pedestrian traffic. Overall, with the Carmana being developed 
today, its current format and uses would be very consistent with current City Policy and 
approvable as such.

Thank you for your consideration of this proposal. We look forward to hearing from you as 
to how we may proceed.

Yours truly

MUSSON CATELL MACKY PARTNERSHIP  
ARCHITECTS DESIGNERS PLANNERS

Bill Reid, ARCHITECT AIBC, MRAIC, CP  
William J. Reid Architect Ltd., Partner

BReer

Attachments

cc: Sailen Black, Planning & Development Services, City of Vancouver  
Holly Sovdi, Planning & Development Services, City of Vancouver  
Drew Bourne, Peterson Group
August 23, 2010

City of Vancouver  
Community Services Group - Planning  
East Wing, 3rd Floor  
2675 Yukon Street  
Vancouver BC  V5Y 3P9

Attention: Mr. Scott Barker  
Development Facilitator

Dear Mr. Barker:

Re: THE CARMANA PLAZA – CHANGE OF USE  
OUR PROJECT #208049.1 – 1.6.1.1  
HOTEL OPERATIONS

This letter is to explain the operations of the proposed hotel facility at 1128 Alberni Street.

The hotel is proposed to operate 96 rental rooms over 12 floors. The 12 floors are 7, 11, 12, 14, 16, 21 – 25, 30 and 31. The floors are not contiguous so as to provide a variety of rental rates, depending on height and available views from different suites.

The hotel will function as follows:

1. **Arriving Guests**
   a. Most come as individuals, either by taxi or rental car; very few, if any organized tour groups use the hotel. There is a taxi or rental car drop-off facility proposed as part of this Development Permit on the P2 Level, which gives direct access to the elevators. The hotel takes reservations through reservation services and its own website.

2. **Check-in**
   a. The concierge and check-in desk is to be provided at the ground floor lobby area. In addition to checking in guests, this concierge will undertake to do various errands such as providing tourist information, making reservations, calling taxis, sending out laundry, etc. These services are also available to any residential residents of the building.

3. **Housekeeping**
   a. All hotel laundry is sent off site from the rear loading area and returned. All dry-cleaning is done off site as well.

4. **Food Services**
   a. The hotel suites have residential style kitchens, but there is no provisioning by the hotel, no food deliveries and no food services provided.

5. **Security**
   a. All floors are secured by card access.
   b. Individual suite doors are by keys, the same as residential.
   c. Staff is on site 24 hours per day to provide security, as well as other emergency services.
6. **Cleaning**  
   a. In addition to hotel areas, all general cleaning of public and common areas of the residential building and common areas of the retail portion of the building at the lower floors are done by hotel staff on a cost share basis.

7. **Parking**  
   a. Hotel guests and residents share a common secured parking area underground; there are designated stalls for individual residential tenants and for hotel guests.

8. **Amenities**  
   a. Amenities available to both hotel guests and residents include an exercise room, a coin operated laundry facility, and a meeting room, all on the third floor.

9. **Staffing Levels**  
   a. We estimate the operation of this hotel will entail a total of approximately 50 staff, with a maximum of 15 to 20 people per shift. The main shift is daytime, but staff are available 7 days per week, 24 hours per day. Staff facilities will be in two existing suites on the third floor of the building. There are no "live-in" staff quarters. The staff level and number of rooms is an economically viable ratio and overall size for a hotel of this nature.

I trust this is the information you require with reference to this application.

Yours truly

**Carmana Plaza Hotel**

Per:  
Authorized Signatory, Bennet Mak, General Manager
February 25, 2010

City of Vancouver
Community Services Group - Planning
East Wing, 3rd Floor
2675 Yukon Street
Vancouver BC V5Y 3P9

Attention: Mr. Sailen Black
Development Planner II

Dear Mr. Black:

Re: THE CARMANA PLAZA – CHANGE OF USE
OUR PROJECT #208049.1 – 1.6.1.1
DESIGN RATIONALE

Please find outlined below the Design Rationale for the above-mentioned project:

1.0 Project Description
Located at 1128 Alberni Street, The Carmana Plaza is an existing 34-storey residential rental
tower within the Downtown District. As this building is in a district that encourages mixed-use
development, the area would benefit from a partial change of use to a hotel. No exterior
alterations will be made to Carmana Plaza under this change of use application, but only in the
way the building functions as residential and hotel use internally. This is a combined site and
operates in conjunction with 1166 Alberni Street with shared parking and loading.

2.0 Downtown Design Guidelines

Public Open Spaces
Recently on the adjoining property at 1166 Alberni Street, the main level of retail was expanded
westward towards Bute Street and northward along Alberni Street. With this expansion, a large
public area was upgraded for pedestrian traffic along Bute Street that meets the Triangle West
Guidelines. This includes a well lit patterned sidewalk and stairs with inlaid bronze medallions,
large planters with trees, and weather protection canopies. To encourage pedestrian traffic along
Alberni Street, a new patterned sidewalk was provided with street trees and weather protection
canopies. A living green roof will be planted as part of this expansion, as well as additional
landscape treatment in the lane with a large wall trellis to promote plant growth to cover the
exterior concrete.

Currently at the Carmana, two retail units extend out to the property line at the street level. On
the northeast corner, the entry to the main tower is set back from the street in a large open
double-height covered space that is well lit with natural light from the skylights above. In this
outdoor space, an exterior staircase and elevator provides access to the office space on the
second floor, as well as public access to parking levels from the street. Also in this outdoor area
is an existing water feature fountain with planting that is welcoming from the street. New bicycle
racks will be installed at this entrance under this application to meet the current by-laws.

Member of the Architectural Institute of British Columbia

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Mr. S. Black, City of Vancouver  
February 25, 2010  
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Social and Cultural Amenities
With retail, office, residential and now partial hotel use, this change of use will truly make this building a mixed-use development that will attract a wide range of users and visitors. The large lobby of the Carmana will act as the point of entry for residents and hotel guests. This space has high ceilings, a water feature pond and a seating area. The existing Carmana Plaza holds an amenity room for residents. This area will be retained for residents, as well as the shared laundry room located on the 3rd floor. No additional amenity areas will be provided for hotel use.

Environmental
As part of the retail expansion at 1166 Alberni Street, an existing driveway crossing was eliminated to encourage pedestrian traffic. All vehicle access to the parking and loading will take place in the rear lane and is accessible from Bute and Thurlow Streets. The main retail floor was extended out to meet the façade of the Carmana Plaza and a continuous weather protection canopy along the entire site was provided. At the main entry to the Carmana, the covered area is accessible to the public at street level. This entry area can be used as a place of rest or protection for the public.

Views and Physical Design
As there will be no exterior changes to the Carmana under this application, the physical design of the building will not be affected, nor will the existing views from the adjacent buildings.

3.0 Building Use
Currently, The Carmana Plaza is a mixed-use building that consists of a two-storey commercial podium and a 32-story residential tower. The main floor is retail use with a residential lobby, the second floor is office use and the residential tower holds 243 rental units. With this change of use, 145 rental units would remain and 96 units would become hotel.

Twelve floors would be designated hotel use at Carmana Plaza (Floors 7, 11, 12, 14, 16, 21-25, 30 and 31). Each floor has 8 units of varying sizes and layouts for a total of 96 hotel suites. On the third floor, two of the five residential suites will be used as hotel staff rooms and office. The existing residential lobby will serve as the entry point for both residential residents and hotel guests and the existing reception desk will be used as the check-in counter for the hotel. Elevator access to individual floors will be given by a card reader system which will also control other entry points into the building such as parking. With an existing security gate and card access, safety of residents and hotel guests will not be compromised.

The suites that are being converted to hotel use have enclosed balconies and storage rooms that were excluded from the floor area under the original development permit. Under hotel use these areas are no longer exempt and will now need to be added back into the total floor area. These areas total approximately 9,600 sf, will trigger the site to be over the allowable floor space ratio even though the actual building area on the site is not changing. Part of this change of use application would include applying to the Development Permit Board for a 15% hotel bonus which is permitted in the Downtown District.
Mr. S. Black, City of Vancouver  
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Hotel storage will be provided by converting existing bicycle rooms on the ground level, as well as P3 and P4 levels. New bicycle storage rooms for residential use will be provided on P5 and will be accessible by the parking garage and Elevator #5 at the main entry to Carmana Plaza on Alberni Street. Additional residential storage will also be provided by converting two bike rooms on P5 to storage and enclosing three parking stalls to storage use.

Hotel laundry will be taken off site for cleaning by the way of the rear existing loading area behind Carmana Plaza. Garbage and recycling pickup will occur in this area as well.

4.0 Parking & Loading Requirements
Changing a portion of Carmana Plaza to Hotel use will, in fact, lower the number of required parking and bicycle spaces. With 418 parking stalls the site will be over the maximum allowable under the current off-street parking by-law. An existing security gate on P2 of Carmana Plaza will provide a secure area for residential and hotel guests. New bicycle storage will be provided for residential use and meet the current off-street bicycle by-law.

With this change of use, additional loading is required to service the hotel use. Additional loading will be provided to meet the current off-street loading by-law and will be accessible by way of the rear lane.

For hotel use, two off-street Class “A” passenger loading spaces are required. These will be provided on P1 of Carmana Plaza near the elevator core for direct access to the hotel lobby.

5.0 Conclusion
The proposed change of use of the Carmana Plaza to residential use and hotel will function on all levels. The location of this hotel is an appropriate use within this area. All requirements will be met or exceeded with regards to parking and loading. Lobby circulation and elevator access will provide a comfortable and safe atmosphere for both residents and hotel guests. This change of use will arrange this site to provide a functional mixed-use building within the downtown core.

We trust the above meets with your requirements. Please do not hesitate to contact us should you have any questions or require further information.

Yours truly

MUSSON CATTELL MACKEY PARTNERSHIP
ARCHITECTS DESIGNERS PLANNERS

Per: Bill Reid, Partner
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Development Permit Board and Advisory Panel Minutes
For: Monday, January 10, 2011

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1128 ALBERNI STREET - DE413849 - ZONE DD (click here to read the report)

Minutes
Motion

553 WEST 7TH AVENUE - DE414251 - ZONE C3-A (click here to read the report)

Minutes
Motion

Present

Board

C. Warren Director of Development Services (Chair)
B. Toderian Director of Planning
D. McLellan General Manager of Community Services Group
P. Judd General Manager of Engineering Services

Advisory Panel

B. Haden Representative of the Design Professions (Urban Design Panel)
[Alberni Street]
O. Lang Representative of the Design Professions (Urban Design Panel)
[West 7th Avenue]
F. Rafii Representative of the Design Professions
M. Pez Representative of the Development Industry
J. Stovell Representative of the Development Industry
M. Biazi Representative of the General Public
S. Bozorgzadeh Representative of the General Public
J. Miletic-Prelovac Representative of the General Public

Regrets

K. Maust Representative of the Design Professions
C. Chung Representative of the General Public

ALSO PRESENT:

City Staff:

B. Boons Assistant Director of Processing Centre - Development
P. Storer Engineering Services - Projects Branch
S. Black Development Planner
B. Adair Development Planner
S. Barker Project Facilitator
1. MINUTES

It was moved by Mr. Toderian seconded by Mr. Judd and was the decision of the Board to approve the minutes of the meeting on December 13, 2010.

2. BUSINESS ARISING FROM THE MINUTES

None.

3. 1128 ALBERNI STREET – DE413849 – ZONE DD (COMPLETE APPLICATION)

Applicant: Musson Cattell Mackey Partnership

Request: To change the use of a total of 96 units in the existing 34 storey building from residential to hotel use (8 units on each of 12 floors).

Development Planner’s Opening Comments

Sailen Black, Development Planner, introduced the application regarding a change of use to an existing building. Currently there are 243 residential units in the building and the owners are proposing 96 units as hotel suites, 2 units for hotel staff/office and 145 residential units. He noted that staff are supporting the use on the site. The application is for the conversion of the units with no exterior changes to the building. Mr. Black noted that there are enclosed balconies and ensuite storage which can’t be exempted from FSR for the hotel. He also noted that the Development Permit Board may permit a bonus for hotel use and the application does qualify for that bonus. Mr. Black stated that one major issue was the loss of rental housing and Social Planning have made note of this in the Staff Committee Report. In general they consider the loss of rental housing regrettable although more rental units are being built in the downtown (approximately 600 units). Mr. Black stated that the applicant had not been renting the units and no tenants would be replaced. Staff have recommended in Condition 1.0 that the City secure a 60 year rental agreement for the 145 residential units. Mr. Black added that there were 458 responses received regarding the notification.

Mr. Black reviewed the recommendations contained in the Staff Committee Report dated December 15, 2010. The recommendation was for support of the proposal, subject to the conditions contained in the Staff Committee Report.

Questions/Discussion

In response to questions raised by the Board and Panel, the following clarification was provided by Mr. Black:

- The units were converted to hotel use a number of years ago.
- The City doesn’t have any means of preventing the units from being used for hotel use.
- The owner would have to get Council approval to should they wish to convert the building from
the current use to condo use.

- The zoning allows for hotel use as well as rental.
- None of the rental units are secured at the moment.
- City staff are recommending the rental units be secured with a 60 year rental agreement.
- The rental agreement would be registered against the title.

**Applicant’s Comments**

Mr. Reid, Architect, responded to the Staff Committee Report and noted that the bike storage is currently on different parking levels adjacent to the core and will be consolidated on Level E5. There is elevator access from Alberni Street to Level E5 and there is preference for this arrangement from a functional point of view. Regarding the rental covenant the owners have a problem with the proposed 60 year rental agreement. Mr. Reid noted that the hotel use has evolved from a 30 day short term rental to people wanting to stay for shorter periods of time. The building is currently not strata titled and they would need to go through a City process if they wanted to sell the units. He said that the owner feels the 60 year rental agreement would affect the valuation of the property and therefore the financing and could alter the value of the property. Mr. Reid said the property owner has a major issue regarding the 60 year rental agreement and would not be able to accept that condition.

**Questions/Discussion**

In response to questions raised by the Board and Panel, the following clarification was provided by the applicant team:

- There are eighteen years left on the current mortgage and the lender would have to be party to any charge registered on the title.
- The mortgage company would not agree to sign a 60 year rental agreement.
- A letter that was read by Mr. Bourne from Colliers International (a real estate firm) stating that a rental agreement would render the property less desirable for a potential purchaser. They believe the market value would be reduced by between 40-50%.
- The operation of the hotel currently employs 54 staff.
- The easiest way to secure the rental units is through a housing agreement as there isn’t any other way to secure the units off title.
- The City’s Legal Department is recommending a housing agreement to secure the rental units.
- The owner sent a letter to the City stating that he plans on keeping the rest of the units as rental (96 units).
- The building probably would have been approved as hotel use under the original permit as that is one of the permitted uses under the zoning.
- Extended stay hotel has become more common lately but this use is not listed under the zoning.

**Comments from other Speakers**

Rusty Kerr who lives in the West End was concerned that the building, which was originally built in 1996 and planned as a residential rental building, was being operated as an overnight hotel since around 2001. He wanted to know if the benefits to the City in the form of DCLs would have been higher if the owner had said they intended to build a mixed-use building. Mr. Kerr was also concerned with the assessed value and use of the building. He said he was in favour of the application provided there were amenities returned to the City to take into account the value of the way the owner is operating the business. He further added that he would ask the Board to defer the vote in order to ask the Legal Department to look at the applicant’s request that they can not comply with the required housing agreement. He felt the Board did not have all the information to make a decision on the application.

Diane Cote lives in the West End and is part of an organization called the West End Neighbours. She said they were concerned with the loss of rental units and was concerned with renters having their rents increased. She said she thought the owner shouldn’t be rewarded since the building had been operating as a hotel when it was set up as a rental building. She thought it was setting a bad precedent and noted that the owner couldn’t be trusted since they hadn’t played by the rules since the beginning. Ms. Cote added that there didn’t seem to be any benefit to the community in approving the application.

Gail Harmer, Director of Senior Citizens of BC, noted that there is a huge issue for people with lower incomes to find appropriate rental housing. She added that the city is losing low and moderate income families and seniors to other areas in the lower mainland where rents tend to be cheaper. Ms. Harmer said she wanted the Board to secure a covenant to be registered on the title of the application.
Questions/Discussion
In response to questions raised by the Board and Panel, the following clarification was provided by staff and the applicant team:

- There is no public benefit to the City if the Board approves the application because this isn’t rezoning and no public benefits are required.
- The Board can’t negotiate public benefits but it can secure the remainder of the rental units through a rental agreement that would be registered on title.
- There is an increase in the FSR due to the calculation but not an increase to the size of the building.
- Conversion of the units to strata title would require Council approval.
- The building was originally built as a rental project.
- Should the Board turn down the application the only legal use would be rental.
- The issue of the property value is only an issue if the property were to be put up for sale.
- The City has taxed the property based on hotel use since 2004.
- DCL charges based on 10,000 square feet would be around $130,000 paid to the City.

Panel Opinion
Mr. Haden stated that the application did not go to the Urban Design Panel. He said that it is unlikely that not approving the application would actually provide any substantial benefit to the rental housing community. He added that the rental housing problem is a complex issue, specifically affordable rental housing. The FSR change is relatively minor and is not a benefit to the applicant. Mr. Haden thought it was not the Board’s civic responsibility to keep the banks happy. He felt there was some benefit in legalizing the active current uses to bring them in line with both the principles of the law and the actuality of the law and not do it in a way that the applicant was rewarded for a change of use.

Mr. Rafii recommended securing the rental units and thought that any change in the value of the property would have nothing to do with the rental covenant. He recommended support for the application.

Mr. Stovell agreed with the applicant that covenants are “impossible” and could result in default of the mortgage and suggested a time limit permit for the hotel use instead. He said he was surprised that there might be DCLs that were payable for this application. Mr. Stovell would support the application if the rental units could be secured without registering a covenant on title.

Mr. Pez noted that it was a complex project and thought it was unusual to have so many rental units without a rental agreement to secure them. He said he realized that they might have been built when a rental agreement wasn’t required. Mr. Pez said he thought there was some onus on the part of the property owner to give something to the city such as offering rental on a long term basis and hotel use on a short term basis. He thought there should be something in place to secure the 145 rental units and added that he thought the housing covenant as proposed might be a bit onerous but thought this was an opportunity to acknowledge what is working and to put something in place to secure the rental operation for a number of years but not a 60 year covenant.

Mr. Biazi suggested that if the Board approved the application they needed to consider the covenant and secure the rental units.

Ms. Miletic-Prelovac was in support of the application providing there was a solution for securing the rental units.

Mr. Sanderson thought it was a reasonable proposal, providing the residential units could be guaranteed. He said he wasn’t convinced that the covenant was unacceptable and added that if there was a problem with the owner accepting a rental covenant then there should be other ways to secure the residential units. He thought the financial implications of the property were not within the purview of the Board and that it was generally a reasonable application provided the rental units could be secured.

Ms. Bozorgzadeh said the rental housing must be considered no matter what it takes.

Board Discussion
Mr. McLellan said it was a complex situation and was concerned about the covenant. He said he understood the complication around housing agreements and he was not surprised about all the difficulties around it. He noted that there were similar difficulties with other mechanisms that could be used to enforce any such sort of agreement because it all falls back on the City to provide the proof that in fact contraventions are occurring. It would be difficult to do in this situation where rooms could be rented daily, weekly, or monthly. He added that it would be difficult to chase down
that sort of enforcement. He said he didn’t think the financial considerations were going to be paramount in this circumstance because they ebb and flow over time. He noted that it was up to the assessment authority to decide what the right tax structure was in terms of assessing the property. When it came back to the application, he said the Board needed to determine what was important. He said there was a strong interest in protecting jobs as well as rental units. As for the application, Mr. McLellan said he didn’t see any compelling public interest to change the existing circumstances. He said he didn’t see the Board exercising their discretion and allowing an increase in density for a questionable change of use. Mr. McLellan said he was not prepared to recommend to Board the application be approved and in fact he would put forth a resolution to turn down the application. He added that the property owner could always file an application to rezone the property and have it considered by Council.

Mr. Toderian observed that if the applicant had applied for hotel use in the first place they may have possibly had their application approved, as hotel is a permitted use. He noted however that the City has various policies to protect rental housing and is taking major efforts to secure additional new rental housing through various programs including the STIR initiative. He wanted to make it clear that new rental housing is a priority in the West End and across the city. Mr. Toderian said he was struggling with the application but was inclined to agree with Mr. McLellan’s comments. He noted that having a housing agreement may or may not work for the applicant or for the City and we could be left with the situation that we are losing rental stock. He added that he was sympathetic to the application given Council’s interest in new job space and economic opportunities but in this case the rental priority should take precedent.

Mr. Judd supported the motion to not approve the development application.

**Motion**

It was moved by Mr. McLellan and seconded by Mr. Toderian and was the decision of the Board:

THAT the Board NOT APPROVE Development Application No. DE413849.

**3. 553 WEST 7TH AVENUE – DE414251 – ZONE C-3A (COMPLETE APPLICATION)**

**Applicant:** Joe Hwang

**Request:** The development of a seven-storey Multiple Dwelling containing 22 dwelling units, over a common underground parking garage containing 22 vehicle parking spaces having vehicle access from the rear of the site.

**Development Planner’s Opening Comments**

Bob Adair, Development Planner, described the context for the surrounding area noting that there was a previous application in early 2009 for the site which was withdrawn when it was noted that there was significant concern from the neighbours regarding overlook issues. The project has since been redesigned with planters added to soften the roof deck and another floor has been added. As well the floor to floor heights were reduced. The application is for a 7-storey building with twenty-two dwelling units and parking. Mr. Adair noted that the setback will have the same City Greenway’s treatment as the property next door. There is no common amenity space in the building and the roof decks will be for the residential units below. Mr. Adair described the materials proposed for the project and noted that the applicant is seeking a minor relaxation. The applicant will be applying for LEED™ Silver certification.

Mr. Adair reviewed the recommendations contained in the Staff Committee Report dated December 15, 2011. The recommendation was for support of the proposal, subject to the conditions contained in the Staff Committee Report.

**Questions/Discussion**

In response to questions raised by the Board and Panel, the following clarification was provided by Mr. Adair:

- Two units on the east face, one on the back and one on the front, will have fewer windows in the side walls to preserve the livability for the building next door. Also there will be screens down the middle of the roof deck, the massing has been pulled back and planters have been added.
- The building will have painted concrete on the lane side.