
138 EAST HASTINGS STREET (COMPLETE APPLICATION)
DE414810 - ZONE DEOD

SH/JB/DA/LH

DEVELOPMENT PERMIT STAFF COMMITTEE MEMBERS

Present:

J. Greer (Chair), Development Services
R. Thé, Engineering Services
L. Gayman, Real Estate Services
D. Anderson Eng, Social Policy
D. Naundorf, Social Infrastructure

Also Present:

S. Hein, Urban Design & Development Planning
J. Bosnjak, Development Services
D. Autiero, Development Services
K. Gerwing, Planner (DTES)
A. Bond, Housing Policy
C. Mauboules, Housing Policy
A. Law, Development Services
Z. Jankovic, Heritage Group

APPLICANT:

Studio One Architecture
Attention: Tomas Wolf
240 - 388 West 8th Avenue
Vancouver, BC
V5Y 3X2

PROPERTY OWNER:

0725105 BC Ltd.
1675 East 21st Avenue
Vancouver, BC
V5N 2N4

EXECUTIVE SUMMARY

- **Proposal:** To develop a six storey mixed-use building containing commercial uses on the ground floor and 97 residential units (79 market units and 18 social housing units) above one level of underground parking having vehicular access from the lane.

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 and Applicant's Design Rationale

Appendix E Urban Design Panel minutes from July 27, 2011

● **Issues:**

1. The implementation of the social housing obligation under current zoning and the views from the community.
2. Management of mixed residential tenure, commercial tenancies and related activities associated with the central passage and lane interface
3. Implementation of anticipated project quality

- **Urban Design Panel: SUPPORT**
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DEVELOPMENT PERMIT STAFF COMMITTEE RECOMMENDATION: APPROVE

THAT the Board APPROVE Development Application No. DE414810 submitted, the plans and information forming a part thereof, thereby permitting the development of a six storey mixed-use building containing commercial uses on the ground floor and a total of 97 residential units (79 market units and 18 social housing units) above one level of underground parking having vehicular access from the lane, 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 provision of a draft Operational Management Plan (OMP), in consultation with neighbouring property owners, residents and businesses, to the satisfaction of the Managing Director of Social Development prior to occupancy;

Note to Applicant: The OMP should address the management of the social housing units and other non-profit uses on the site. A community advisory committee should be established with representation offered to community stakeholders, non-profit organizations delivering the social housing, arts and food related programming on the site, and a strata representative. The Advisory committee will assist in informing the functionality of the central passage, and lane interface, to ensure pedestrian vitality and CPTED performance. Special attention to community based participation, including arts and food related programming, is also required. Site access, surveillance and communication protocols should be confirmed in the plan. A finalized OMP will be required for release of the Occupancy Permit.

1.2 arrangements to be made to the satisfaction of the Managing Director of Social Development and the Director of Legal Services to secure the social housing units as rental in perpetuity, or for the life of the building, and to secure the rent levels;

Note to Applicant: This will require a housing agreement as per section 565.2 of the Vancouver Charter which will stipulate that the tenant contribution towards rent, for a minimum of half of the social housing units (nine), will be no more than the shelter component of welfare (currently \$375), and the other half of the units (nine) will rent at a maximum of 30% of BC Housing's Housing Income Limits or CMHC area market rent (whichever is lower). This agreement will also include covenants requiring all 18 units to be legally and beneficially owned by a single legal entity and used only to provide rental housing for terms of not less than one month at a time and prohibiting the separate sale or transfer of legal or beneficial ownership of any such units (which will require all such units to be contained within a single air space parcel in perpetuity, or for the life of the building).

1.3 design development to the Hastings Street facade to more clearly differentiate the frontage east of the central passage from the frontage west of the central passage;

Note to Applicant: The proposed contemporary architectural expression is strongly supported. Specific referencing to the historic Pantages authentic colours in select facade details is required (see Recommended Condition 1.5).

1.4 provision of exterior full height wall sections, including the detailing of the central passage and architectural features, that affirm the project's anticipated quality;

Not to Applicant: Careful attention to fenestration detailing to ensure a "punched window" expression through effective jamb, sill and head depth is required. Detailing

of ground floor commercial storefront systems, including display, entries, weather protection and signage is required.

- 1.5 provision of a commemorative programme referencing the site's rich built form and cultural history;

Note to Applicant: Careful integration of historic elements/remnants, visual imagery and community based "stories" is required. The provision of visual media, and interactive technology, should be considered. An historically accurate colour strategy for appropriate aspects of the building is also required. The plan should focus on telling the story about the Pantages Theatre, its cultural significance for the Downtown East Side local community, and in the larger Vancouver context. (see Recommended Conditions 1.3 and 1.8)

- 1.6 provision of a conceptual lighting plan;

Not to Applicant: Careful attention to exterior lighting to achieve CPTED performance, with special attention to the passage and lane interface, is required. Glare to residential units should be minimized.

- 1.7 provision of a conceptual signage plan;

Note to Applicant: Minimal signage scale, while achieving pedestrian comfort with weather protection is required. Special attention to the passage, and lane oriented tenancies, is also required. A separate signage permit will be required. (see Standard Condition A.1.5)

- 1.8 design development to the lane interface to optimize transparency, visual interest and pedestrian activity and;

Note to Applicant: Refinement to the composition of openings, closure systems and facade patterning should be pursued. The lower scaled west building component should be more distinctively expressed to achieve greater variety of frontage onto the lane environment and pedestrian passageway. The passageway should be legible as a public route connecting Hastings Street to the local pedestrian north-south movement systems and private, but anticipated to be publicly accessible, courtyard spaces such as "Market Alley". (see Recommended Condition 1.5)

- 1.9 consideration of the relocation of the urban agriculture programme to the lane facing upper roof subject to structural and building envelope considerations.

Note to Applicant: Involvement of locally active food production groups is required.

- 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:

	PERMITTED (MAXIMUM)	REQUIRED	PROPOSED
Site Size ¹	-	-	150.00 ft. x 122.04 ft.
Site Area ¹	-	-	18,306 sq.ft.
Floor Area	Residential: 54,918 sq. ft. Total: 91,530 sq. ft.	-	Commercial 13,018 sq.ft. Residential 54,799 sq.ft. Total 67,817 sq.ft.
FSR ²	Residential: 3.0 Total: 5.0	-	Commercial 0.71 Residential 2.99 Total 3.70
Height	98.43 ft.	36.09 ft.	Top of Parapet Wall 74.32 ft. Top of Elevator Machine Room 78.37 ft.
Parking ³	Small Car: 14 (25% max.)	Commercial 0 Residential 55 Total 55 Disability Spaces 4	Commercial 0 Residential Standard 29 Small Car 10 (24%) Disability 4 Total 43 (47 with Disability Bonus)
Bicycle Parking		Class A Class B B Retail 3 6 Residential 77 6 Total 80 12	Class A Class B Retail 4 6 Residential 101 6 Total 105 12
Loading ⁴		Class A Class B B Retail - 2 Residential - 0 Total - 0	Class A Class B Retail 1 1 Residential 0 1 Total 1 2
Unit Type			One-bedroom (398 sq. ft.) - 89 One-bedroom (595 sq. ft.) - 5 One-bedroom (632 sq. ft.) - 1 One-bedroom (609 sq. ft.) - 2 Total 97

¹ **Note on Site Size and Site Area:** The proposed site size and site area are based on consolidation of Lots 33 to 38.

² **Note on Floor Space Ratio (FSR):** A residential FSR of 3.0 is achieved on this site, by having at least 20% of the residential units for Social Housing. This project meets the DEOD ODP 20% social housing requirements.

³ **Note on Parking:** The proposed parking for this site is deficient. The applicant is seeking a relaxation of eight stalls for this proposal. Staff are supportive of this request given the

proximity/adjacency to Main and East Hastings Street which are both major transit oriented arterials, as well as consideration given to the automobile ownership patterns of the anticipated/required residential tenure.

- ⁴ **Note on Loading:** The proposal with staff advice will have 1 Class A and 2 Class B loading bays, where one of the Class B loading bays will be a shared bay as per Standard Condition A.2.9.

● **Legal Description**

Lots: 33 to 38
 Block: 12
 District Lot: 196
 Plan: 184

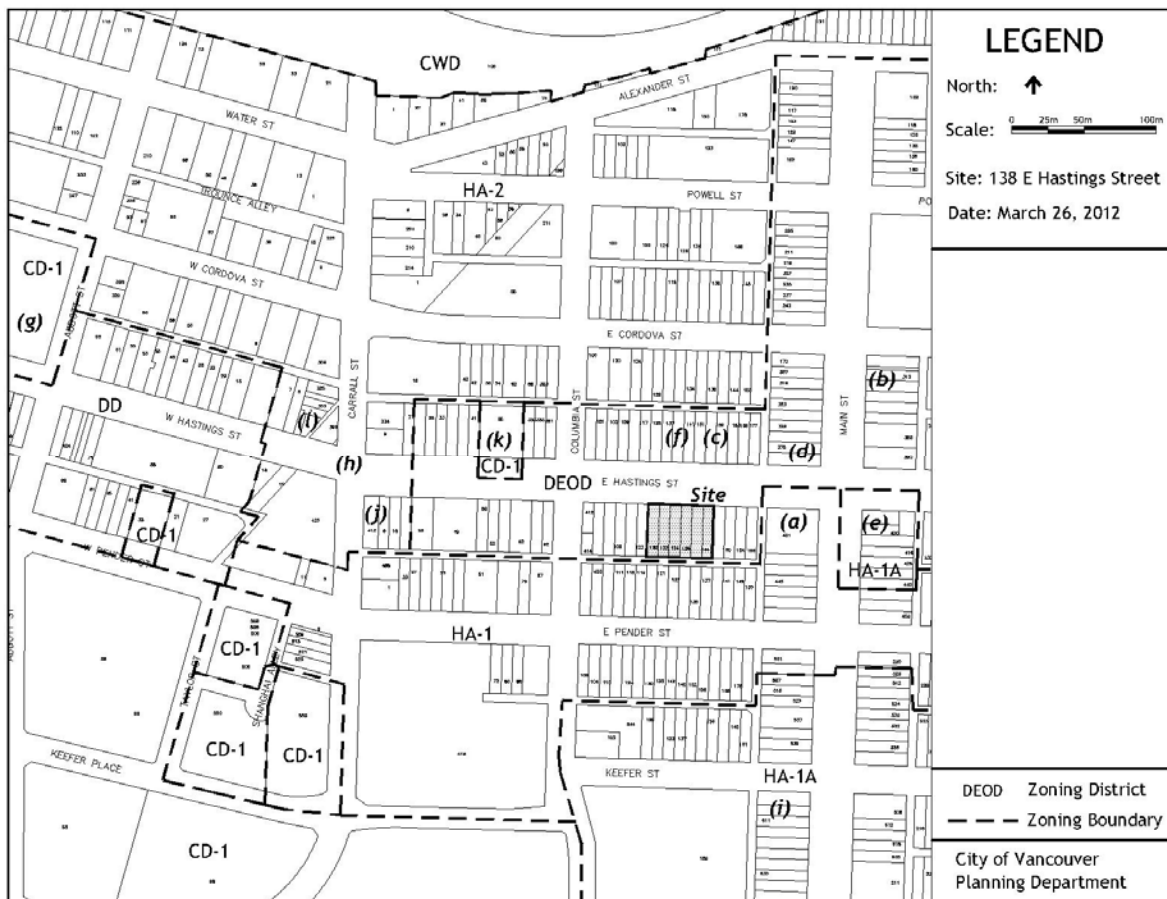
● **History of Application:**

11 05 10 Complete DE submitted
 11 07 27 Urban Design Panel - Non Support
 12 02 13 Revised Complete DE Submitted
 12 03 07 Urban Design Panel - Support
 12 04 04 Development Permit Staff Committee

● **Site:** This 150' wide by 122.04' deep mid-block site is located on the south side of East Hastings between Main Street to the east and Columbia Street to the west.

● **Context:** Significant adjacent development includes:

- (a) The Carnegie Centre at 401 Main Street
- (b) The downtown Police Station at 312 Main Street
- (c) The Balmoral Hotel at 159 East Hastings
- (d) The Ford or Dawson Building at 375 Main Street
- (e) RBC Bank at 400 Main Street
- (f) Insite at 139 East Hastings
- (g) Woodward's at 111 W Hastings
- (h) Carrall Street Greenway
- (i) Rezoning project at 611 Main Street
- (j) Pennsylvania Hotel at 412 Carrall Street
- (k) The Lux at 65 E Hastings Street
- (l) Pigeon Park and 1 West Hastings Street



● **Background:**

This site is located in Sub-Area 1 (Main/Hastings) of the Downtown-Eastside Official Development Plan. As such, its density is regulated by Section 4 of the Downtown-Eastside Official Development Plan. The proposed density is greater than 1.0 FSR. Therefore, the decision to permit density above 1.0 FSR rests with the Development Permit Board under Section 4.5.1.

The stretch along Hastings Street (200 Block West to 100 Block East) has a challenging collection of aging buildings, many of which are not on the Vancouver Heritage Register. It also contains social housing, as well as many single-room occupancy (SRO) hotels. The City's SRA (Single Room Accommodation) By-law serves to manage the rate of change in the SRO stock. While some of the SROs have been purchased by the Province (and are now under non-profit management with rents secured at the shelter component of welfare), the DTES Housing Plan calls for the ultimate replacement of all SROs with self-contained housing social housing. Finally, the Hastings Street Renaissance Program did address some of the vacant store-front issues - this program is currently on hold for the duration of the Local Area Planning Process.

The Pantages Theatre is listed in the "B" evaluation category on the Vancouver Heritage Register. It was opened in 1908 as part of the Alexander Pantages vaudeville circuit. As of now, all the Pantages' theatres in North America have been demolished.

In 1999 the theatre was acquired by the Pantages Preservation Society (PPS). In 2002 Council supported efforts to preserve the theatre when it approved in principle a heritage density bonus and a capital grant to assist with immediate security and cleaning of the building. In addition, a Good Neighbour and Community Use Agreement was established and registered on title.

The PPS was in arrears on property taxes and the property was offered at the annual Tax Sale beginning in 2003. The property was subsequently purchased by a private developer in 2006. In 2006, the Pantages Theatre Arts Society (PTAS) was incorporated and became the primary advocacy group for restoring and operating the historic theatre. PTAS worked with the current owner to explore development options which would realize the vision of a restored theatre. These development options included application to the City for heritage incentives available through the Heritage Building Rehabilitation Program including facade grants, property tax exemption and transfer of heritage density (prior to the current Council-approved hold on creating new transferable density) to fund the restoration.

Notwithstanding considerable enthusiasm for the project generated by the PTAS and among various community groups, the project as proposed had significant challenges.

The solutions proposed included complex and aggressive density arrangements. Given the state of repair of the Pantages Theatre and the magnitude of capital costs sought, staff did not support these proposed solutions. That said, the City was supportive of evaluating potential development options for the site and tied up the property in the summer of 2008 in order for Council to make an informed decision over the extent of the City's involvement.

On June 26, 2008 Council approved the Cultural Facilities Priorities Plan which included assessment criteria for City investment in cultural infrastructure. The Pantages did not rank as a priority on this plan. But, in order to preserve the integrity of the Cultural Facilities planning process and to inform the City's decision making, a project review was undertaken to better understand the project parameters, opportunities and costs. After that review, staff concluded that the Pantages Theatre building was too expensive to salvage and granted a demolition permit to the current Owner.

At that point, the owner of the property embarked on the current development permit application.

In January, 2011, Council directed the City Manager to strike a community committee to “enhance and accelerate a DTES Local Area Plan and to develop a clear strategy to implement the existing Council-approved DTES Housing Plan.” That community committee was been established by Council and a planning framework was approved by Council on March 28th. The framework outlines a broad community engagement strategy to discuss issues including the pace of change of development in the neighbourhood, ways to mitigate displacement of low-income residents in light of revitalisation efforts, and how to capture opportunities for improving the quality of life of residents in the DTES as the neighbourhood changes into the future. Some of the key areas of focus for the DTES Local Area Planning Program include: housing and homelessness, local economy, land use and built form, and social issues and urban health.

In the past 18 months, there has been significant opposition to the current development proposal for the site from individuals and organisations that advocate for low income residents in the area as they believe that the number of market condos coming to the area is displacing low income residents. Those groups have identified this site as 1 of 10 sites that the City should purchase in order to deliver for 100% social housing developments. This development permit application has also been the subject of some discontent in the DTES Local Area Planning Process, where the DTES LAPP Committee have expressed a desire for the City to halt processing of this application for the duration of the local area plan process.

• **Applicable By-laws and Guidelines:**

1. Downtown Eastside / Oppenheimer ODP (DEOD), Sub- Area 1 (Main / Hastings)
2. Downtown Eastside / Oppenheimer Design Guidelines
3. Housing and Homelessness Strategy 2012-2021
4. Downtown Eastside Housing Plan (2005)
5. Single Room Accommodation By-law (2003)
6. Guidelines for New Development Adjacent to Hotels and Rooming Housing (With Windows or Lightwells Near Interior Property Lines)

• **Response to Applicable By-laws and Guidelines:**

1. Downtown Eastside / Oppenheimer ODP (DEOD), Sub- Area 1 (Main / Hastings)

The development of the Main/Hastings sub-area should further establish its importance as a gateway to the Downtown, and help to clarify functions of the adjacent Historic Areas of Gastown, Chinatown, Oppenheimer and Strathcona residential neighbourhoods. Therefore, this area is intended to be a high-density, mixed commercial and residential area, also appropriate for a mix of office, retail, local social services and similar uses. In the DEOD, development applications over 1 FSR must include 20% social housing. Social housing means residential units owned and/or operated by government or a non-profit organization. The applicant is providing 18 social housing units to be owned and managed by FJL Society and so the application meets the requirements of the DEOD ODP. This is the first time that an application has come forward with a 20% social housing requirement, as previous applications have been for 100% social housing.

There has been considerable opposition to this project in part because many in the community want to see 100% social housing developments rather than social housing mixed with market condos. Some community members are also asking that the rents of the all of the 20% social housing units be set at a maximum of the shelter component of welfare.

The DEOD ODP defines social housing as owned and/or operated by government or non-profit partners and is silent on the required rent levels. The City requires the applicant to enter into a housing agreement to restrict at least half of the social housing rents to a maximum of the shelter component of welfare and the other half of the units to rent at a maximum of 30% of BC Housing’s Housing Income Limits or CMHC area market rent (whichever is lower).

Pedestrian-oriented uses are encouraged at ground level with an emphasis on continuity of facade and narrow frontages for individual uses on Main Street from Hastings to Cordova. Special design measures for mixed use buildings should be undertaken to mitigate the air and noise pollution problems. The development permit submission adequately addresses the intent of the ODP. Further work is required to the proposed facade character and quality is sought under Recommended Conditions 1.3 and 1.4, and the management of ground oriented tenancies is sought under Recommended Condition 1.1. The proposed courtyard form of development, allowing double fronting units, adequately responds to the challenging acoustical environment of Hastings Street.

2. Downtown Eastside / Oppenheimer Design Guidelines

In order to confirm the understanding of the contextual significance of the mid-block site in an established streetscape in an older part of the city near recognized heritage precincts, the applicant has provided documentation of the existing street and lane context (photographs and adjoining elevations). Staff believe that the proposed contemporary expression respectfully contributes to the prevailing and anticipated contextual quality and character as a background building without being overtly referential or inauthentic. Additional design development to properly integrate, and/or reflect, qualities and characteristics of the original Pantages Theatre is sought under Recommended Condition 1.5.

3. Housing and Homelessness Strategy 2012-2021

The Housing and Homelessness Strategy describes the City's overall direction for housing, including what we need and how we will achieve it over the next ten years. It identifies the different kinds of housing necessary to meet the needs of our citizens, as well as ways to improve and better preserve the housing we currently have. The goals of the strategy are to end street homelessness and provide more affordable housing choices for all Vancouverites. This includes housing that is accessible, affordable and suitable for all income levels, seniors, families and residents challenged by disability. The Strategy identifies a City-wide need of:

- 2,900 new supportive housing units
 - Phase 1: 1,700 units (funded and delivered 2011-2013)
 - Phase 2: 450 units (funded 2012-2014)
 - - Phase 3: 750 units (funded 2015-2021)
- 5,000 additional new social housing units (including 1,000 units of SRO replacement with self-contained social housing)

This application will assist the City in Meeting its social housing targets.

4. Downtown Eastside Housing Plan (2005)

The area's historic role has been to provide a home to low- and moderate-income people, especially singles and new comers to Vancouver. One goal of the Downtown Eastside (DTES) Housing Plan is to maintain roughly 10,000 units of low-income housing in the DTES and to increase its quality over time. Single Room Occupancy (SRO's) hotels are to be replaced with new self-contained social housing for singles and support services will be provided in a portion of the units to give stability to residents.

Staff believes this development application meets the intent of the DTES Housing Plan. The project supports the DTES Housing Plan's goal to create new social housing (owned or operated by a government or non-profit partner) and to improve the quality of the low-income housing stock through the provision of new, permanent, self-contained social housing units. (See Housing Policy and Social Policy Commentary) The housing obligation is secured under Recommended Condition 1.2.)

5. Single Room Accommodation By-law (2003)

The Single Room Accommodation (SRA) By-law regulates the conversion and demolition of single room accommodations. Owners wanting to convert or demolish SRA-designated rooms must apply for and obtain a conversion/demolition permit. Council evaluates each application on its own merits and may refuse the permit, approve the permit, or approve the permit with conditions.

This by-law is not applicable for this development permit application.

6. Guidelines for New Development Adjacent to Hotels and Rooming Housing (With Windows or Lightwells Near Interior Property Lines)

This guideline states that new development adjacent to existing hotels, rooming houses and certain other residential buildings with windows or lightwells at or near interior property lines must take measures to ensure the liveability of those existing units are maintained. This in turn will contribute to the retention of a sufficient stock of adequate and affordable accommodation.

Staff believe that the proposed form of development has carefully considered, and responded, to the existing lightwells at each interior property line through the proposed courtyard form and elimination of upper massing at the southwest corner of the site thereby improving solar access for the adjacent property.

- **Conclusion:** Staff support this development proposal with the recommended conditions in this report. While the proposal is conceived as a wood frame format for the upper residential levels, and with the recognition that the related cost of development associated with provision of the non-market housing obligation is challenging, staff believe that the building's ultimate character and quality will be acceptable as a background, contextual development. Staff strongly believe that the interior passage, and lane interface, must be properly designed and managed over time to ensure vitality and safety. Staff note the significant improvement made to this development proposal during application processing from that initially received and considered by the city's Urban Design Panel. Staff also note that the city is actively engaged with the local community with this report acknowledging recent, emerging discussions regarding housing initiative.

URBAN DESIGN PANEL

The Urban Design Panel reviewed this application on March 7, 2012, and provided the following comments:

EVALUATION: SUPPORT (7-0)

- **Introduction:** Scot Hein, Development Planner, described the proposal noting that a significant redesign has occurred since the Panel's last review. He confirmed that the social market housing obligation of 20% has been agreed upon with Housing staff. Something that is driving that is an interest to do a combustible building over a non-combustible plinth. This is the first time in twenty years that the 20% has been met in this part of the city. Mr. Hein noted that at the last review the Panel were looking for a kind of vitality and approach to the fenestration and composition and yet still be contextually relevant.

Advice from the Panel on this application is sought on the following:

- Has sufficient design development occurred that would warrant support?
- Is there significant differentiation on either side of the expressed passage through the building? Should they be different given the strategy for colour and fenestration?

Mr. Hein took questions from the Panel.

- **Applicant's Introductory Comments:** Tomas Wolf, Architect, further described the proposal. He said he agreed with some of the Panel's comments from the previous review. They have moved the building towards the lane and shifted one floor over so that there is more space for the open courtyard. They opened the link between Hastings Street and Pender Street to the sky. They have also moved the stairs from inside the courtyard, and incorporated one in the north block, and one was also moved next to the south block so there is more open space in the courtyard.

Jim Wong, Architect, noted that the building has a more contemporary design than the previous scheme. There is a link through the center of the building that is open to the sky. He described the material and colour palette. The courtyard colours have been lightened as well as the cladding materials. The walkways and stairways have been simplified. All the CRUs face either the street or the lane other than a small unit in the center which opens onto the courtyard, which will be a community space.

Jonathan Losee, Landscape Architect, described the landscape plans. He noted that moving the building helped bring more light into the courtyard which will help support the planting. He mentioned that the owner is partnering with an urban agriculture team that will convert the courtyard space to a fruit and vegetable garden. As well there is an urban agriculture deck that will get 6-7 hours of sunlight during the summer. At the lower level they have introduced an interesting paving pattern with lighting fixtures to make for a more urban experience. There is also a large courtyard that will be accessible for the art program and will be surfaced with polished concrete. A shade courtyard is planned that will be used for an outdoor living room/community space.

Mark Williams, owner, explained that they are the first non-government project and they have found a way to make the social housing work. Of the eighteen units 50% will let the tenants contribute no more than the welfare portion for the rent which is \$375 per month. The other 50% will be at local CMHC market rent or BC Housing income rent. The units are being sold at a reduced cost to the F.J. L. Housing Society. The balance of the 79 units will be offered under an affordable home ownership program and they have been working with CMHC to assist buyers in their purchases. The community and courtyard is going to be programmed by the Canadian Foundation for Creative Development and Innovation. They will be housed in one of the commercial units and they will take care of all the programming for the community link and the courtyard. The project podium will be operated by the local Urban Growers Association in conjunction with the community and residents with collective gardening plots.

The applicant team took questions from the Panel.

- **Panel's Consensus on Key Aspects Needing Improvement:**
 - Consider changing the materials on the base of the building;
 - Consider some articulation to the parapet;
 - Consider adding urban agriculture to the upper roof.
- **Related Commentary:** The Panel supported the proposal and thought the project was much improved since the previous review.

The Panel agreed that one of the biggest changes was the amount of light getting into the courtyard and that there was more useable space there now. They liked the material palette and the subtle colour shift on the Hastings Street façade composition. A couple of Panel members thought the base materials should be more durable given that the painted concrete could be used for graffiti.

The Panel liked the rhythm of the store fronts along Hastings Street as it keeps with the character of the area. As well, they supported the punched windows which are similar to the existing window style but have a more modern approach. Some of the Panel members thought the parapet line needed a little more articulation to fit into the saw-tooth silhouette of the neighbourhood. Also, the lane elevation could be strengthened with a stronger colour. One Panel member thought skylights could be added on the top floor to allow for light into the kitchen and bathroom spaces.

The Panel agreed that having 20% of units for social housing and having it integrated into the project was commendable. The Panel liked the flexibility of the suite layout that allows for residents to decide how to furnish them. One Panel member suggested the applicant furnish a couple of units to give potential residents some ideas on how to arrange their furniture.

A couple of Panel members were concerned with the width of the walkways at the courtyard level, and thought they could be opened up to allow for more sun and a place to build community relationships. They also liked the way the garden had been organized. One Panel member would like to see the roofs used for urban agriculture which would mean extending the stair one level and maybe the elevator.

The Panel encouraged the applicant to go further with the sustainable strategy. One Panel member thought the south façade could use some passive sun shading.

- **Applicant's Response:** Mr. Wolf said he had no comments. Mr. Williams said they had met with one of the native artists and are thinking of doing some cast in concrete native art for the project along the streetscape.

ENGINEERING SERVICES

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

CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

Additional work is required to ensure that the development meets general principles for CPTED performance. Staff are recommending design development, with a special focus on the passage and lane environments, under Recommended Conditions 1.3, 1.6 and 1.8.

HERITAGE PLANNING

The perspective plan to preserve the memory of the historic place which existed on this location (The Pantages Theatre), is currently being developed. The commemorative plan will include some of the materials collected during the deconstruction of the Pantages Theatre and will also take advantage of the photogrametric study (photos and documentation) that were capture prior to the deconstruction of the historic building. Once developed, the commemorative plan, will tell the story of the historic theatre and the community, and will involve local community members and artists. (see Recommended Condition 1.5)

HOUSING POLICY / SOCIAL POLICY

Housing Policy support the development application. The project supports the implementation of Council's Housing and Homelessness Strategy 2012-2021 which identifies a need for 5,000 social housing units of which 1,000 are SRO replacement units.

The 2005 DTES Housing Plan sets out a vision for housing in the neighbourhood which includes:

- maintaining 10,000 units of low-income housing but increasing its quality over time;
- One-for-one replacement of SROs with self-contained social housing for singles;
- the integration of market housing (rental, owner-occupied and live-work) with an emphasis on moderate-income affordability for new units;
- the development of new market housing to proceed at similar pace as new low-income social housing; and,
- developing affordable housing throughout City.

The proposed development is situated in Sub-Area 1 of the DEOD, ODP. The DTES Housing Plan identifies the Sub-Area 1 as the "heart" of the neighborhood's low-income community and the intent of

the Plan is to ensure this sub-area continues to be a predominantly low-income area, with an emphasis on self-contained social housing (to achieve the one-for-one replacement of SROs).

As a result, the DEOD ODP includes a 20% social housing requirement for any development over 1 FSR. The 20% inclusionary zoning policy has historically limited market development and resulted in projects that have included 100% social and/or supportive housing. The DTES Housing Plan acknowledges that as mixed-use projects become viable (i.e. can achieve the 20% social housing requirement), the targets for replacing SROs in the sub-area may be compromised. This concern has been raised by the community and is acknowledged by city staff. Options to address issues related to the pace of change in the neighbourhood and the ability to replace SROs will be addressed through the Local Area Planning Program currently underway.

Sequel 138 is the first proposed mixed-use project that meets the 20% social housing provision as required by the DEOD ODP for floor areas above a floor space ratio of 1.0. A Housing Agreement will secure all 18 social housing units as rental units in perpetuity or for the life of the building and will restrict rents. Half of the units (9) will be secured at rents where the tenant contribution is no more than the shelter component of income assistance (currently \$375). The remaining half of the units will be secured a maximum of 30% of BC Housing HILS or CMHC area market rents ,whichever is lower). A Section 219 Covenant will disallow stratification and/or separate sales of the units (see Standard Condition A.1.13). It should be noted that discussions are currently on-going with the FJL Housing Society about whether to use a capital grant to secure an additional social housing units. This would require Council approval. The grant would require the additional unit be secured at a rent where the tenant contribution is no more than the maximum shelter component of income assistance (currently \$375).

A draft Operations Management Plan is also be required as a condition of the Development Permit, with completion to occur prior to the issuance of the occupancy permit. The FJL Housing Society is a new non-profit housing operator and to ensure the proper management and operation of the social housing units, an OMP is essential. The OMP outlines the operating parameters for the 18 social housing units and includes protocols to manage operational issues. The Operations Management Plan also requires a written annual status report, including rent rolls to be submitted to the City (see Recommended Condition 1.1). A community advisory committee will also be established with representatives from non-profit art and food organizations, strata and community representatives.

PROCESSING CENTRE - BUILDING

This Development Application submission has not been fully reviewed for compliance with the Building By-law. The applicant is responsible for ensuring that the design of the building meets the Building By-law requirements. The options available to assure Building By-law compliance at an early stage of development should be considered by the applicant in consultation with Processing Centre-Building staff.

To ensure that the project does not conflict in any substantial manner with the Building By-law, the designer should know and take into account, at the Development Application stage, the Building By-law requirements which may affect the building design and internal layout. These would generally include: spatial separation, fire separation, exiting, access for physically disabled persons, type of construction materials used, fire fighting access and energy utilization requirements.

Further comments regarding Building By-law requirements are contained in Appendix C attached to this report.

NOTIFICATION

On July 15, 2011, 295 notification postcards were sent to neighbourhood advising them of the application, there were 61 responses to the notification. The application was placed on hold due to staff seeking clarity surrounding the building design and compliance with housing obligations under existing zoning. After resolving these items a second notification was sent on March 14, 2012, 412 notification postcards were sent to neighbouring property owners advising them of the application, and offering additional information on the city's website.

There have been 14 responses to the notification postcard and 190 individual letters of support submitted by the developer.

All responses received for both periods have been included in the summary:

- Building design looks to be modern for the area, building should be designed to blend into the community.
- This project makes it unlikely that the Downtown Eastside Housing Plan can be implemented by allowing only a 10% welfare rate housing.
- The project will further gentrify the neighbourhood, increasing rents and forcing people to move and the internal linking of businesses in Chinatown will also increase this gentrification.
- Once completed, this project will result in the displacement and exclusion for low-income residents living nearby.
- Project will have variety of detrimental impacts on the neighbourhood and its low income residents who will inevitably be dispossessed and displaced.
- This proposal ignores the needs of the many for the benefit of the few.
- Since Woodward's project was built there has been an increase in the gentrification of the neighbourhood which has caused rents inflations, renovictions, new retail stores, enhances surveillance, zone of exclusion, dispossession of displacement of low-income residents, this project will have the same effect.
- The definition of "social housing" in DEOD is much too broad and does not protect the interest of the community.
- This project doesn't fit in the DTES Housing Plan.

Staff response:

Further design development is sought to ensure that the proposed building fits contextually, while also honourably referencing aspects of the historic Pantages Theatre through careful integration of salvaged materials and accent colour referencing.

The DTES is undergoing change and the pace of market developed has been increasing. While the DTES Housing Plan calls for the replacement of SROs with self-contained social housing over the long term, rents in privately owned SROs are increasing making it more difficult for low-income residents to afford housing. 138 Sequel is the first mixed residential project that meets the 20% social housing criteria (the policy has historically limited market development and resulted in projects that have included 100% social and/or supportive housing). The DTES Housing Plan acknowledges that as mixed-use projects become viable (i.e. can achieve the 20% social housing requirement), the targets for replacing SROs in the sub-area may be compromised. The DTES Local Area Planning program will bring together staff and community members to implement the DTES Housing Plan, including mechanisms to manage the pace of change, and strategies to achieve the social housing targets. The completion of the DTES LAPP in the next 18 months is a priority for the City.

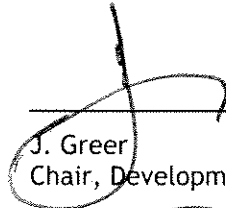
DEVELOPMENT PERMIT STAFF COMMITTEE COMMENTS:

The Staff Committee has considered the approval sought by this application and concluded that with respect to the Zoning and Development By-law, and the Official Development Plan, it requires decisions by both the Development Permit Board and the Director of Planning.

With respect to the decision by the Development Permit Board, the application requires the Development Permit Board to exercise discretionary authority as delegated to the Board by Council.

With respect to the Parking By-law, the Staff Committee has considered the approval sought by this application and concluded that supports the relaxations proposed.

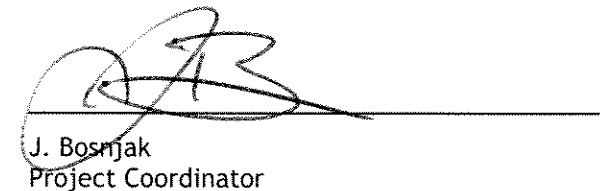
Staff Committee has carefully considered this application and supports the proposal with the recommended conditions contained in this report.



J. Greer
Chair, Development Permit Staff Committee



S. Hein
Senior Urban Designer/Development Planner



J. Bosnjak
Project Coordinator

Project Facilitator: D. Autiero

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 Arrangements to be made to satisfaction of the Managing Director of Social Development and Director of Legal Services to release charges BV47115 - BV47118;

Note to Applicant: These charges pertain to the use of the Pantages Theatre & certain community & non-profit group obligations.

- A.1.2 labeling of room names on the floor plans;

- A.1.3 compliance with section 4.8.1 of Parking By-law: Confirmation of the vertical clearance in stalls 34 and 35 and that a minimum 6'6" (2.0m) is being provided.

- A.1.4 compliance with Section 5.5.1.2 of the Parking By-law: provide 12' 6' (3.8m) of vertical clearance for the two Class B loading spaces.

- A.1.5 deletion of all references to the proposed signage, or notation on plans confirming that: "All signage is shown for reference only and is not approved under this Development Permit. Signage is regulated by the Sign By-law and requires separate approvals. The owner assumes responsibility to achieve compliance with the Sign By-law and to obtain the required sign permits";

Note to Applicant: The Sign By-law Coordinator should be contacted at 604.871.6714 for further information.

- A.1.6 design development to locate, integrate and fully screen any emergency generator, exhaust or intake ventilation, electrical substation and gas meters in a manner that minimizes their visual and acoustic impact on the building's open space and the Public Realm;

- A.1.7 an acoustical consultant's report shall be submitted which assesses noise impacts on the site and recommends noise mitigation measures in order to achieve noise criteria;

- A.1.8 written confirmation shall be submitted by the applicant that:

- the acoustical measures will be incorporated into the final design, based on the consultant's recommendations as concurred with or amended by the Medical Health Officer (Senior Environmental Health Officer);
- adequate and effective acoustic separation will be provided between the commercial and residential portions of the building; and
- mechanical (ventilators, generators, compactors and exhaust systems) will be designed and located to minimize the noise impact on the neighbourhood and to comply with Noise By-law #6555

Standard Landscape Conditions

- A.1.9 provision of section details at a minimum scale of 1/2"=1'-0"scale to illustrate all proposed landscape elements including planters, paving, benches, fences/ gates, arbours and trellises at the 2nd Floor Amenity Deck.
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Note to Applicant: Provide additional illustration details to show the various planters and planting medium depths.

A.1.10 provision of high efficiency (drip) irrigation for all landscape planters, with notation to this affect on the Landscape drawings;

A.1.11 new street trees to be provided adjacent to the development site and clearly illustrated on the Landscape Plan, to be confirmed prior to issuance of the related BU;

Note to Applicant: Contact Eileen Curran, Streets Engineering, ph: 604.871.6131 to confirm tree planting locations and Amit Gandha, Park Board, ph: 604.257.8587 for tree species selection and planting requirements.

A.1.12 provision of notation on the Landscape Plan to read: "Final spacing, quantity, 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 feet in length and 18 inches in depth. Call the Park Board for inspection after tree planting completion, phone: 604.873.7000 or 311";

Social Development

A.1.13 arrangements to be made to the satisfaction of the Managing Director of Social Development and the Director of Legal Services to ensure no separate sales and non-stratification covenant and to restrict rent in the social housing units;

A.2 Standard Engineering Conditions

A.2.1 arrangements are to be made to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services for consolidation of Lots 33 to 38, Block 12, DL 196, Plan 184 to form a single parcel.

A.2.2 arrangements to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services for the release of Easement & Indemnity Agreement E87974 (encroachment of a concrete step in the lane) prior to building occupancy is required.

Note to Applicant: Arrangements are to be secured prior to issuance of the development permit with release to occur prior to issuance of an occupancy permit for the site. Provision of a simple letter of commitment is all that is required to address this condition at the development permit stage.

A.2.3 arrangements to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services for a standard encroachment agreement to address the rooftop level projection over City Property above the main entrance;

Note to Applicant:

1) An application to the City Surveyor is required. For general information, see the Encroachment Guide at:

<http://vancouver.ca/commsvcs/developmentservices/subreq/pdf/bldgencroach.pdf>

2) The applicant and owner should be advised that building encroachments onto City street will create obstacles if strata titling of the property is intended [Section 244(1)(f) of the Strata Property Act]. The City of Vancouver may not necessarily support the provision of easements

for any part of the building on City streets. If strata titling is being considered, the applicant is advised to seek independent legal advice on this matter. Care should be taken with the design and construction of the proposed roof projection such that it is lightweight, demountable, and may be considered as an ancillary component of the building that is readily removable.

A.2.4 provision of a canopy application to the General Manager of Engineering Services is required.

Note to Applicant: Canopies must be demountable and drain internally into the buildings drainage system.

A.2.5 provision of a separate application to the General Manager of Engineering Services for street trees and or sidewalk improvements is required.

Note to Applicant: Please submit a copy of the landscape plan directly to Engineering for review.

A.2.6 compliance with the parking and Loading Design Supplement to the satisfaction of the General Manager of Engineering Services;

Note to Applicant: The following item is required to meet the Parking and Loading Design Supplement:

- design elevations on both sides of the parking ramp at all breakpoints and within the parking areas to be able to calculate slopes and cross falls.

Note to Applicant: Correct design elevation on drawing A1.1 at centre-line of ramp at the property line. (Should be 18.3')

Contact Dave Kim of the Parking Branch in Engineering Services at 604-871-6279 for more information.

A.2.7 provision of section drawings showing elevations, vertical clearances, and security gates for the main ramp and through the loading bays.

A.2.8 provision of a shared use agreement to the satisfaction of the General Manager of Engineering Services for the Class A and two Class B loading spaces between the retail and residential uses in the building and label the three spaces as 'Shared Loading Area'.

Note to Applicant: The shared use agreement should specify allocated time periods for shared use and exclusive use by residential vs. commercial units.

A.2.9 written confirmation that all utilities will be underground, within private property and a pad mounted transformer is within private property is 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, junction boxes, switchgear, pad mounted transformer are to be located on private property. 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. The applicant is required to show details of how the site will be provided with all services being underground. Please contact Bill Moloney at 604.873.7373 for further information.

B.1 Standard Notes to Applicant

- B.1.1 The applicant is advised to note the comments of the Processing Centre-Building, Vancouver Coastal Health Authority and Fire and Rescue Services Departments contained in the Staff Committee Report dated April 4, 2012. 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 September 31, 2012, 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 Bylaw 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 All landscaping and treatment of the open portions of the site shall be completed in accordance with the approved drawings 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.2.3 Any phasing of the development, other than that specifically approved, that results in an interruption of continuous construction to completion of the development, will require application to amend the development to determine the interim treatment of the incomplete portions of the site to ensure that the phased development functions are as set out in the approved plans, all to the satisfaction of the Director of Planning.
- B.2.4 This site will be affected by a Development Cost Levy By-law. Levies will be required to be paid prior-to issuance of Building Permits. For more information, please refer to the Development Cost Levies Information Bulletin, available at the Planning Department Reception Counter, or online at vancouver.ca/financegrowth. The next increase is scheduled for September 30, 2012; projects without a Building Permit in process will be charged at a higher rate. Additional information about the increase can be found at vancouver.ca/commsvcs/planning/infobul1.pdf.
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Processing Centre - Building comments

The following comments are based on the preliminary drawings prepared by Studio One Architecture Inc., dated February 12, 2012 for the proposed development permit. This is a preliminary review in order to identify issues which do not comply with the Vancouver Building Bylaw #9419 as amended (VBBL), and includes a review of Subsection 3.2.5. "Provisions for Fire Fighting".

1. If your project requires compliance with ASHRAE 90.1 - 2007, then proof of compliance with ASHRAE 90.1 - 2007 will be required at the building permit stage.
 2. Fire Fighting provisions as per 3.2.5. except where otherwise approved by Vancouver Fire and Rescue Services. Clearly identify the locations of nearby hydrants, buildings fire department connections and central alarm and control facility (annunciator) panel. The annunciator panel shall be located at the principal entry gate and not in the residential elevator lobby.
 3. Provide a 3.2.2. Building Code Classification of the proposed building(s) and the code compliance approach. If the mezzanine levels on the ground floor do not meet the technical definition of a mezzanine, then it will be considered a storey.
 4. *The building is a high building and will be required to conform to the requirements of Division B, Subsection 3.2.6. The floor level of the upper-most storey is greater than 18m above adjacent grade.
 5. *A fire-fighter's elevator and smoke control measures are required. The location and construction of the fire-fighter's elevator may not be acceptable to provide proper emergency and fire-fighting operations. It is recommended that this be discussed further with both Processing Centre - Building and VFRS staff prior to building permit application.
 6. The building is required to be constructed of non-combustible construction and includes and fixed structures located on the roof of these buildings. There are limited combustible materials permit in a building required to be a non-combustible building, as identified under Division B, Subsection 3.1.5.
 7. *The distance between the two designated exits, for the residential levels, are too close and shall be separated with a minimum of a half-diagonal. Note: The courtyard stair from the ground floor residential lobby is considered only a convenience stair and not an exit, as defined by the VBBL.
 8. *The exterior exit passageway serving the upper residential units shall not have any dead-ends. The exterior corridor serving some of the east-most units are dead-ends.
 9. Standpipe hose connections, per NFPA 14, are required in the exit stairs and ensure that adequate coverage for the floor area is provided.
 10. *The bicycle storage rooms do not provide access to two egress doors that are unrestricted. The chain-link fence separating the storage compound is viewed as a single room.
 11. Confirm whether the "community link" is designed as a lobby exit as specified under Division B, Article 3.4.4.2. The required exit stair serving the residential unit is required to be separated from the lobby with a fire-resistance rating, such that the proposed unenclosed stair will not be permitted.
 12. Guards for stairs and landings that are greater than 10m above grade shall be 1500mm in height and not 1070mm.
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13. The width of exit corridor, leading from the ground floor courtyard to the lane, appears to be insufficient. Also ensure the lane door has sufficient accessible clearance and that the refuse and loading areas do not open directly onto the exit.
14. The pivoting gates are not considered in the determination of exit/egress capacity as they are not useable in the closed position. Ensure that the inner courtyard area does not require the pivoting gate as a required egress/exit door; otherwise a swing type door is required.
15. Ensure sufficient travel distance is provide from the retail units to the exit doors, as it appears the public corridor for the retail units do not have a fire-resistance rating.
16. A vestibule is required for below grade stairs in a high-rise building. The central stair does not leading only and directly to the exterior.
17. Cross-over floors are required in accordance with Article 3.4.6.17. and shall be clearly indicated.

The areas of unprotected openings may be exceed for the rear retail units as there is no exclusion for uses other than a storage garage, with only a 3m limiting distance.

*The rear of the building appears to be within 3m of electrical conductors and 6m of transformers, such that the required setback from these services needs to be maintained.

The retail unit along the west property line does not provide disable access to its upper level.

Storage garage to have a clearance of 2.3m, where it provides vehicular access and parking to a parking space for persons with disability and to include area beyond the space to facilitate turnaround.

*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. If a "prior to" letter is not being sent, the above comments should be sent directly to the applicant.

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.
