

LATE DISTRIBUTION FOR COUNCIL - JUNE 22, 2010

P3



POLICY REPORT DEVELOPMENT AND BUILDING

Report Date: June 8, 2010
Contact: Michael Naylor
Contact No.: 604.871.6269
RTS No.: 08450
VanRIMS No.: 08-2000-20
Meeting Date: June 22, 2010

TO: Vancouver City Council

FROM: Director of Planning

SUBJECT: CD-1 Rezoning of 15 and 97 East 2nd Avenue and Heritage Revitalization Agreement at 97 East 2nd Avenue (Opsal Steel)

RECOMMENDATION

- A. THAT the application, by IBI/HB Architects on behalf of Bastion Development Corporation, to rezone 15 East 2nd Avenue (PID 007-647-638; Lot A, Block 8, Plan 15577, DL 200A) and 97 East 2nd Avenue (PID 005-217-245, 005-217-237, 005-217-229, 005-217-211, and 005-217-253; Lots 9 to 12 and E½ of 13, Block 8, Plan 197, DL 200A) from M-2 (Industrial) to CD-1 (Comprehensive Development District) to permit construction of mixed-use residential developments on both sites and retention of portions of the heritage buildings at 97 East 2nd Avenue, be referred to a public hearing, together with:
- (i) draft CD-1 By-law provisions, generally as presented in Appendix A,
 - (ii) plans prepared by IBI/HB Architects, received October 19, 2009, presented in Appendix G, and
 - (iii) the recommendation of the Director of Planning to approve the application, subject to approval of conditions contained in Appendix B;
- FURTHER THAT the Director of Legal Services be instructed to prepare the necessary CD-1 By-law generally in accordance with Appendix A for consideration at the public hearing.
- B. THAT, if the application is referred to a public hearing, consequential amendments to the Southeast False Creek Official Development Plan (By-law No. 9073) to
- (i) increase various floor area provisions by 5 119 m² as set out in Appendix C, and
 - (ii) increase the maximum permitted height at 97 East 2nd Avenue from 47.0 m to 72.2 m;
- also be referred to the same public hearing and be approved;

FURTHER THAT the Director of Legal Services be instructed to prepare the necessary amending by-law generally in accordance with Appendix C for consideration at the public hearing.

- C. THAT, if the application is referred to a public hearing, the applicant be advised to make application to amend the Sign By-law, to establish regulations for this CD-1 in accordance with Schedule E (assigned Schedule "B" (DD)), and that the application be referred to the same public hearing;

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

- D. THAT, subject to approval of the rezoning at a Public Hearing, the Noise Control By-law be amended to include this Comprehensive Development District in Schedule B as set out in Appendix C;

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

- E. THAT, if the application is referred to a public hearing, the Director of Legal Services be instructed to prepare a by-law, for consideration at the Public Hearing, designating the "A" listed buildings and gantry crane, at 97 East 2nd Avenue, as municipally-protected heritage property under a heritage designation by-law;
- F. THAT, if the application is referred to public hearing, the Director of Legal Services be instructed to prepare a by-law, for consideration at the Public Hearing, authorizing the City to enter into a Heritage Revitalization Agreement, generally in accordance with the draft HRA in Appendix D for the buildings and gantry crane at 97 East 2nd Avenue, to secure the timely rehabilitation and long-term protection and conservation of the heritage resources, and to prescribe conditions upon which the additional bonus density and the additional height for the new building at 97 E. 2nd Ave can be used;
- G. THAT Recommendations A to F be adopted on the following conditions:
- i) THAT the passage of the above resolutions creates no legal rights for the applicant or any other person, or obligation on the part of the City; any expenditure of funds or incurring of costs is at the risk of the person making the expenditure or incurring the cost;
 - ii) THAT any approval that may be granted following the public hearing shall not obligate the City to enact a by-law rezoning the property, and any costs incurred in fulfilling requirements imposed as a condition of rezoning are at the risk of the property owner; and
 - iii) THAT the City and all its officials, including the Approving Officer, shall not in any way be limited or directed in the exercise of their authority or discretion, regardless of when they are called upon to exercise such authority or discretion.

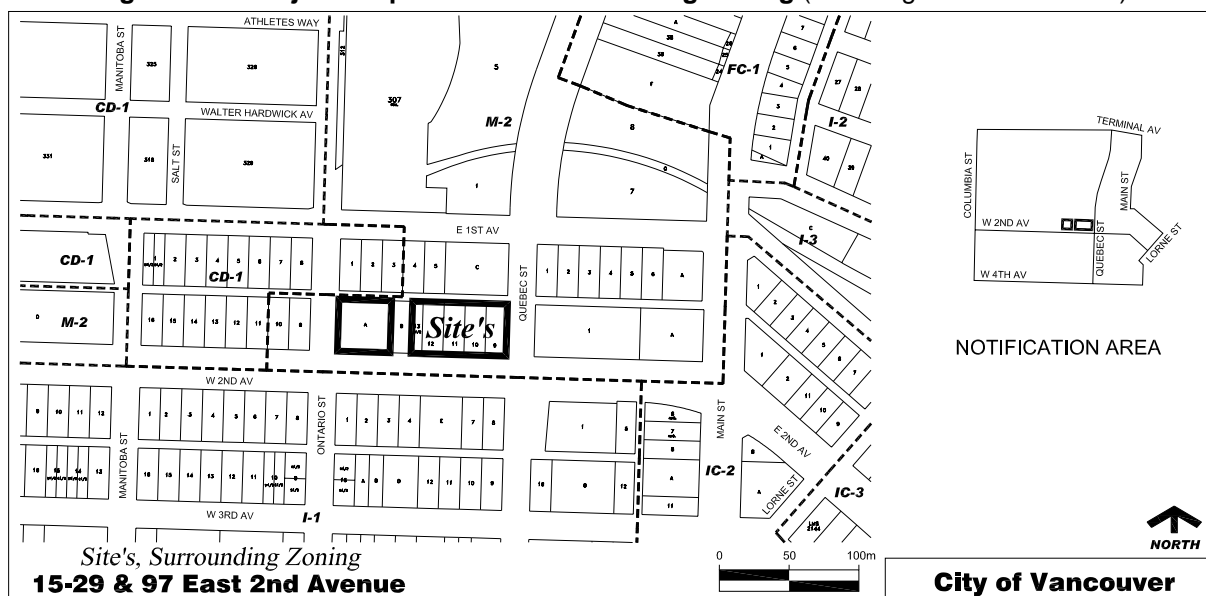
GENERAL MANAGER'S COMMENTS

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

COUNCIL POLICY

- Central Area Plan (December 31, 1991)
- Southeast False Creek Policy Statement (October 5, 1999)
- Southeast False Creek Official Development Plan (2005 and last amended September 2009)
- Southeast False Creek Financial Plan and Strategy (March 1, 2005)
- Southeast False Creek Green Building Strategy (July 8, 2004)
- Heritage Policies and Guidelines (May 13, 1986)
- Transfer of Density Policy and Procedure (January 25, 1983)
- High-Density Housing for Families with Children Guidelines (March 24, 1992)
- Financing Growth (Community Amenity Contributions) (June 24, 2003 and amended February 12, 2004)
- Neighbourhood Energy Utility (March 2, 2006)
- Southeast False Creek Public Benefits and Compatible Housing Strategy (June 15, 2006)
- Southeast False Creek Public Realm Plan (July 20, 2006)

Figure 1 — Subject Properties and Surrounding Zoning (including Notification Area)

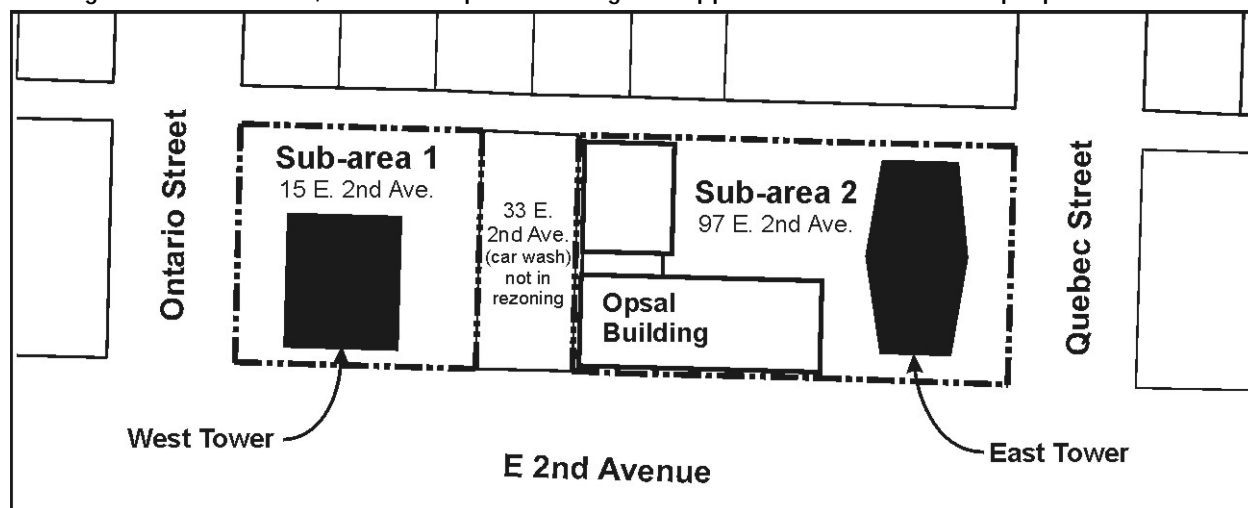


SUMMARY AND PURPOSE

This report presents a staff assessment of an application by IBI/HB Architects on behalf of Bastion Development Corporation to rezone 15 East 2nd Avenue ("Sub-area 1") and 97 East 2nd Avenue ("Sub-area 2") from M-2 (Industrial) to CD-1 (Comprehensive Development District). The application proposes the designation and rehabilitation of portions of the complex of buildings formerly occupied by Opsal Steel ("Opsal Building") in Sub-area 2 and the development of a 24-storey tower ("East Tower") on the balance of that site, as well as a 12-storey tower ("West Tower") in Sub-area 1. (See Figure 2, below.)

The staff assessment concludes that the application is supported by Council policy. The Director of Planning recommends that it be referred to a public hearing and be approved subject to conditions.

Figure 2 –Sub-areas, retained Opsal Building and approximate locations of proposed towers



BACKGROUND

This application to rezone two sites on East 2nd Avenue in Southeast False Creek was received on May 11, 2006. The initial submission included a heritage component and two towers proposed at 12 and 18 storeys with 212,182 sq. ft. of floor space, of which 64,323 sq. ft. was to be heritage bonus density above the 3.5 FSR of density allowed under the Southeast False Creek Official Development Plan. Staff had concerns about the scope of the heritage offering, the bonus density sought and whether the density could fit into the proposed form of development.

The project then underwent several iterations which defined the extent and value of the preservation of the Opsal Building. In 2008, staff and the applicant agreed that the floor area preserved should be 6,700 sq. ft. and the bonus density would be 55,100 sq. ft., for a total of 202,959 sq. ft. in the whole development. The bonus density is for use on both 97 East 2nd Avenue and for transfer to 15 East 2nd Avenue. However, fitting this density within the 12- and 18-storey towers initially proposed, has still been a challenge for the applicant. Changes to the design of the lower portion of the East Tower, following staff and advisory group review, have resulted in that tower being taller. The current design, presented for referral to public hearing, has the East Tower at 24 storeys and the West Tower at 12 storeys.

DISCUSSION

1. Sites and Context

The area proposed for rezoning consists of two properties. The west property, Sub-area 1, addressed 15 East 2nd Avenue, is 15,056 sq. ft. and is located on the northeast corner of 2nd Avenue and Ontario Street. The east property, Sub-area 2, addressed 97 East 2nd Avenue, is 27,189 sq. ft. and is located on the northwest corner of 2nd Avenue and Quebec Street. This larger property contains the Opsal Building mid-block and a newer industrial building on the Quebec Street corner. Portions of the heritage Opsal Building would be retained, but not the

newer corner building. The west property contains an industrial building which would be removed. Between the two properties is a 15.11 m (49.6 ft.) wide lot containing a car wash (33 East 2nd Avenue). This property is not part of the current rezoning application.

The sites are located within the former Southeast False Creek industrial area. In the blocks to the west, sites owned by Pinnacle Developments and Wall Corporation were rezoned to CD-1 in 2008, permitting residential development with floor space ratios between 3.5 and 5.3, and tower heights of 9 to 16 storeys. The Olympic Village is to the north of them with a maximum height of 13 storeys. Other Southeast False Creek sites in the vicinity have yet to rezone to CD-1 and many industrial uses remain, such as Mario's Gelato which is across the lane to the north of the east site. To the south, across 2nd Avenue, is the Mount Pleasant I-1 Industrial District – a vibrant, city-serving, light industry and commercial area.

Both 2nd Avenue and Quebec Street are major arterials and will be re-constructed as part of the road and public realm work for Southeast False Creek, including a revamped intersection at Quebec and 2nd. Ontario Street is an important bikeway connecting to the False Creek bike routes. The Main Street Skytrain Station is about 500 m away and a streetcar is planned for 1st Avenue.

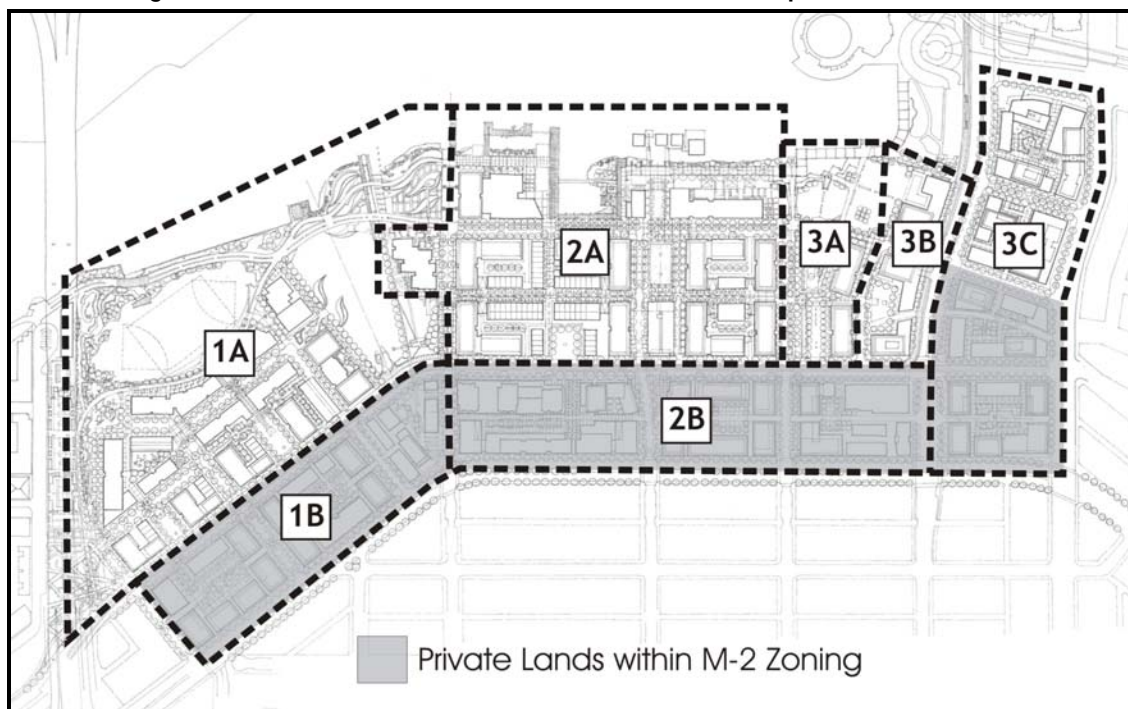
2. Southeast False Creek Official Development Plan

Rezoning in Southeast False Creek are guided by the area's Official Development Plan (ODP) which was approved in 2005. For the M-2 zoned Private Lands (grey-toned area in Figure 3, below), the ODP calls for redevelopment with residential uses at 3.5 FSR. Commercial is optional at grade, except in the designated neighbourhood shopping area centred on Manitoba Street and in the Olympic Village (Area 2A). The ODP limits building height in the M-2 Private Lands to 38.1 m (125.0 ft.) or about 13 storeys, except for one site where 42.0 m is allowed and four landmark sites identified for a height of 47.0 m (154.2 ft.), about 17 storeys. The plan generally calls for blocks to be developed with higher massings on the block-ends and 3- to 5-storey podiums mid-block. Heights are intended to vary across the area, as represented in an "Optimum Heights" plan.

As part of the ODP, a Public Realm Plan was adopted for Southeast False Creek. One of the goals for the subject sites is to develop a sense of place through a response to the sites' industrial heritage. The orientation of the Opsal Building reflects the alignment of railway tracks to the east and of historic activities in the area. As such, Opsal is considered a landmark site within the "Railyard Neighbourhood". Retention of the Opsal Building has been envisaged from the inception of the ODP.

Since adoption of the ODP, Area 2A, the Olympic Village, has been rezoned and built out. On the Private Lands, ten rezonings have been approved by Council, of which two projects have been built to date. Three additional applications, including this one, are currently in review.

Figure 2 — Southeast False Creek Official Development Plan Areas



3. Heritage

Heritage Value — The Opsal Steel Building at 97 East 2nd Avenue was constructed in 1918 for the Columbia Block and Tool Company. It is a prominent feature of Southeast False Creek's industrial heritage and was noted as such within the Official Development Plan. The site is listed in the "A" category on the Vancouver Heritage Register. Opsal Steel is one of five remaining heritage sites that will be retained and incorporated into the new Southeast False Creek neighbourhood. The Opsal Building is comprised of south and north barns with a connecting link; as well as a gantry crane and additional artifacts housed within the barns.

The heritage value for the site rests within its ability to relay the industrial legacy of Southeast False Creek and is manifested in the two red barns and their relationship to the street. Some of the original machinery will be retained, such as the gantry crane in the north barn, which will be used as a feature at the base of the East Tower. Retail/commercial uses are planned for the south barn, while a portion of the north barn will be retained for access to underground parking. (See Appendix F for the Statement of Significance and the Conservation Plan.)

Heritage Revitalization Agreement, No-Development Covenant and Transfer of Density — As set out in Recommendations E and F above, the Opsal Building is proposed to be designated as municipally-protected heritage property under Schedule "A" of the Heritage By-law. It is also proposed that a Heritage Revitalization Agreement and no-development covenant (HRA) be entered into to secure the timely rehabilitation and long-term protection and conservation of the heritage building. In addition, the CD-1 by-law will contain bonus floor area of 55,100 sq. ft. and additional height of 25.2 metres for the new building to be built on Sub-area 2 as compensation for the loss in market value associated with the designation of the building. The bonus density will be for use in Sub-area 2, with a portion for transfer to Sub-area 1. The transfer of density complies with the City's Transfer of Density

Policy and is provided for under section 5.1 of the South East False Creek Official Development Plan. Should the owner wish to proceed with developments in Sub-area 1 and Sub-area 2, in advance of completing the heritage rehabilitation work in Sub-area 2, making use of the bonus density to be granted and the additional building height to be permitted, the HRA will include provisions for a letter of credit equal in value to the cost to complete the heritage rehabilitation work. A draft of the HRA is contained in Appendix D and the owner's obligations in respect of these recommendations are set out as rezoning approval conditions in Appendix C.

Vancouver Heritage Commission – At a meeting on October 26, 2009, the Commission supported the conservation plan and form of development of this application. As part of the motion, the Commission included comments they would like to see addressed through the Development Permit stage of the project. See the Commission's motion in Appendix E.

Rehabilitation Cost – Staff have reviewed the applicant's shortfall cost calculation and concluded that \$5,510,000 is appropriate compensation in exchange for the designation of the Opsal Building and equipment. Staff have applied the "Premium Heritage Costs" methodology, used in previous projects where the total project costs could not be accurately determined. This approach looks solely at the costs to secure, rehabilitate and designate the historic features of the site, as separate from the overall project costs and revenues. Typically these are costs an owner would not incur, in a non-heritage development proposal.

Because the site is outside the Gastown, Chinatown, Hastings and Victory Square revitalization area, the Heritage Building Rehabilitation Program does not apply and this rehabilitation project is thus not eligible for facade grant, property tax relief and related incentives.

The property owner has agreed with the proposed compensation, which would take the form of heritage bonus density of 55,100 sq. ft. (5 119 m²), of which 43,114 sq. ft. would be used on site in Sub-area 2 and 11,986 sq. ft. would be transferred for use in Sub-area 1. The property owner agrees that the incentive is fair and complete compensation for the loss in market value arising from the designation and conservation of the heritage resources on the site.

5. Land Use

The proposed use of the sites is primarily Dwelling Use with Retail/Service uses at grade. In the East Tower, 190 dwelling units are proposed, and in the West Tower, 68 units. The proposed land uses are consistent with the Southeast False Creek ODP which anticipates that the sites would be primarily residential in nature, but with retail/service/office/light industrial uses at grade being optional. The ODP did not specify any required use for the existing heritage building or the balance of its site. Staff support the proposed land uses. Staff also recommend that Institutional Uses, limited to Child Day Care Facility, Social Service Centre, and Special Needs Residential Facility, be included in the list of uses for the sites, to provide for future land use flexibility.

6. Density

The proposed floor space for the various uses on each property and the proposed density are shown below.

Table 1 — Proposed floor space and bonus density

	west site “Sub-area 1” 15 East 2nd Avenue	east site “Sub-area 2” 97 East 2nd Avenue	Totals - Both Sites
<i>site area</i>	<i>15,135 sq. ft.</i>	<i>27,175 sq. ft.</i>	<i>42,310 sq. ft.</i>
retained heritage floor area	-	6,700 sq. ft.	6,700 sq. ft.
+ new floor area	52,973 sq. ft.	88,413 sq. ft.	141,385 sq. ft.
= 3.5 FSR (ODP base density)	52,973 sq. ft.	95,113 sq. ft.	148,085 sq. ft.
+ heritage bonus density (additional new floor area)	11,986 sq. ft.*	43,114 sq. ft.	55,100 sq. ft.
= total floor space	64,959 sq. ft.	138,226 sq. ft.	203,185 sq. ft.
density (floor space ratio)	4.29 FSR	5.09 FSR	

* heritage density that would transfer from Sub-area 2 (97 East 2nd Avenue)

Table 2 — Proposed floor space allocation by land use

	west site “Sub-area 1” 15 East 2nd Avenue	east site “Sub-area 2” 97 East 2nd Avenue	Totals - Both Sites
residential	59,959 sq. ft.	127,726 sq. ft.	187,685 sq. ft.
non-residential (in tower bases)	5,000 sq. ft.	3,800 sq. ft.	15,500 sq. ft.
non-residential (Opsal Building)	-	6,700 sq. ft.	
total floor space	64,959 sq. ft.	138,226 sq. ft.	203,185 sq. ft.

The proposed floor space and density are consistent with the Southeast False Creek ODP which assumes a base density of 3.50 FSR for CD-1 rezonings from M-2. Section 5.1 allows for bonus density on sites where heritage preservation is achieved. The Opsal Building has been recognized throughout the ODP planning process as a valued heritage resource for which bonus density should be considered. In this application, 55,100 sq. ft. of bonus density is proposed for the on-site preservation and adaptive re-use of 6,700 sq. ft. of interior space, and for preservation of a gantry crane. Staff support the proposed density and have provided draft by-law provisions allocating 4.29 FSR for the west site (Sub-area 1) and 5.09 FSR for the east site (Sub-area 2)(see Appendix A). A Heritage Revitalization Agreement and no-development covenant will be prepared to secure the heritage offering and be a condition of by-law enactment.

Consequential amendments to the density provisions in the SEFC ODP are also recommended. The ODP allows for 3.5 FSR of density for the subject site. If 55,100 sq. ft. (5 119 m²) of bonus density in excess of 3.5 FSR is approved, the ODP would need to be adjusted to include the bonus floor area. The necessary draft amendments are contained in Appendix C.

7. Building Height and Form of Development

The Southeast False Creek ODP provides clear direction regarding built form. Recalling the industrial character in this area, a low, rectilinear form is anticipated rather than higher towers, with mid-rise buildings not exceeding 38.1 m (125 ft.) in height. Blocks are to be book-ended with mid-rise buildings, with lower mid-block buildings of 3 to 5 storeys.

For this location, it is acknowledged that preservation of the one-storey Opsal Building could limit the mid-block expression. It is also recognized that, if the sites receive heritage bonus density, then more tower height might be needed. Accordingly, the ODP identifies the corner of Quebec Street and 2nd Avenue as one of four locations for a taller landmark tower of 47.0 m (154.2 ft.) or about 17 storeys (East Tower). For the corner of Ontario Street and 2nd Avenue, the ODP identifies 8 storeys as the “optimum” height (for the West Tower), although a “maximum” height of 38.1 m or 12 storeys is broadly indicated for the area.

An earlier scheme submitted by the applicant, with tower heights at 12 and 18 storeys, was reviewed by the Urban Design Panel on November 19, 2008 and it was not supported. The Panel felt that the relationship of the heritage building to the East Tower was uncomfortable and compromised, with too many revisions to the heritage building being proposed. It was also considered that the view of the heritage building from the corner was hidden too much by the base of the East Tower, and that it would be reduced to merely a mid-block façade along 2nd Avenue.

In the current scheme, put forward in this report, the East Tower has an open base that is pulled back from 2nd Avenue, allowing good views of the end of the heritage building from Quebec Street and 2nd Avenue. The gantry crane has also been incorporated into the interior of the commercial space on the lane side of the tower, and a full glass wall is provided to ensure its visibility from Quebec Street. With the reduction to the base of the tower and greater preservation of the heritage building and features, the height of the east tower has risen to 24 storeys to accommodate the displaced density.

A second review by the Urban Design Panel occurred on December 2, 2009 and the application was supported. The Panel had no concerns about the 24-storey height and endorsed the changes to the tower base, particularly the introduction of glass allowing views of the end of the south barn and of the gantry crane.

While the amendments to the base of the tower address the advisory body and staff concerns, the East Tower is now proposed at 24 storeys – at least 6 storeys more than contemplated in the ODP or approved in developments in the area. Only at Terminal Avenue and Main Street, adjacent to the Citygate towers, is a comparable height of 64 m planned in the ODP. The West Tower continues to be proposed at 12 storeys, which is consistent with the *Maximum* ODP height, but higher than the 8 stories indicated in the *Optimum* Heights plan.

	ODP <i>Optimum</i> Height	ODP <i>Maximum</i> Height	Proposed Height
East Tower	15 storeys	47.0 m	24 storeys (72.2 m)
West Tower	8 storeys	38.1 m	12 storeys (38.1 m)

Following public notification about the current proposal, staff have heard from a half dozen surrounding business owners about the height of the East Tower. The respondents supported redevelopment of the block with tower forms, but felt that 24 storeys is excessive for this location. They would prefer the height be as proposed in the ODP. This public reaction is

significant because earlier rezonings in Southeast False Creek have received little attention from surrounding property owners.

Staff Conclusions on Additional Building Height — After reviewing the advice of the Urban Design Panel and considering the advantages that a higher East Tower has to opening up the ground plane and improving views to the Opsal Building, and after weighing the implications for a much higher tower at this location within Southeast False Creek, staff conclude that retention of the Opsal Building, as an important tangible link to Southeast False Creek's industrial past, is of sufficient cultural value to the community to warrant a height increase in this instance. Design development conditions have been provided in Appendix C addressing details of the design and setting an expectation for architectural excellence. For a staff discussion of these conditions see the Urban Design Analysis in Appendix F.

A consequential amendment is also needed to the SEFC ODP to allow 72.2 m height for the East Tower. The necessary draft amendment is contained in Appendix C. (Note that the ODP Figure 9 provided in Appendix C contains additional amendments related to penthouse storeys which are to be considered separately by Council under the policy report entitled "Southeast False Creek Private Lands — Policy Approach". 97 East 2nd Avenue is not among the sites considered for additional storeys under those proposed provisions.)

8. Parking, Loading and Bicycles

The application proposes underground parking on both properties with access from the lane by ramps. Two separate ramps are needed as the sites are separated by a car wash at 33 East 2nd Avenue, which is not part of the application. Parking standards unique to Southeast False Creek were added to the Parking By-law in 2006, as well as a requirement for car-share vehicles. Updates to these standards were approved April 20, 2010.

The application proposes that 69 spaces be provided for the West Tower in the underground, of which 6 would be for the commercial uses. For the East Tower, 154 spaces would be provided in the underground and 16 spaces are shown at grade in the area between the Opsal Building and the lane. The at-grade spaces would be for the commercial uses in the south barn. Car-share vehicles proposed are one vehicle and dedicated space for the West Tower and 2 vehicles and dedicated spaces for the East Tower.

Engineering staff have reviewed the application and note that, for the most part, the proposed parking and loading is consistent with the current by-law provisions. Some exceptions were noted and are described in Appendix F. For the development permit applications, parking, loading and bicycle storage are to be provided according to the provisions of the Parking By-law.

Car-share vehicles, and dedicated spaces for them, are also required to be provided at a rate of 0.02 vehicles and spaces per dwelling unit. One vehicle and space would be required for the development in Sub-area 1, and 4 vehicles and spaces for that in Sub-area 2. A rezoning condition has been provided in Appendix C to secure the provision of these vehicles and spaces.

Staff in Heritage, and in Urban Design and Development, have raised a concern about the surface parking provided north of the south barn of the Opsal Building. To better animate this space and to provide a more human interface with the heritage building, it is proposed that the parking spaces located directly north of the building be relocated to the underground so

that an outdoor seating area can be provided. A design development condition is provided in Appendix C to achieve this improvement.

9. Environmental Sustainability

As part of Council's Southeast False Creek Green Building Strategy and as part of EcoDensity Action Item A-1, all rezonings within the Southeast False Creek Private Lands are required to meet LEED® Silver equivalency (with a target of 36 points). New development is to comply with the mandatory requirements for Energy Performance, Water Conservation, Parking and Loading and Storm Water Management.

Sustainability is a core concept of the proposed developments on these sites. The applicant will comply with Council's adopted policies to reach a LEED® Silver rating. The applicant has submitted a LEED® scorecard indicating that the developer intends to achieve 33 points (see Appendix H), which falls within the LEED® Silver category.

10. Universal Design

The ODP states that development in the Southeast False Creek area is subject to the principles for "universal design" to ensure that maximum access is provided for all persons with varying levels of mobility and sensory ability, noting that alternative solutions may be necessary for differing types of development.

Rezoning applicants have been working cooperatively with City staff to address these objectives through reference to "The Safer Home Certification Criteria". A copy of "The Safer Home Certification Criteria" which has been attached in Appendix I lists the items which the applicant intends to achieve through future stages of design development.

Council has supported the principle of enhanced accessibility and approved amendments to the Vancouver Building By-Law (VBBL) aimed at improving access to residential units. Apart from a few outstanding items, the VBBL regulates many of the items identified in "The Safer Home Certification Criteria". City staff have conducted a preliminary review of these outstanding items and consider them to be feasible from a cost and building safety perspective. However, compliance with aspects of "The Safer Home Certification Criteria" which are not regulated through the VBBL will be addressed voluntarily by the developer.

11. Public Input

A rezoning information sign was installed on the sites on November 4, 2009 and a notification postcard dated November 3, 2009 was mailed to the property owners in the notification area shown in Figure 1.

The application has generated six email messages and two phone calls from surrounding property owners and other citizens. Respondents were generally in support of redevelopment of the lands, however concerns were expressed about the height of the East Tower (as described above under "Building Height and Form of Development"). This public reaction to the current application is significant, because earlier rezonings in Southeast False Creek have received little attention from surrounding property owners. The notification area is comprised solely of industrial and commercial properties, and these types of property owners have typically not responded in the past.

PUBLIC BENEFITS

The Southeast False Creek ODP includes a comprehensive public infrastructure and amenity package to serve the Southeast False Creek area. This includes parks, public realm and infrastructure improvements, childcare, community centre, library, and affordable housing. Initially, a Financial Plan and Strategy was adopted which outlined in a preliminary way the funding strategies to deliver the Plan through sharing of costs between the City's Property Endowment Fund (PEF) and Southeast False Creek Private Lands. In June 2006, Council adopted the Southeast False Creek Public Benefits and Compatible Housing Strategy which included:

- establishing an area-specific Development Cost Levy (DCL) district for the Southeast False Creek ODP area as an overlay to the City-wide DCL, and
- the objective of achieving 20% affordable housing in the Southeast False Creek Private Lands supported by Community Amenity Contributions (CACs).

Development Cost Levy (DCL) — DCLs would be payable for all new floor area in the developments. The current DCL rate for Southeast False Creek is \$14.50 per sq. ft. This is layered with the City-wide DCL of \$7.70 per sq. ft., for a total of \$22.20 per sq. ft. With these current rates and the new floor area that the CD-1 would permit, \$1,442,090 in DCLs would be paid for the development in Sub-area 1 and \$2,919,877 would be paid for the development in Sub-area 2. Consistent with the DCL by-laws, the DCL amount is based on new floor area being developed, and excludes existing floor area which will be retained and renovated or rehabilitated. DCL rates are subject to periodic increases and will likely be different at the time of building permit issuance, which is when the DCLs are due.

Community Amenity Contribution (CAC) — The owner of the sites has offered a CAC of \$1,625,928, and staff recommend that this offer be accepted. This amount is based on \$11.50 per sq. ft., which was proposed in the Southeast False Creek Public Benefits and Compatible Housing Strategy as the basis for CAC discussions with landowners seeking rezoning. This amount was applied to 141,385 sq. ft. of new development proposed, less 6,700 sq. ft. for the existing floor area in the Opsal Building which will be retained and rehabilitated for new uses. It also was not applied to the 55,100 sq. ft. of on-site heritage bonus density proposed for this development and described above in Section 4, "Heritage". This is consistent with CAC practice to date and also the methodology for determining an appropriate bonus heritage density amount. Payment of the CAC is secured through a zoning enactment condition (see Appendix C).

Heritage Preservation — The owner has offered to restore, rehabilitate and designate the south and north barns of the Opsal Building site, along with the existing gantry crane. The value of this work has been confirmed by Real Estate Services staff as \$5,510,000. For the purpose of calculating the compensation for the designation, staff have determined that the additional project costs equate to 55,100 sq. ft. of bonus floor area. Designation of the Opsal Building is secured through a designation by-law brought forward with this application. Restoration and rehabilitation is secured through a Heritage Revitalization Agreement, required to be registered on the title of the lands. For more on Heritage, see section 4 above.

FINANCIAL IMPLICATIONS

Approval of the report recommendations will have no financial implications with respect to the City's operating expenditures, fees, or staffing.

CONCLUSION

Staff assessment of this application concluded that the proposed residential use, density, and height are supported, as is the proposed on-site heritage preservation and density bonus. The Director of Planning recommends that the application be referred to a public hearing, together with a draft by-law provisions generally as shown in Appendices A and B, and together with the proposed Heritage Designation By-law and Heritage Revitalization Agreement as specified by Recommendations E and F. The Director of Planning also recommends that the rezoning be approved, subject to the conditions listed in Appendix C, including approval in principle of the form of development as shown in plans included here as Appendix G.

* * * * *

15 and 97 East 2nd Avenue
DRAFT CD-1 BY-LAW PROVISIONS

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

1. Uses

- (a) Dwelling Uses;
- (b) Institutional Uses, limited to Child Day Care Facility, Social Service Centre, and Community Care Facility - Class B;
- (c) Live-Work Use;
- (d) Manufacturing Uses, limited to Bakery Products Manufacturing, Batteries Manufacturing, Clothing Manufacturing, Dairy Products Manufacturing, Electrical Products or Appliances Manufacturing, Food or Beverage Products Manufacturing - Class B, Furniture or Fixtures Manufacturing, Ice Manufacturing, Jewellery Manufacturing, Leather Products Manufacturing, Miscellaneous Products Manufacturing - Class B, Non-metallic Mineral Products Manufacturing - Class B, Plastic Products Manufacturing, Printing or Publishing, Rubber Products Manufacturing, Shoes or Boots Manufacturing, Software Manufacturing, Textiles or Knit Goods Manufacturing, Tobacco Products Manufacturing, and Wood Products Manufacturing - Class B;
- (e) Office Uses;
- (f) Parking Uses;
- (g) Retail Uses, but not including Gasoline Station - Full Service, Gasoline Station - Split Island, Liquor Store and Vehicle Dealer;
- (h) Service Uses, limited to Barber Shop or Beauty Salon, Neighbourhood Public House, Photofinishing or Photography Laboratory, Photofinishing or Photography Studio, Print Shop, Restaurant - Class 1, School - Arts or Self-Improvement, and School - Business;
- (i) Accessory Uses customarily ancillary to the above uses; and
- (j) Interim Uses not listed in this section, and accessory uses customarily ancillary to them, provided that:
 - (i) the Director of Planning or Development Permit Board considers that the interim use will be compatible with and not adversely affect adjacent development that either exists or that this By-law permits;
 - (ii) the Director of Planning or Development Permit Board is satisfied that the use can be easily removed and is of low intensity or low in capital investment;

- (iii) the Director of Planning or Development Permit Board is satisfied that there is no risk to the public from contaminated soils either on or adjacent to the subject site; and
- (iv) development permits are limited in time to periods not exceeding three years.

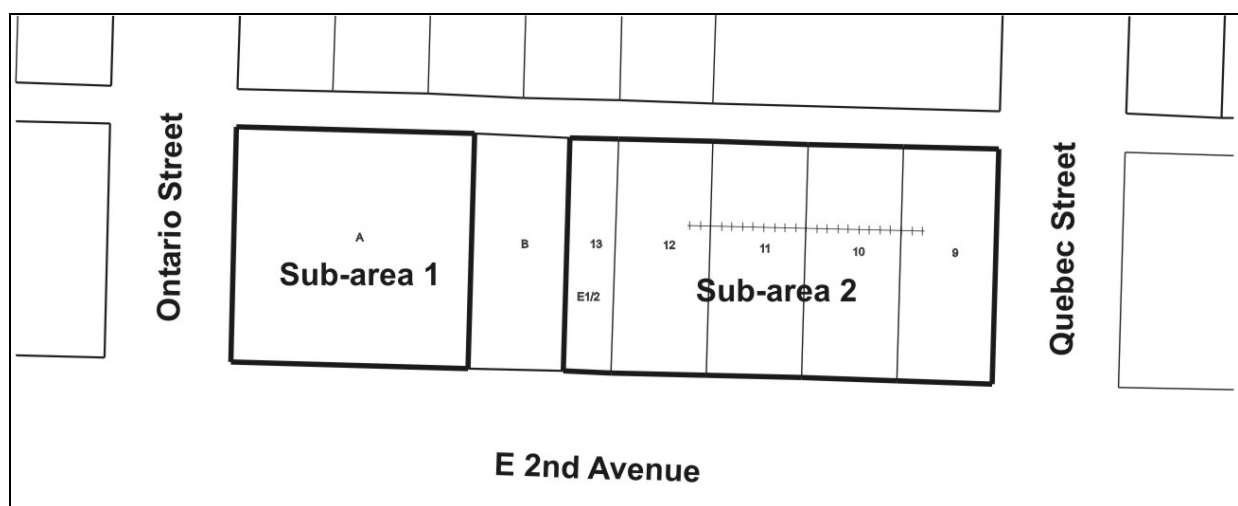
2. Conditions of Use

- 2.1 Dwelling units are in an “intermediate zone” as defined in the Noise Control By-law, and, as a result, are subject to the noise levels permitted in industrial and downtown districts.
- 2.2 The design and lay-out of at least 25 percent of the dwelling units must:
 - (a) be suitable for family housing;
 - (b) include two or more bedrooms; and
 - (c) comply with Council’s “High Density Housing for Families with Children Guidelines”.
- 2.3 Any development permit issued for live-work use must stipulate as permitted uses:
 - (a) dwelling unit;
 - (b) general office, health care office, barber shop or beauty salon, photofinishing or photography studio, or artist studio - class A; and
 - (c) dwelling unit combined with any use set out in subsection (b).

3. Sub-Areas

The district shall comprise of two sub-areas generally as illustrated in Diagram 1 below.

Diagram 1



4. Floor Space Ratio

- 4.1 In sub-area 1, the floor space ratio for all uses combined must not exceed 4.29. For the purposes of computing floor space ratio, sub-area 1 is deemed to be 1 398.72 m², being the site size at time of application for rezoning, prior to any dedications.
- 4.2 In sub-area 2, the floor space ratio for all uses combined must not exceed 5.09. For the purposes of computing floor space ratio, sub-area 2 is deemed to be 2 525.88 m², being the site size at time of application for rezoning, prior to any dedications.
- 4.3 Computation of floor space ratio must include:
- (a) all floors having a minimum ceiling height of 1.2 m, including earthen floor, both above and below ground level, measured to the extreme outer limits of the building; and
 - (b) stairways, fire escapes, elevator shafts, and other features which the Director of Planning considers similar, measured by their gross cross-sectional areas and included in the measurements for each floor at which they are located.
- 4.4 Computation of floor space ratio must exclude:
- (a) open residential balconies or sun decks and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, except that the total area of all exclusions must not exceed 8 percent of the residential floor area being provided;
 - (b) patios and roof gardens, provided that the Director of Planning first approves the design of sunroofs and walls;
 - (c) the floors or portions of floors used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage, heating and mechanical equipment, or uses which, in the opinion of the Director of Planning, are similar to the foregoing, that, for each area, is at or below the base surface, provided that the maximum exclusion for a parking space shall not exceed 7.3 m in length;
 - (d) undeveloped floor area located above the highest storey or half-storey with a ceiling height of less than 1.2 m and to which there is no permanent means of access other than a hatch;
 - (e) residential storage space above or below base surface, except that if the residential storage space above base surface exceeds 3.7 m² for a dwelling unit, there is to be no exclusion for any of the residential storage space above base surface for that unit;
 - (f) amenity areas, including day care facilities, recreation facilities, and meeting rooms, except that the total area excluded must not exceed 1 000 m²; and
 - (g) where a Building Envelope Professional as defined in the Building By-law has recommended exterior walls greater than 152 mm in thickness, the area of the walls exceeding 152 mm, but to a maximum exclusion of 152 mm thickness.
 - (h) with respect to exterior:
 - (i) wood frame construction walls greater than 152.0 mm thick that accommodate RSI 3.85 (R-22) insulation; or
 - (ii) walls other than wood frame construction greater than 152.0 mm thick that meet the standard RSI 2.67 (R-15),
the area of such walls that exceeds 152.0 mm to a maximum exclusion of 51.0 mm of thickness for wood frame construction walls and 127.0 mm of thickness for other walls, except that this clause is not to apply to walls in

existence before January 20, 2009. A registered professional must verify that any exterior wall referred to in this section meets the standards set out therein.

- 4.5 Computation of floor space ratio may exclude, at the discretion of the Director of Planning or Development Permit Board:
- (a) enclosed residential balconies, provided that the Director of Planning first considers all applicable policies and guidelines adopted by Council and approves the design of any balcony enclosure subject to the following:
 - (i) the total area of all open and enclosed balcony or sundeck exclusions must not exceed 8 percent of the residential floor area being provided; and
 - (ii) enclosure of the excluded balcony floor area must not exceed 50 percent;
 - (b) windows recessed into the building face to a depth of no more than 160 mm, except that the Director of Planning may allow a greater depth in cases where it improves building character;
 - (c) unenclosed outdoor areas at grade level underneath building overhangs, if:
 - (i) the Director of Planning or Development Permit Board first considers all applicable policies and guidelines adopted by Council and approves the design of any overhangs, and
 - (ii) the area of all overhang exclusions does not exceed 1 percent of the residential floor area being provided;
 - (d) passive solar appurtenances to reduce solar gain; and
 - (e) structures as such pergolas, trellises and tool sheds which support the use of intensive green roofs and urban agriculture.

- 4.6 The use of floor space excluded under section 3.6 or 3.7 must not include any purpose other than that which justified the exclusion.

5. Height

- 5.1 In sub-area 1, the building height, measured above base surface, must not exceed 38.1 m.
- 5.2 In sub-area 2, the building height, measured above base surface, must not exceed 72.2 m.
- 5.3 Section 10.11 of the Zoning and Development By-law will apply except that the Director of Planning or the Development Permit Board, as the case may be, may permit a greater height than otherwise permitted for structures which support the use of intensive green roofs and/or urban agriculture, such as elevator and stair enclosures, amenity areas, tool sheds, trellises and other garden structures.

6. Parking, Loading and Bicycle Parking

- 6.1 Off-street parking, loading and bicycle parking spaces shall be provided, developed and maintained in accordance with the applicable provisions of the Parking By-law, including those for relaxation, exemptions and mixed-use reduction.

7. Acoustics

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

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

* * * * *

15 and 97 East 2nd Avenue
PROPOSED CONDITIONS OF APPROVAL

Note: These are draft conditions which are subject to change and refinement by staff prior to the finalization of the agenda for the public hearing to the satisfaction of the Director of Legal Services.

CONDITIONS OF APPROVAL OF THE FORM OF DEVELOPMENT

- (a) THAT the proposed form of development be approved by Council in principle, generally as prepared by IBI/HB Architects, and stamped "Received Planning Department, October 19, 2009", provided that the Director of Planning or the Development Permit Board, as the case may be, may allow alterations to this form of development when approving the detailed scheme of development as outlined in (b) below.
- (b) THAT, prior to final approval by Council of the form of development, the applicant shall obtain approval of a development application by the Director of Planning or Development Permit Board, who shall consider the following conditions:

Design Development

1. design development to enhance the landmark qualities of the architectural expression, with particular emphasis at the southeast corner, through high quality materials, systems and details;

Note to Applicant: As part of the earning of significant height increases appropriate for a landmark site, the applicant must successfully demonstrate that the architectural expression is worthy of this special, highly visible location. Identify proposed high quality materials, systems and details on the drawings and provide material samples and photographs.

2. design development to provide a pedestrian-oriented central open space north of the Opsal Building, relocating and reducing surface parking to access directly off the lane;

Note to Applicant: Expansion and enhancement of the public realm is considered an important objective in earning height increases above the ODP recommended maximums. In consultation with Engineering Services, relocate parking to direct access along the lane, eliminating on-site parking at grade and access aisles from the centre of the site. Maintain a 1.5 m setback from the rear property line and provide a landscaped edge, such as large freestanding planters to provide a visual edge and barrier from the parking. Integrate the parking area with the timber columns of the overhead crane, providing details that protect the base from vehicular damage. Reduce parking or relocate shortfall to below grade (estimated at approximately 7 to 8 stalls). Propose an outdoor seating area adjacent to the south barn, and integrate with the public access route through the site. (Also see Heritage condition (b)7 below.)

3. design development to further mitigate the scale disparities between the Opsal Building and the east tower increasing the spatial separation between them at the lower floor levels;

Note to Applicant: As commented on by the Urban Design Panel. Consider further slimming of the east tower to lessen spatial pinch points and/or removing or reducing exterior balconies and architectural protrusions on the west elevation.

4. design development to enhance the visible presence of the Opsal Building as seen from the adjacent street corners of Quebec Street and 2nd Avenue;

Note to Applicant: Possible responses that might address this condition include: increasing the floor-to-floor height of the first-floor corner unit, setting the ground floor further back from the street edge, increasing its transparency and modifying its shape to further expose the east end gable of the Opsal Building.

5. design development to provide a future knock-out panel at the underground parking level to access the single unconsolidated lot currently used as a car wash, if and when this site is developed;

Heritage

6. design development to both retail areas at the base of the East Tower; provide views to the east façade of the South Barn from the corner of 2nd Avenue and Quebec Street and from Quebec through to the north barn; all exterior walls should be transparent and the interior layout of the retail space, designed so as to maximize views through to the barns and the link through to the lane;
7. design development to the parking and loading area adjacent to the East Tower;

Note to Applicant: Removing the 2 surface parking stalls from this area is suggested, as well as re-aligning the garbage/recycling to expand the views through the site to the back lane. Key requirements will be to maintain an open view from Quebec Street through the gantry crane through to the north barn along the lane.

8. provide visible connection from the south barn to the north barn;

Note to Applicant: Explore options of glazing the upper levels of the connecting walls between these two areas. Key issues are providing views of the truss system and volume of the North barn.

9. provide full details of the gantry crane, crane rails and the transitions points where the crane rails meet the glazed wall of the tower, and provide details for protection from vehicular traffic in the area;
10. design development to the window sizes, materials and spacing of the south façade of the south barn to reflect the historic glazing patterns and the predominately punched opening expression of the windows;

Note to Applicant: Consider the original solid-to-void ratios of the façade as the point of departure and propose a fenestration pattern consistent with this.

11. retain the original cupolas, or replace to match the existing in size, material and location;

Note to Applicant: For added light into the south barn, propose skylights on the north face of the sloped roof of the south barn. The skylights should not be visible from 2nd Avenue and should not over-scale the roof area.

12. supply details on how the original sign from the 1940s building on the corner will be re-worked into the site, along with the original painted sign on the south barn;
13. provide details on when the barns will be dismantled and where the sections of the buildings – to be catalogued, restored and reassembled – are to be stored;

Note to Applicant: As part of the Development Permit process, you will be required to submit documentation on the extent of structural features retained, clearly indicating on each truss, which members are retained and which are not. Documentation of existing heritage features can take the form of colour photographs and/or “as found drawings” of the interior public spaces to be restored and exterior elevations. [Particular attention should be paid to correct dimensioning and accurate identification of all existing heritage materials and decorative details.]

Note to Applicant: Staff continues to assert that the barns can be dismantled in advance of issuance of either the Development or Building Permits due to the condition of the building. As a reminder, should the buildings sustain damage in the interim due to a delay on the owner’s part in dismantling the barns, staff would need to advise Council on whether the bonus density was still justified.

14. clarification on all elevations and plans which existing exterior [and interior] elements are to be retained, restored, altered or removed and what is new. Supply a conservation chart on all elevations that matches the Conservation Plan authored by McGinn Engineering & Preservation Ltd. Dated. October 23, 2009 and submitted as part of the rezoning application titled “Opsal Steel” (Revised) submitted June 26, 2009. The conservation chart is to be formatted to match the example below:

Historic Feature	Existing Condition	Proposed Conservation
South Barn, windows	Some failure in lower joints, and deterioration of some of the lower jambs and sill members	Retain and restore to match existing or replicate as required. (See Window schedule for locations of retained vs. replicated windows)

15. indicate which artefacts will be retained and reused along with the locations of each;

16. provide a colour scheme and paint samples of the various components of the building's facade proposed to be painted, including, but not limited to window and door frames, cornices and decorative elements (See Vancouver Heritage Foundation brochure titled "Paint" for general preparation and maintenance issues, and their brochure titled "True Colours" for determining historic colours www.vancouverheritagefoundation.org/oldhouse.html);
17. provide a Window schedule including materials, dimensions, opening type, finish, and reference to head, and sill, jamb, and window division details;

Crime Prevention Through Environmental Design (CPTED)

18. design development to take into consideration the principles of CPTED, having particular regard to:
 - reducing opportunities for theft in the underground parking,
 - providing secure access for off-site parking users,
 - providing a gate to the loading area, and
 - reducing opportunities for break and enter and vandalism;

Landscape Design

19. design development to improve the intended function of the passage between the East Tower and the Opsal Building;

Note to Applicant: There is an opportunity to enhance a north-south pedestrian connection from the street to the lane. Explore options to demonstrate sustainable design, landscaping and high-interest pedestrian programming in the open space courtyard.

20. design development to provide planting to screen lane elements such as parking, utilities and blank walls;
21. supply plant material in the public areas, similar to the historic plant material in the area (refer to the Public Realm Plan for guidance);
22. final coordination of the public realm treatment to be consistent with the Southeast False Creek Public Realm Plan;
23. provision of semi-public and semi-private spaces that complement the design of the public realm;

Note to Applicant: Aspects to consider include special paving, public art, lighting, planting, driveway crossings, pedestrian entrances and safety, walkways, permanent site furniture, weather protection, garbage storage, recycling and loading facilities.

24. design development to maximize percentage vegetative cover;

Note to Applicant: Pursue an overall goal of 40 % vegetative area surface cover. The calculation should include tree canopy area, but not include the Opsal Building

and parking ramps. Provide urban agriculture garden plots and amenities (on-site composting, hose bibs, water collection opportunities) to be located in proximity to common patio areas and to maximize sunlight exposure. Grow plots should contain an appropriate growing medium, and be an adequate size and number to be appropriate for the size of the development. Integrate edible planting throughout the landscape. Other opportunities for planting include 'green walls', planted roofs, permanent patio planters, and vine pockets at the base of structures. Mitigate blank walls by locating continuous linear planters and climbing plants at their base.

25. provision of best current practices for reducing potable water use and managing stormwater conservation, including high efficiency irrigation, water wise planting and the use of captured storm water for irrigation (non-edible plants);

Note to Applicant: Where applicable, size and location of water storage cisterns should be noted, and water features are to use stormwater or other non-potable alternatives. Detailed technical drawings of stormwater recycling will be required at the time of development permit application.

26. provision of a detailed rationale outlining intent for the specific programming of individual outdoor spaces, including overall use, pedestrian capacity, storage (for example, compost, gardening tools), access, security, sustainable design requirements (planting, water, waste, soil, habitat);

27. provision of hose bibs for all patios greater or equal to 100 sq. ft.;

28. provision of a full Landscape Plan illustrating proposed plant materials (common and botanical names), sizes and quantities; notation of existing trees to be retained, paving, walls, fences, light fixtures and other landscape elements that effect overall design, including site grading;

Note to Applicant: Proposed plant materials should be clearly illustrated on the Landscape Plan which should be at 1:100 (1/8" = 1'- 0").

29. provide large scale ¼" = 1'- 0" or 1:50 scale partial plans, elevations and sections illustrating the detailed treatment of the project's public realm interface at the street and lane; including planter walls, stairs, landscaping, soil depth (indicated by underground structures), semi-private patios and privacy screens, include technical drawings of stormwater recycling;

Note to Applicant: Grades, retaining walls, walkways and structural elements, such as underground parking, to be designed to provide maximum plant growing depth (exceed BCLNA Landscape Standard). Design underground parking to increase soil depth for planting. Planted areas are adjacent to structures and on slab to contain continuous soil volumes. Underground parking is to angle downward at the corner (3 feet across and 4 feet down) to increase planting depth for inner boulevard trees and planters.

30. provision of large scale partial plans, elevations, sections, specifications illustrating the detailed treatment of the public realm interface at the streets and

- lanes; including planters, retaining walls, stairs, planting, soil depth, underground structures, semi-private patios and privacy screens;
- 31. provision of a lighting plan;
 - 32. protect lane edge trees and planting from vehicular impacts by providing metal tree surrounds, bollards or low curbs as needed;

Roof Decks

- 33. design development to provide urban agriculture grow plots, tool storage and hose bibs on common area roof decks;

Note to Applicant: Provide notations for hose bibs on landscape plan.

- 34. provide details of green roof system and soil depth sections through all roof planters;

Universal Design

- 35. applicant to work with a Universal Design consultant to achieve the objectives for Universal Design through implementation of "The Safer Home Certification Criteria" as outlined in Appendix H;

Environmental Sustainability

- 36. applicant to meet the Southeast False Creek Green Building Strategy and the EcoDensity Rezoning Policy for Greener Buildings (Action A-1), including a minimum LEED® Silver Canada Certified standard and City of Vancouver prerequisites (with a minimum of 3 optimize energy performance points, 1 water efficiency point, 1 storm water point) with full LEED® registration and documentation, or equivalency;
- 37. building design to include provision for connections to, and be compatible with, the "Neighbourhood Energy Utility";

Urban Agriculture

- 38. design development to incorporate the objectives of urban agriculture including provision of garden plots of an adequate size and number which are to be productive and viable;

Note to Applicant: The total amount of gardening spaces is to be appropriate for the size of development. Locate gardening plots to maximize sunlight and respond to programming requirements such as providing an area for composting, non-potable water/irrigation systems, and suitable soil volumes.

Waste

- 39. provision of 3 streams of waste removal for the development (regular garbage, recyclable materials and organics);

Note to Applicant: The development sites are to provide adequate space to accommodate 3 streams of waste removal. Include fully outfitted areas that can be made active upon implementation of organics collection system.

Greenways

40. Ontario Street amenities should be to Greenway standards:

- (i) Lighting, both street and pedestrian level, should be upgraded to SEFC and PREG standards.
- (ii) All walks should be saw-cut broom-finish concrete.
- (iii) Benches and bike racks should be provided.
- (iv) A bulge at the corner of Ontario Street and 2nd Avenue should be incorporated.
- (v) Planting should be incorporated.
- (vi) Standard Ontario Greenway Granite Marker should be included.
- (vii) Granite setts and re-cycled granite curbs should be incorporated to provide design continuity.

CONDITIONS OF BY-LAW ENACTMENT

- (c) THAT, prior to enactment of the CD-1 By-law, the registered owner shall, at no cost to the City, make arrangements for the following, on terms and conditions satisfactory to the Director of Legal Services:

Engineering

1. Arrangements are to be made to the satisfaction of the General Manager of Engineering Services and the Director of Legal Services for:

- (i) consolidation of Lots 9,10,11,12 and E ½ of Lot 13. (97 East 2nd Avenue);
- (ii) statutory rights-of-way and option-to-purchase agreements over the south 5'- 0" of both sites and the west 5'- 0" of Lot A (15 East 2nd Avenue) for public access and use, and for utility purposes. Note: if the final building designs move the proposed underground parking out of this area, the City may seek to establish these portions as road;
- (iii) provision of a 1.5 m right-of-way along the north property line of both sites (the lane) for landscaping and lane-lighting purposes (excluding the heritage structure);
- (iv) release of Easement & Indemnity agreement 213818M prior to occupancy of the new building;
- (v) removal of an underground gasoline tank, if existing, prior to building occupancy and release of Easement & Indemnity agreements 443353M and B63699;
- (vi) removal and backfilling of the wooden water meter box located on Ontario Street adjacent the West Tower;
- (vii) provision of new sidewalks, curb, pavement, concrete lane crossings, lamp standards, street trees and street furniture adjacent the site in keeping with

the final SEFC public realm design requirements, PREG (SEFC Private Lands Public Realm Plan) and Ontario greenway standards (see greenways notes below);

- (viii) improvements to the lane south of 1st Avenue (between Ontario and Quebec) in keeping with the final SEFC public realm design requirements and PREG. (SEFC Private Lands Public Realm Plan);
- (ix) provision of a CB spur from 1st Avenue to the lane south of 1st Avenue on Ontario Street;
- (x) upgrading of existing adjacent water mains to serve the sites;
Note to Applicant: The current application lacks the details to determine if water system upgrading is necessary. Please supply fire flow rates and project details to confirm if upgrading is necessary and, if so, appropriate arrangements will be required.
- (xi) provision of car-share vehicles and designated parking spaces in accordance with Table 1;

Table 1 - Car-share vehicle requirements

less than 25 dwelling units	none required
25 to 74 dwelling units	1 car-share vehicle and designated parking space
75 to 149 dwelling units	2 car-share vehicles and designated parking spaces
150 to 174 dwelling units	3 car-share vehicles and designated parking spaces
175 to 249 dwelling units	4 car-share vehicles and designated parking spaces

Note to Applicant: A professional car-share organization satisfactory to the Director of Planning and General Manager of Engineering Services must manage the car-share vehicles. The car-share spaces must be accessible to members of the car-share organization who do not reside in the development.

- (xii) undergrounding of all existing and new utility services from the closest existing suitable service point. All services and in particular electrical transformers to accommodate a primary service must be located on private property. The development sites are not to rely on secondary voltage from the existing overhead network. Any alterations to the existing underground/overhead utility network to accommodate the development will require review and approval by the Utilities Management Branch. Early contact with the Utilities Management Branch is encouraged;

Heritage

2. City Council can and does approve the Municipal Heritage Designation of the existing building located at 97 East 2nd Avenue and that the required By-law(s) are enacted;
3. The Owner(s) enters into a Heritage Revitalization Agreement and no-development covenant, generally complying with the draft attached in Appendix D with the City incorporating the following:

- (i) That all heritage rehabilitation work is in compliance with the Conservation Plan submitted by McGinn Engineering & Preservation Ltd., dated October 23, 2009, forming a part of rezoning and subsequent Development Permit;
- (ii) Construction of any new buildings using the bonus density to be granted and the additional height to be permitted will be prohibited until the rehabilitation work is complete or a letter of credit is provided equal in value to the cost to complete the rehabilitation work;
- (iii) That the heritage building be secured from vandalism during construction;
- (iv) That the heritage building's rehabilitation be completed within 48 months of the issuance of any permit related to this development application;
- (v) Assurance that the services of a qualified restoration architect will be retained to provide professional services relative to all aspects, including site supervision, of the interior and exterior restoration work;

And further, confirmation, to the Satisfaction of the Director of Planning and the Director of Legal Services, that the Heritage Revitalization Agreement and no-development covenants agreement is completed and registered on title in the Land Titles Office.

Community Amenity Contribution

- 4. The agreed Community Amenity Contribution of \$1,625,928 is to be paid to the City and such payment is to be secured prior to enactment of CD-1 By-law, at no cost to the City and on terms and conditions satisfactory to the Director of Legal Services.

Soils

- 5. Do all things and/or enter into such agreements deemed necessary to fulfill the requirements of Section 571(B) of the Vancouver Charter, as required by the Manager of Environmental Protection and the Director of Legal Services in their discretion; and
- 6. Execute a Section 219 Covenant, as required by the Manager of Environmental Protection and the Director of Legal Services in their discretion, that there will be no occupancy of any buildings or improvements on the site constructed pursuant to this rezoning, until a Certificate of Compliance has been provided to the City by the Ministry of Environment.

Note: Where the Director of Legal Services deems appropriate, the preceding agreements are to be drawn, not only as personal covenants of the property owners, but also as Covenants pursuant to Section 219 of the Land Title Act.

The preceding agreements are to be registered in the appropriate Land Title Office, with priority over such other liens, charges and encumbrances affecting the subject sites as is considered advisable by the Director of Legal Services, and otherwise to the satisfaction of the Director of Legal Services prior to enactment of the by-laws.

The preceding agreements shall provide security to the City including indemnities, warranties, equitable charges, letters of credit and withholding of permits, as deemed necessary by and in a form satisfactory to the Director of Legal Services. The timing of all required payments, if any, shall be determined by the appropriate City official having responsibility for each particular agreement, who may consult other City officials and City Council.

* * * * *

15 and 97 East 2nd Avenue
DRAFT CONSEQUENTIAL AMENDMENTS

[All additions are shown in ***bold italics***. Deletions are shown in ~~strikeout~~.]

Note: Amending by-laws will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

DRAFT AMENDMENT TO THE SIGN BY-LAW
(BY-LAW NO. 6510)

- Amend Schedule E (Comprehensive Development Areas) by adding the following:

"15 and 97 East 2nd Avenue [CD-1 #] [By-law #] B (DD)"

DRAFT AMENDMENT TO THE NOISE CONTROL BY-LAW
(BY-LAW NO. 6555)

- Amend Schedule B (Intermediate Zone) by adding the following:

"[CD-1 #] [By-law #] 15 and 97 East 2nd Avenue".

DRAFT AMENDMENTS TO THE
SOUTHEAST FALSE CREEK OFFICIAL DEVELOPMENT PLAN
(BY-LAW NO. 9073)

- Amend Section 4.2 as follows:

Density

4.2 The basic floor area allowance for all uses developed after February 1, 2005, except cultural, recreational and institutional uses, is not to exceed ~~592 672~~ **597 791** m².

- Amend Sub-Section 4.3.1(a) as follows:

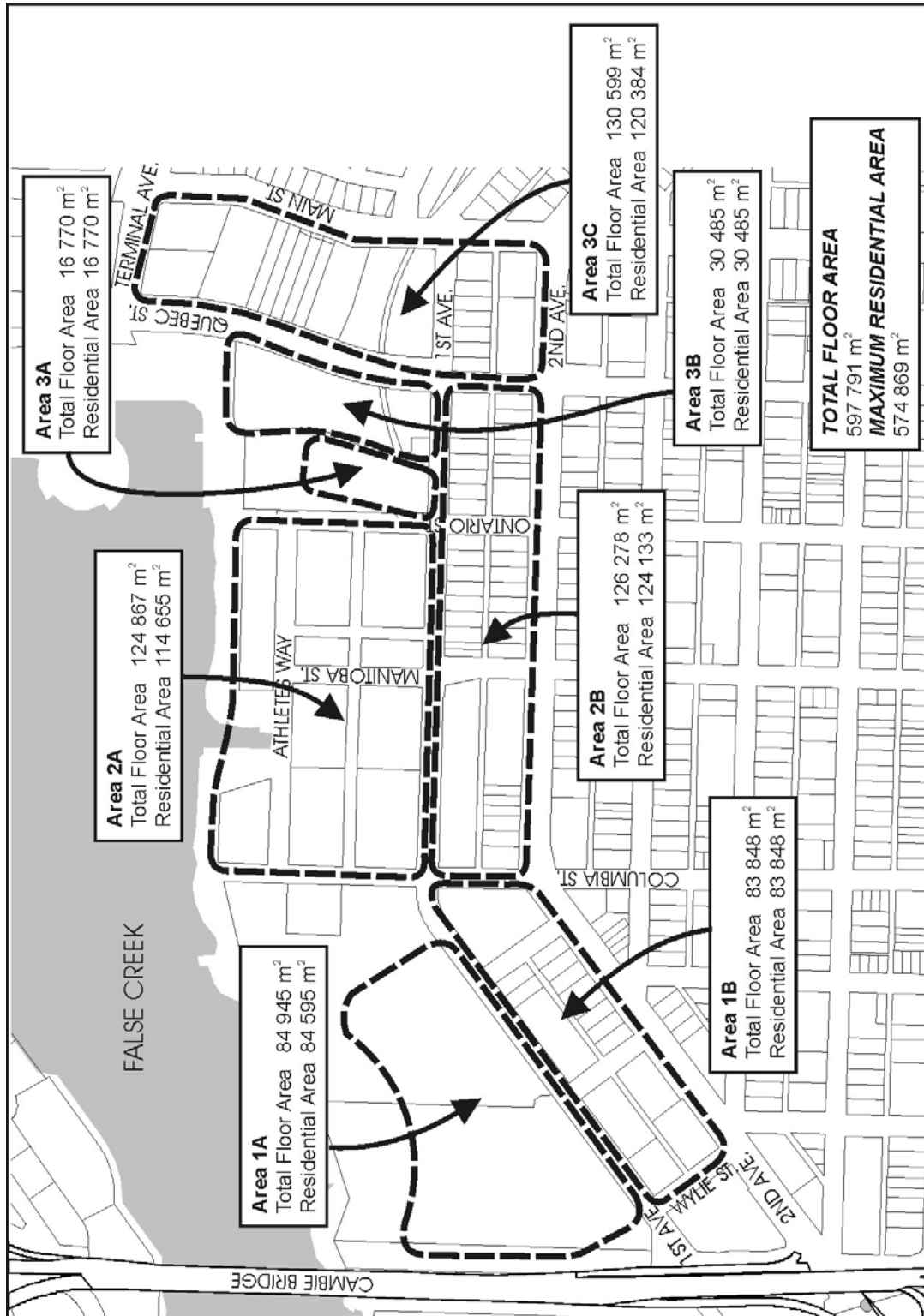
(a) the basic residential floor area allowance for all areas is not to exceed ~~569 750~~ **574 869** m²;

- Amend Sub-Section 4.3.1(e) as follows:

(e) in areas 1B and 2B, the basic residential floor area allowance is not to exceed ~~202 862~~ **207 981** m²;

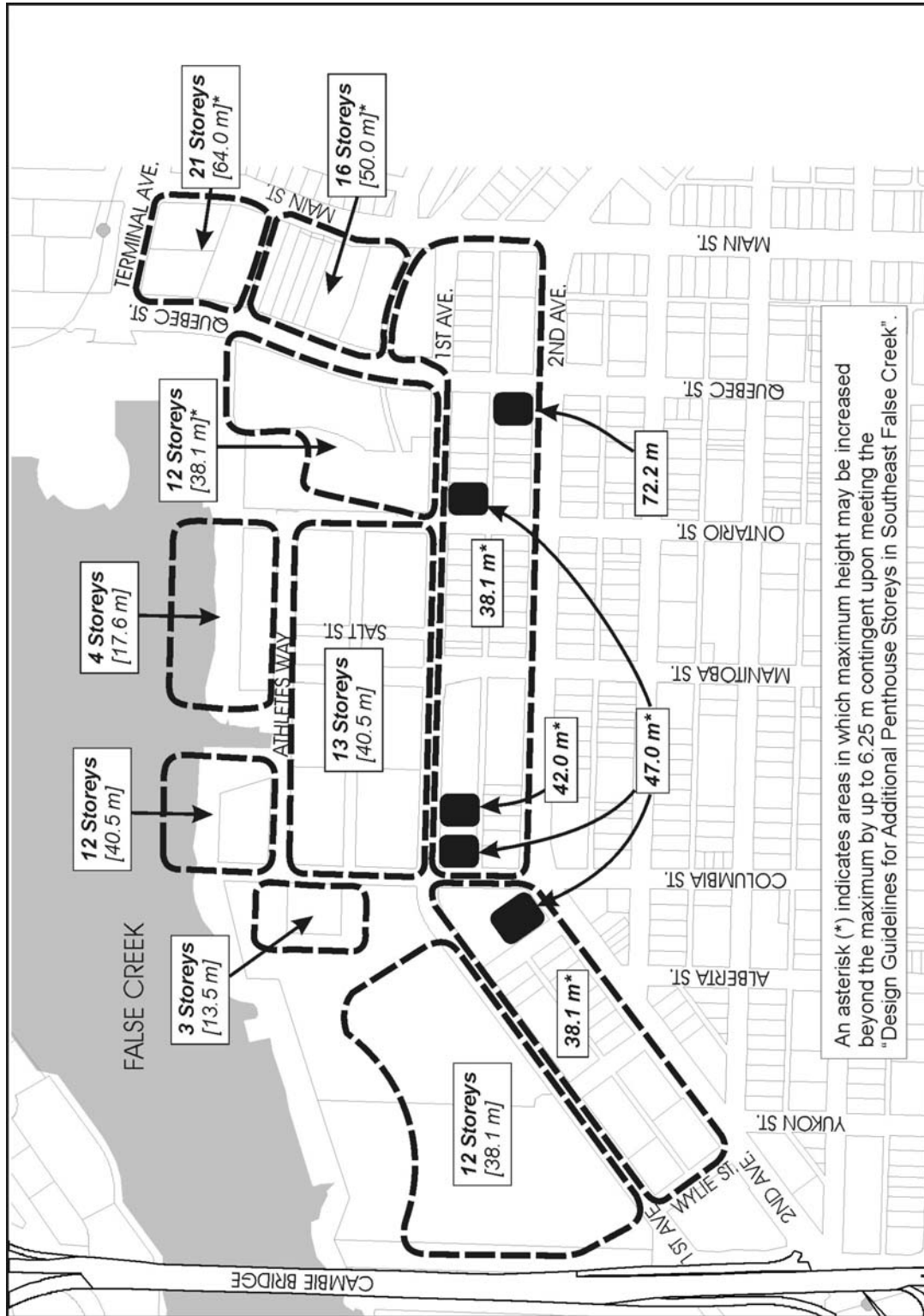
- Substitute Figure 4 in Section 6 with the following amended figure:

Figure 4: Total Floor Area and Residential Floor Area



- Substitute Figure 9 in Section 6 with the following amended figure:

Figure 9: Maximum Heights



* * * * *

LAND TITLE ACT
FORM C

(Section 233)

Province of British Columbia

GENERAL INSTRUMENT - PART 1

(This area for Land Title Office Use)

Page 1 of 21 pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

Signature of Agent

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:*

(PID)

(LEGAL DESCRIPTION)

SEE SCHEDULE

3. NATURE OF INTEREST:*

DESCRIPTION

DOCUMENT REFERENCE
(page and paragraph)

PERSON ENTITLED TO INTEREST

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) Filed Standard Charge Terms

[] D.F. No.

(b) Express Charge Terms

[XX] Annexed as Part 2

(c) Release

[] There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharge as a charge on the land described in Item 2.

5. TRANSFEROR(S):*

MONTREAL HOLDINGS LTD., incorporation no. 658597

0619933 B.C. LTD., incorporation no. 619933

BANK OF MONTREAL, as to priority

6. TRANSFEREE(S):* (including postal address(es) and postal code(s))*

CITY OF VANCOUVER, 453 West 12th Avenue, Vancouver, B.C., V5Y 1V4

7. ADDITIONAL OR MODIFIED TERMS:*

N/A

8. EXECUTION(S):** This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)	Execution Date			Party(ies) Signature(s)
	Y	M	D	
(Solicitor) (as to all signatures)				MONTSAL HOLDINGS LTD., by its authorized signatory(ies):
				Print Name:
				Print Name:
				0619933 B.C. LTD, by its authorized signatory(ies):
				Print Name:
				Print Name:
(Solicitor) (as to all signatures)				

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

** If space insufficient, continue executions on additional page(s) in Form D.

LAND TITLE ACT
FORM D
EXECUTIONS CONTINUED

8. EXECUTION(S):** This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)	Execution Date			Party(ies) Signature(s)
	Y	M	D	
(Solicitor) (as to all signatures)				BANK OF MONTREAL, by its authorized signatory(ies):
				Print Name:
				Print Name:
Bruce T. Quayle Solicitor 453 West 12 th Avenue Vancouver, BC, V5Y 1V4 Tel: 604-873-7714				CITY OF VANCOUVER by its authorized signatory:

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

** If space insufficient, continue executions on additional page(s) in Form D.

LAND TITLE ACT
FORM E
SCHEDULE

Enter the Required Information in the Same Order as the Information Must Appear on the Freehold Transfer Form, Mortgage Form or General Document Form.

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:*

(PID)	(LEGAL DESCRIPTION)
005-217-211	Lot 9 Block 8 District Lot 220A Plan 197
005-217-229	Lot 10 Block 8 District Lot 220A Plan 197
005-217-237	Lot 11 Block 8 District Lot 220A Plan 197
005-217-245	Lot 12 Block 8 District Lot 220A Plan 197
005-217-253	The East Half of Lot 13 Block 8 District Lot 220A Plan 197
007-647-638	Lot A Block 8 District Lot 220A Plan 15577

LAND TITLE ACT
FORM E
SCHEDULE

Enter the Required Information in the Same Order as the Information Must Appear on the Freehold Transfer Form, Mortgage Form or General Document Form.

3. NATURE OF INTEREST:*

DESCRIPTION	DOCUMENT REFERENCE (page and paragraph)	PERSON ENTITLED TO INTEREST
Section 219 Covenant over Lot 9 Block 8 District Lot 220A Plan 197; Lot 10 Block 8 District Lot 220A Plan 197; Lot 11 Block 8 District Lot 220A Plan 197; Lot 12 Block 8 District Lot 220A Plan 197; East Half of Lot 13 Block 8 District Lot 220A Plan 197;	Article , pages	Transferee
Priority Agreement granting above Section 219 Covenant priority over Mortgage BX458212 and Assignment of Rents BX458213	page 21	Transferee
Statutory Right of Way over Lot 9 Block 8 District Lot 220A Plan 197; Lot 10 Block 8 District Lot 220A Plan 197; Lot 11 Block 8 District Lot 220A Plan 197; Lot 12 Block 8 District Lot 220A Plan 197; East Half of Lot 13 Block 8 District Lot 220A Plan 197;	Article , page	Transferee
Priority Agreement granting above Statutory Right of Way priority over Mortgage BX458212 and Assignment of Rents BX458213	page 21	Transferee
Section 219 Covenant over Lot A Block 8 District Lot 200A Plan 15577	Article , pages	
Priority Agreement granting above Section 219 Covenant priority over Mortgage BX458212 and Assignment of Rents BX458213	page 21	Transferee
Equitable Charge over Lot 9 Block 8 District Lot 220A Plan 197; Lot 10 Block 8 District Lot 220A Plan 197; Lot 11 Block 8 District Lot 220A Plan 197; Lot 12 Block 8 District Lot 220A Plan 197; East Half of Lot 13 Block 8 District Lot 220A Plan 197	Article , page	Transferee
Priority Agreement granting above Equitable Charge priority over Mortgage BX458212 and Assignment of Rents BX458213	page 21	Transferee
Equitable Charge over Lot A Block 8	Article , page	Transferee

District Lot 200A Plan 15577

Priority Agreement granting above
Equitable Charge priority over Mortgage
BX458212 and Assignment of Rents
BX458213

page 21

Transferee

TERMS OF INSTRUMENT - PART 2

Heritage Revitalization Agreement
& Related Charges and Covenants
15 & 97 East 2nd Avenue

WHEREAS:

- A. The Transferor, Montsal Holdings Ltd., as at the date this agreement is filed and registered with the Land Title Office, is the registered owner of the Heritage Lands (as defined below herein).
- B. The Transferor, 0619933 B.C. Ltd., as at the date this agreement is filed and registered with the Land Title Office, is the registered owner of the Non-Heritage Lands (as defined below herein).
- C. The Heritage Lands are located at the civic address 97 East 2nd Avenue.
- D. The Non-heritage Lands are located at the civic address 15 East 2nd Avenue.
- E. The Heritage Lands and the Non-heritage Lands are separated by one parcel of land located between them at 33 East 2nd Avenue.
- F. There is a building, known as the Opsal Steel building, situated on the Heritage Lands, which is a former industrial-use building consisting of a north barn and south barn, with a connecting link between them, which is considered to have heritage value and is listed in the "A" category on the City's Heritage Register (the "**Heritage Building**").
- G. The Owners (as defined below herein) propose to develop the Heritage Lands by rehabilitating a portion of the Heritage Building and by constructing on the Heritage Lands a multi-use, residential, commercial and light industrial complex consisting of the Heritage Building, as rehabilitated, a new multi-storey tower building and underground parking and to develop the Non-heritage Lands by constructing thereon a new multi-storey, multi-use, residential and commercial tower building with underground parking (collectively, the "**Development**").
- H. For that purpose, the Owners have applied to the City to rezone the Lands (as defined below herein) from M-2 Industrial to CD-1 Comprehensive Development (the "**Rezoning**").
- I. As a part of the Development, the Heritage Lands Owner proposes to dismantle the Heritage Building, remove it from the Heritage Lands and rehabilitate portions of it and, thereafter, reassemble, reinstall and conserve such rehabilitated portions of it on the Heritage Lands, and, under the provisions of the *Vancouver Charter*, SBC 1953 c. 55 (the "**Vancouver Charter**"), and in exchange for certain Development related incentives to be provided for both the Heritage Lands and the Non-Heritage Lands under the Rezoning, to enter into with the City a heritage revitalization and conservation agreement in respect of the Heritage Building and to accept the City's designation, by bylaw, of the Heritage Building as a protected heritage property.

J. The incentives sought by the Owners for the heritage revitalization agreement and the designation for the Heritage Building as a protected heritage property, and which the City is prepared to grant in the Rezoning, in exchange for the heritage revitalization agreement and the designation, are:

- a. permission to construct buildings on both the Heritage Lands and the Non-Heritage Lands containing Floor Space in excess of that permitted under the M-2 Industrial zoning for the Lands and under the Southeast False Creek Official Development Plan (the “ODP”), which covers the area in which the Lands are located, as it existed at the time the Owners applied for the Rezoning,; and
- b. permission for the Heritage Lands Owner to construct a building on the Heritage Lands to a height that exceeds the building height permitted under the M-2 Industrial zoning for the Lands and under the ODP as it existed at the time the Owners applied for the Rezoning.

THEREFORE, pursuant to Section 592 of the *Vancouver Charter*, the parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions. In this agreement, unless explicitly used differently elsewhere herein, the terms defined in this section have the meanings given to them here:

- (a) “**Bonus Density**” means Floor Space to permitted for the Lands by the Rezoning in addition to that permitted under the M-2 Industrial zoning for the Lands and under the ODP as of the date of this agreement, as follows:
 - (i) 43,114 sq. ft. of additional Floor Space for the Heritage Lands, for a Floor Space Ratio (“FSR”) under the Zoning and Development Bylaw of 5.09; and
 - (ii) 11,986 sq. ft. of additional Floor Space for the Non-Heritage Lands, for a FSR of 4.29;
- (b) “**Bonus Height**” means building height of 25.2 metres to be permitted for the Heritage Lands by the Rezoning in addition to that permitted under the M-2 Industrial zoning for the Lands and under the ODP as of the date of this agreement;
- (c) “**City**” means the municipal corporation continued pursuant to the *Vancouver Charter* and “**City of Vancouver**” the City’s means the geographic location;
- (d) “**City’s bank of record**” means the bank or other financial institution the City primarily uses its banking activities;
- (e) “**Conservation Plan**” means a written plan and guidelines, as may be modified or supplemented from time to time with the prior written consent of the Director of Planning, prepared by and/or under the supervision of a Heritage

Consultant for the rehabilitation, conservation and preservation of the Heritage Building;

- (f) **"Development Permit"** means a City development permit(s) issued under the City's *Zoning and Development Bylaw* No. 3575 for the Development;
- (g) **"Floor Space"** means the size of a real property development or a portion of a real property development measured in building floor space area and calculated in accordance with City practices and/or the City's *Zoning and Development By-law* No. 3575;
- (h) **"Director of Planning"** means the chief administrator from time to time of the Planning Department of the City and his successors in function and their respective nominees;
- (i) **"Heritage Building"** means the Heritage Building as defined above in the recitals to this agreement and, more specifically, but without limitation, includes:
 - (i) two long gable-roofed ranges set parallel to each other and to 2nd Avenue, with two-storey high bays, and commonly known as the "North Barn" and the "South Barn";
 - (ii) a low-roof enclosed passageway, located at the mid-point area between the North Barn and South Barn and connecting the two;
 - (iii) an overhead travelling or gantry crane, including, without limitation, its supports, rails and lifting equipment;
 - (iv) a swinging pivot crane situated in the North Barn; and
 - (v) various artefacts, including casting moulds constructed of wood;
- (j) **"Heritage Consultant"** means an independent, heritage building conservation consultant who is knowledgeable and experienced in heritage building conservation planning and procedures and otherwise duly qualified to plan and supervise the conservation of heritage buildings;
- (k) **"Heritage Designation"** means the City, by way of by-law enacted pursuant to section 593 of the *Vancouver Charter*, designating the Heritage Building as a protected heritage property;
- (l) **"Heritage Lands"** means the lands and premises located at 97 East 2nd Avenue in the City of Vancouver, with the following legal Descriptions:

PID	LEGAL DESCRIPTION
005-217-211	Lot 9 Block 8 District Lot 220A Plan 197
005-217-229	Lot 10 Block 8 District Lot 220A Plan 197
005-217-237	Lot 11 Block 8 District Lot 220A Plan 197

005-217-245 Lot 12 Block 8 District Lot 220A Plan 197

005-217-253 The East Half of Lot 13 Block 8 District Lot 220A
Plan 197

- (m) **"Heritage Lands Owner"** means the registered owner or owners of the Heritage Lands;
- (n) **"Lands"** means both of the Heritage Lands and the Non-Heritage Lands together;
- (o) **"Non-Heritage Lands"** means the lands and premises located at 15 East 2nd Avenue in the City of Vancouver, with the following legal description:

PID	Legal Description
007-647-638	Lot A Block 8 District Lot 220A Plan 197
- (p) **"Non-Heritage Lands Owner"** means the registered owner or owners of the Non-Heritage Lands;
- (q) **"Owners"** means both of the Heritage Lands Owner and the Non-Heritage Lands Owner together;
- (r) **"rehabilitate"** **"rehabilitation"** means actions and processes aimed at restoring, upgrading and/or improving a heritage resource, such as, for example, a heritage building, so as to restore and/or conserve its heritage characteristics and value and extend its physical life;
- (s) **"Rezoning"** means the Owners' proposed rezoning of the Lands as described generally in the recitals above herein.

ARTICLE 2
SECTION 219 COVENANT
HERITAGE LANDS

2.1 Pursuant to Section 219 of the *Land Title Act*, RSBC 1996, c.250 (the "*Land Title Act*"), the Heritage Lands Owner covenants and agrees, as covenants and agreements running with, charging and binding the Lands that, at the Heritage Lands Owner's expense, and at no expense to the City:

- (a) the Heritage Lands Owner, to the satisfaction of the Director of Planning:
 - (i) within a period of 12 months after the date upon which the City first issues a Development Permit for the Heritage Lands, will carry out and complete that part of the rehabilitation of the Heritage Building required hereunder that consists of the dismantling of the Heritage Building and removing it from the Heritage Lands; and
 - (ii) within a period of 24 months after the date upon which the City first issues a Development Permit for the Heritage Lands, plus any additional

periods of time by which the time limit for that Development Permit is extended, will rehabilitate the Heritage Building and reassemble it and reinstall it on the Heritage Lands,

all in accordance with the Rezoning, all Development Permits the City may issue in respect of the Development, a Conservation Plan explicitly approved by the City and this agreement (collectively, the "Rehabilitation Work");

- (b) the Heritage Lands Owner, to the satisfaction of the Director of Planning, will ensure that a Heritage Consultant supervises all aspects of the Rehabilitation Work;
- (c) the Heritage Lands Owner, to the satisfaction of the Director of Planning, will ensure that the Heritage Building is secure from occupation by squatters and vandalism at all times during the carrying out of the Rehabilitation Work;
- (d) on completion of the Rehabilitation Work as required by this agreement, the Heritage Lands Owner will cause a Heritage Consultant to submit to the Director of Planning, in form and content to his or her satisfaction, a signed statement stating explicitly that the Rehabilitation Work has been fully completed in accordance with the Conservation Plan approved by the City hereunder;
- (e) at all times after completion of the Rehabilitation Work, the Heritage Lands Owner, in accordance with the Conservation Plan approved by the City hereunder, and to the satisfaction of the Director of Planning, will conserve the Heritage Building as rehabilitated and as reassembled and reinstalled on the Heritage Lands and, in any event, in good condition in all respects as would a reasonable and prudent owner;
- (f) the Heritage Lands Owner will not at any time after completion of the Rehabilitation Work or cause, permit or suffer anyone to in any way alter the exterior, make structural changes, or renovate or reconfigure the Heritage Building or any part thereof, except as may be permitted by this agreement or any development or heritage alteration permits issued by the City;
- (g) the Heritage Lands Owner will not at any time and will not suffer or cause any other person at any time to obscure, deface or remove any heritage related commemorative plaque the City may attach to the Heritage Building pursuant to the statutory right of way granted to it herein;
- (h) at all times after completion of the Rehabilitation Work, the Heritage Lands Owner will keep the Heritage Building insured to its full replacement value against all perils, including, without limitation, damage or destruction by earthquake;
- (i) if at any time the Heritage Building is damaged in any way or destroyed, the Heritage Lands Owner, to the City's satisfaction, will repair the damage or replace the Heritage Building with a replica building, unless it would be lawful or, in the City's opinion, uneconomical or unfair for the Heritage Lands Owner

to be required to do so. In determining whether it would be uneconomical or unfair for the Heritage Lands Owner to be required to repair or replace the Heritage Building in such circumstances, the City, in consultation with the Heritage Lands Owner, will consider land related economic factors, including, without limitation, the estimated out-of-pocket expense to the Heritage Lands Owner for the repair or replacement of the Heritage Building and the heritage incentives granted in the Rezoning (that is, the Bonus Density and the Bonus Height) in respect of this agreement and the Heritage Designation, and whether the Heritage Lands Owner has complied with the insurance provisions of this agreement, and if the City determines that in its opinion it would be uneconomical or unfair for the Heritage Lands Owner to be required to repair or replace the Heritage Building, then, within a reasonable time of the Heritage Lands Owner's request, to the extent the City reasonably considers to be appropriate, the City will execute and deliver a modification or a partial or full discharge of this agreement to reflect such change in circumstance;

- (j) notwithstanding that the Heritage Lands Owner may otherwise be entitled, the Heritage Lands Owner will not at anytime construct or permit the construction on the Heritage Lands of any building containing or any buildings collectively containing more than 95,113 square feet of Floor Space or with the Bonus Height, and the City will not be obligated in any way to issue any development or building permit for the Non-Heritage Lands for any such buildings, unless and until:
 - (i) the Rehabilitation Work has been completed in accordance with this agreement; or
 - (ii) the City has received, as security in relation to the Rehabilitation Work, a letter of credit satisfactory to the City, in the City's favour, in an amount equal to not less than one hundred and twenty percent (120%) of the then estimated cost to complete the Rehabilitation Work, with such estimate to be made in writing by the Consultant and explicitly accepted in writing by the City; and
 - (iii) the Bonus Density has been duly assigned to the Heritage Lands pursuant to the City's Heritage Bonus Density policies and practices;
- (k) the City may revoke at anytime any development, building or occupancy permit(s) issued inadvertently or otherwise for the Heritage Lands for any building containing or any buildings collectively containing more than 95,113 square feet of Floor Space and/or with the Bonus Height prior to completion of the Rehabilitation Work or the City receiving a letter of credit as described in the preceding paragraph, and in such circumstances the Heritage Lands Owner will ensure that any construction for any such buildings and any occupancy of areas within such buildings that put the total area occupied therein at more than 95,113 square feet of Floor Space and with any of the Bonus Height are discontinued immediately on notification from the City, and if such construction or occupancy thereof continues thereafter it will be a breach of this agreement and any applicable City bylaws, and the City may pursue all remedies available to it, including, without limitation, injunctive relief, to

ensure that such construction is stopped and such buildings are vacated and unoccupied in accordance with this agreement; and

- (l) the Heritage Lands Owner will indemnify the City for any and all complaints, demands, claims, actions, suits and judgment for any loss, injury, damage or expense anyone may suffer, incur or experience arising in connection with this agreement.

2.2 If the Heritage Lands Owner at anytime, in default of this agreement, fails to carry out the Rehabilitation Work or to conserve or replace the Heritage Building as required hereby, and if the Heritage Lands Owner fails to rectify any such default after 30 days notice from the City to do so, the City, on the Heritage Lands Owner's behalf and at the Heritage Lands Owner's expense, may, but will be under not be obligated to, rectify the Heritage Lands Owner's default.

2.3 In addition to any other remedies available to it under this agreement, the City may pursue all remedies available to it in law and in equity in respect of any Heritage Lands Owner breach of this agreement, and, in such circumstances, in addition to any other remedies available to it, the City will be entitled to obtain injunctive relief for the enforcement of the provisions of this Article of this agreement without being required to demonstrate that, in the absence of the injunctive relieve sought, the City might, will or probably will suffer any irreparable harm or any harm at all.

2.4 Notwithstanding any other provision of this agreement, nothing herein requires the City to exercise any of the rights granted to it by way of the statutory right of way contained herein to rehabilitate, conserve or replace the Heritage Building.

2.5 The Heritage Lands Owner may not make any use of the Bonus Density other than as provided for in this agreement and the Development Permit.

ARTICLE 3 STATUTORY RIGHT OF WAY HERITAGE LANDS

3.1 Pursuant to Section 218 of the *Land Title Act*, the Heritage Lands Owner hereby grants to the City a statutory right of way to enter, be and move about on the Heritage Lands to install, maintain, repair and replace on the exterior of the Heritage Building, in consultation with the Heritage Lands Owner as to location thereon, a heritage related commemorative plaque regarding the Heritage Building and, in the event the Heritage Lands Owner is in default of any of its obligations under this agreement to carry out the Rehabilitation Work or to conserve and/or replace the Heritage Building, to carry out any such obligations of the Heritage Lands Owner hereunder, if the City should at any time choose to do so in accordance with and pursuant to this agreement.

3.2 The statutory right of way set granted in this Article is necessary for the operation and maintenance of the City's undertaking.

ARTICLE 4
SECTION 219 COVENANT
NON-HERITAGE LANDS

4.1 Pursuant to Section 219 of the *Land Title Act*, the Non-Heritage Lands Owner covenants and agrees, as covenants and agreements running with, charging and binding the Non-Heritage Lands, that:

- (a) notwithstanding that the Non-Heritage Lands Owner may otherwise be entitled, the Non-Heritage Lands Owner will not at anytime construct or permit the construction on the Non-Heritage Lands of any building containing or of any buildings collectively containing more than 52,973 square feet of Floor Space, and the City will not be obligated in any way to issue any development, building or occupancy permits for the Non-Heritage Lands for any such building, unless and until:
 - (i) the Rehabilitation Work has been completed in accordance with this agreement; or
 - (ii) the City has received, as security in relation to the Rehabilitation Work, a letter of credit satisfactory to the City, in the City's favour, in an amount equal to not less than one hundred and twenty percent (120%) of the then estimated cost to complete the Rehabilitation Work, with such estimate to be made in writing by the Consultant and explicitly accepted in writing by the City; and
 - (iii) the Bonus Density has been duly assigned to the Heritage Lands and 11,986 square feet of the Bonus Density has been duly transferred to the Non-Heritage Lands pursuant to the City's Heritage Bonus Density and Transfer of Heritage Bonus Density policies and practices;
- (b) the City may revoke at anytime any development, building or occupancy permit(s) issued inadvertently or otherwise for the Non-Heritage Lands for any building containing or any buildings collectively containing more than 52,973 square feet of Floor Space prior to completion of the Rehabilitation Work or the City receiving a letter of credit as described in the preceding paragraph, and in such circumstances the Non-Heritage Lands Owner will ensure that any construction for any such buildings and any occupancy of areas within such buildings that put the total area occupied therein at more than 52,973 square feet of Floor Space are discontinued immediately on notification from the City, and if such construction or occupancy thereof continues thereafter it will be a breach of this agreement and any applicable City bylaws, and the City may pursue all remedies available to it, including, without limitation, injunctive relief, to ensure that such construction is stopped and such buildings are vacated and unoccupied in accordance with this agreement; and
- (c) the Non-Heritage Lands Owner will indemnify the City for any and all complaints, demands, claims, actions, suits and judgment for any loss, injury, damage or expense to anyone arising in connection with this agreement.

4.2 In addition to any other remedies available to it under this agreement, the City may pursue all remedies available to it in law and in equity in respect of any Non-Heritage Lands Owner breach of this agreement, and, in such circumstances, in addition to any other remedies available to it, the City will be entitled to obtain injunctive relief for the enforcement of the provisions of this Article of this agreement without being required to demonstrate that, in the absence of the injunctive relieve sought, the City might, will or probably will suffer any irreparable harm or any harm at all.

4.3 The City, at the Non-Heritage Land Owner's expense, and within a reasonable time of the Non-Heritage Land Owner's request, after the Rehabilitation Work has been completed in accordance with this agreement, will discharge from title to the Non-Heritage Lands the Section 219 Covenant contained in this Article 4, provided neither the Heritage Lands Owner nor the Non-Heritage Lands Owner owes any money to the City under this agreement or in connection with the subject matter of this agreement.

ARTICLE 5 LETTERS OF CREDIT - GENERAL

5.1 All letters of credit required by this agreement will be issued by a Schedule I Canadian chartered bank and will be unconditional, irrevocable and self-renewing and otherwise in a form and content which is acceptable to the City and will be provided for a period of one (1) year with a provision for an automatic renewal or extension without amendment from year to year until the Heritage Lands Owner has, to the City's full satisfaction, completed the Rehabilitation Work in accordance with this agreement.

5.2 The City may call upon any letter(s) of credit provided to it hereunder and apply the proceeds there from in any manner and for any purpose as the City sees fit, if:

- (a) the bank issuing the letter of credit refuses to extend or renew the expiry date of the letter of credit;
- (b) either of the Non-Heritage Lands Owner or the Heritage Lands Owner becomes or has become insolvent or commits any act of bankruptcy or becomes bankrupt or takes the benefit of any act or legislation that may be enforced for bankrupts or insolvent debtors;
- (c) the Heritage Lands Owner is not carrying out or has not carried out the Rehabilitation Work as required under this agreement;
- (d) the City undertakes all or any part of the Rehabilitation Work pursuant to this agreement; and/or
- (e) the Heritage Lands Owner is in breach of any of its obligations under this agreement.

ARTICLE 6 DEBTS OWED TO CITY

6.1 If the City, pursuant to this agreement, enters upon the Heritage Lands to carry out any of the Heritage Owner's obligation hereunder to carry out any of the Rehabilitation Work or to conserve or replace the Heritage Building:

- (a) there will be no express or implied warranties as to the quality of any work the City may so carry out or the suitability of the materials for the purposes for which they are put; and
- (b) the Heritage Owner and/or the Non-Heritage Owner, being jointly and severally liable, will pay to the City, forthwith on demand, the full amount of all costs the City incurs to rehabilitate, conserve or replace the Heritage Building, plus 20% of such costs as fair compensation for the City's overhead, and any such amounts not paid to the City forthwith on demand will bear interest, until paid in full, at the prime lending rate of the City's bank of record, plus 2%, calculated monthly and not in advance.

**ARTICLE 7
EQUITABLE CHARGE
HERITAGE LANDS**

7.1 The Heritage Lands Owner hereby grants to the City an equitable charge over the Lands, which charge will run with, charge and bind the Lands, for the payment of all sums (including all interest thereon) which may at any time be payable to the City under the terms of this agreement or otherwise at law in connection with the subject matter of this agreement.

7.2 The equitable charge the Heritage Lands Owner has granted to the City herein may be enforced by the appointment of a receiver for the sale of the Heritage Lands.

**ARTICLE 8
EQUITABLE CHARGE
NON-HERITAGE LANDS**

8.1 The Non-Heritage Lands Owner hereby grants to the City an equitable charge over the Non-Heritage Lands, which charge will run with, charge and bind the Lands, for the payment of all sums (including all interest thereon) which may at any time be payable to the City under the terms of this agreement or otherwise at law in connection with the subject matter of this agreement.

8.2 The equitable charge the Non-Heritage Lands Owner has granted to the City herein may be enforced by the appointment of a receiver for the sale of the Non-Heritage Lands.

8.3 The City, at the Non-Heritage Land Owner's expense, and within a reasonable time of the Non-Heritage Land Owner's request, after the Rehabilitation Work has been completed in accordance with this agreement, will discharge from title to the Non-Heritage Lands the equitable charge contained in this Article 8, provided neither the Heritage Lands Owner nor the Non-Heritage Lands Owner owes any money to the City under this agreement or in connection with the subject matter of this agreement.

ARTICLE 9
RELEASE AND INDEMNITY

9.1 The Owners hereby releases, and each of them hereby releases, the City and its officials, officers, employees and agents from any liability for any loss, injury, damage or expense of any kind the Owners or either of them may suffer, incur or experience and the Owners will indemnify the City for any loss, injury, damage or expense the City may incur, suffer or experience and for any complaint, demand, claim, action, suit or judgment for any loss, injury, damage or expense anyone else may suffer, incur or experience arising out of or in any way connected with:

- (a) the City carrying out any of the Rehabilitation Work or any other work contemplated by this agreement;
- (b) the City withholding any permits (including, without limitation, any occupancy permits) under this agreement, until the Heritage Lands Owner has fully complied with all the Rehabilitation Work requirements of in this agreement;
- (c) this agreement, except to the extent the same arises directly and solely from a default of the City;
- (d) any release of this agreement or the loss of any of the rights granted hereunder;
- (e) the non-compliance, if any, of the Lands or either of them or the Heritage Building or any part of either thereof with any City by-law; or
- (f) the issuance of any development permit(s) for the Development.

9.2 The Heritage Lands Owner acknowledges and agrees that, notwithstanding that this agreement and the Heritage Designation do and will result in restrictions with respect to the future use and development of and may affect the value of the Lands:

- (a) the Bonus Density and Bonus Height are full and fair compensation for the Heritage Lands Owner entering into this agreement and accepting the Heritage Designation; and
- (b) the Heritage Lands Owner hereby waives and renounces any and all claims for any further or other compensation by reason of this agreement and/or the Heritage Designation and acknowledges that the requirements of Section 595(1) of the *Vancouver Charter* SBC 1953 c.55 have been fully satisfied.

9.3 The release, promise of indemnity and the other acknowledgements and agreements contained in this Article are an integral part of the Section 219 Covenants granted herein and the rest of this agreement and, in any event, will survive the expiry or earlier termination of this agreement and will survive any modification, release or partial release of any of the covenants created by this agreement and will be personal covenants of the Owners and each of them.

ARTICLE 10
NOTICES

10.1 Notices. Any notice, request or communication required or permitted to be given hereunder will be in writing and will be deemed to have been duly given if delivered to the party or mailed in Canada by prepaid registered post addressed to the party as follows:

(a) if to the Owner's or either of them:

to their addresses or its address as shown in the Land Title Officer records

(b) if to the City:

City of Vancouver
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

Attention: City Clerk and Director of Legal Services;

or to such other address in Canada as any party may specify in writing to the other parties, provided that if and when the owner of any parcel of land should change, then to the address as set out in the State of Title Certificate for that particular parcel of land, or, if strata-titled, the address of the strata corporation in the records of the Land Title Office, and such notice will be deemed to have been received, if delivered, on the date of delivery, and if mailed as aforesaid within Canada then on the third business day following its mailing, provided that if mailed, should there be between the time of the mailing and the actual receipt of the notice, a mail strike, slowdown or other labour dispute which might affect delivery of such notice, then such notice will only be effective if and when actually delivered.

ARTICLE 11
GENERAL

11.1 Joint and Several Liability. Where the any of the Owners' obligations hereunder are joint obligations, the Owners will be jointly and severally liable for the performance and in respect of any non-performance or mis-performance thereof, and if either of the Owners consists in any way of more than one person and/or entity, then all such persons and entities shall be jointly and severally liable to the City for the performance and observance and in respect of any non-performance or mis-performance of such Owner's obligations in this agreement.

11.2 Priority of Registration. The Owners, at their expense, after execution of this agreement, shall do or cause to be done all things and acts necessary to ensure that this agreement is registered against title to the Lands with priority over all other encumbrances on title to the Lands as the City may require.

11.3 Perfection of Intention. The parties hereto will do such things and execute such further and other documents and instruments and do such further and other acts as may be

reasonably necessary to implement and carry out the provisions and intent of this agreement and to ensure timely and effective registration in the Land Title Office.

11.4 Waiver. No failure on the part of the City to exercise and no delay in exercising any right under this agreement will operate as a waiver thereof nor will any single or partial exercise by the City of any right under this agreement preclude any other or future exercise thereof or the exercise of any other right. The remedies herein provided will be cumulative and not exclusive of any other remedies provided by law and all remedies stipulated for the City herein will be deemed to be in addition to and not, except as herein expressly stated, restrictive of the remedies of the City at law or in equity.

11.5 Time of Essence. Time will be of the essence in respect of this agreement.

11.6 Enurement. This agreement shall enure to the benefit of and be binding upon the Owners and their successors and trustees, and this agreement shall charge and run with the Lands and with any parcel, lot or part into which the Lands may be subdivided or consolidated and shall enure to the benefit of and be binding upon the Owners' successors in title and trustees and successors and all parties claiming through such owners.

11.7 City's Other Rights and Obligations. Nothing contained or implied in this agreement will derogate from the obligations of the Owners under any other agreement with the City or prejudice or affect the City's rights, powers, duties or obligations in the exercise of its functions pursuant to the *Vancouver Charter* SBC 1953 c.55 and the rights, powers, duties and obligations of the City under all other laws, which may be, if the City so elects, as fully and effectively exercised in relation to the Lands as if this agreement had not been executed and delivered by the Owners and the City.

11.8 Headings. The division of this agreement into articles, sections and paragraphs and the insertion of headings are for the convenience of reference only and will not affect the construction or interpretation of this agreement.

11.9 Number. Words contained herein importing the singular number only will include the plural and vice versa, words importing the masculine gender will include the feminine and neuter genders and vice versa and words importing persons will include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa.

11.10 Governing Law. This agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

11.11 Severability. All provisions of this agreement are severable in that if any court or other lawful authority having jurisdiction to decide the matter finds for any reason that one or more of them is void or unenforceable, then such void or unenforceable provisions will be severed from this agreement and all other provisions herein will continue to be binding and enforceable.

11.12 City Approvals. In this agreement, where City "approval", "acceptance", "consent" or similar authorization or agreement is required, unless provided for otherwise in this agreement, such "approval", "acceptance", "consent" or similar City agreement or authority must be provided in writing, by the City departments, employees, officers or designates, as

the case may be, that are authorized to provide such "approval", "acceptance", "consent" or similar authorization or agreement. Any purported "approval", "acceptance" "consent" or similar authorization or agreement provided by a City department, employee, officer or designate, as the case may be, that is not authorized to provide the same, shall be of no force or effect.

IN WITNESS WHEREOF the parties have executed this Agreement on Form C which is a part hereof.

CONSENT AND PRIORITY INSTRUMENT

In this consent and priority instrument:

- (a) "Existing Charges" mean the Mortgage registered under number BX458212 and Assignment of Rents registered under number BX458213;
- (b) "Existing Chargeholder" means Bank of Montreal;
- (c) "New Charges" mean the Section 219 Covenants, the Statutory Right of Way and the Equitable Charges contained in the attached Terms of Instrument - Part 2; and
- (d) words capitalized in this instrument, not otherwise defined herein, have the meaning ascribed to them in the attached Terms of Instrument - Part 2.

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

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

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

END OF DOCUMENT

* * * * *

15 and 97 East 2nd Avenue
HERITAGE
STATEMENT OF SIGNIFICANCE AND PROPOSED CONSERVATION WORK

HERITAGE ASSESSMENT

1.0 Statement Of Significance

Name of Historic Place

Opsal Steel

Address

97 East 2nd Avenue, Vancouver BC Canada

Description of Historic Place

Located at the corner of East 2nd Avenue and Quebec Street, Opsal Steel building is an important, surviving and excellent examples of early 20th century industrial architecture. It is a legacy of the industrial history of the south east False Creek area. The building is listed on the Vancouver Heritage Register in the "A" Category.

Heritage Value of Historic Place

Originally the Columbia Block and Tool Company, the building was designed by T. H. Bamforth architect and built by Dominion Construction in 1918. It has long been known as the Opsal Steel Company "OSCO" and its distinctive Art Moderne addition was added in the early 1940's.

The building is a landmark at the corner of 2nd Avenue and Quebec Street and is a very visible reminder of the area's - and the city's - industrial past. There is a brick manufacturing building directly across the street to the south, a vacant lot diagonally opposite, a low rise industrial building opposite to the east and the large concrete structure of Mario's gelato factory across the lane. Its long linear profile to East 2nd Avenue is an important part of its contextual value.

The building is composed of a pair of long gable-roofed barns set parallel to 2nd Avenue and made up of heavy timber-frame, two-storey high bays. A low roof element connects the two barns mid site. A series of rooftop light monitors are found on the northern, lane-fronting barn. Originally clad in board and batten siding, the building has for some time been clad with horizontal wood siding, painted box-car red. Multi-paned sliding windows are found at regular bay spaces along the facade. An important part of the southern facade is the painted sign "Opsal Steel Limited - OSCO - Logging Equipment". The part of the building at the corner of Quebec Street and 2nd Avenue is a stucco clad Art Moderne section, housing administrative offices; it has horizontal banded windows and until recently had a sign "Opsal Steel Ltd." in Moderne era metal letters.

The exterior of the building is largely original, although there have been some changes over time. The building has suffered a considerable amount of deterioration over the past decade, with major decay in the lower sections of the wooden siding, windows and the roof. Inside the building are a number of interesting artifacts related to the casting and manufacturer of steel equipment for the logging industry, including a gantry crane and wooden casting moulds.

Character-Defining Elements

- location as part of Southeast False Creek industrial area
- landmark visibility at corner of 2nd Avenue and Quebec Street
- long, low horizontal frontage along 2nd Avenue
- two parallel barns of low-pitch gable roofs
- regular pattern of rooftop monitors on northern range of building
- repetitive pattern of window openings
- simple wood-frame multi-paned sliding windows
- Art Moderne streamlined addition
- large open interior volume in two parts
- exposed timber frame and trusses
- gantry cranes

SOURCES

City of Vancouver Heritage Register files

Luxton, Donald. *Building the West: Early Architects of British Columbia*. Vancouver: Talon, 2003

Commonwealth. "The Historic Character of The Private Lands at Southeast False Creek". Report for City of Vancouver Planning Department by Commonwealth Historic Resource Management Ltd., February 2006.

2.0 Conservation Plan

The barns are in very poor condition. Early in 2009, the City required the bracing of the building to prevent its collapse onto the public sidewalk. There are several holes in the roof, and securing what can be salvaged is not possible without dismantling the building. As such, the south and north barns, the connecting link, and the gantry crane, will be dismantled and stored off site. Once the site is cleared, an underground parking structure will be constructed, then the south and north barns will be re-assembled, essentially in the relationship they are today. Both barns will be shortened to accommodate the introduction of the East Tower on Quebec Street and the south barn will be set 5 feet further back from the existing property line, to make way for the dedication of an expanded public realm on 2nd Avenue. As part of the rezoning, the owner is required to enter into a Restoration Covenant to the satisfaction of the City, which will outline the conservation process and set timelines. In addition, a Heritage Revitalization Agreement will be registered against the lands and secure long-term obligations to maintain the heritage buildings and features in good order.

South Barn — Nine of the original 12 structural bays will be carefully deconstructed, tagged, catalogued, transported to an off-site shop, rehabilitated and then reconstructed on the completed two-level underground garage. The heavy timber posts and trusses would be retained, structurally repaired, upgraded as required, or replaced where necessary. The purlins and roof boards would be replaced in identical profiles, unless building code requirements force slightly larger sizes or more closely spaced members.

As much as possible of the existing cladding board will be salvaged and re-used, with the balance being replaced in exact profile. The existing single-pane, wood-frame windows, upper and lower, will be rehabilitated using wood and re-glazed as required. Any member or sash/frame replacement would be in the original species, configuration, operation, and member profile.

The east façade of the building would be a fully glazed curtain wall to emphasize the intervention and provide visual access to the interior volume. Some alteration to the existing ground-floor windows along 2nd Avenue is anticipated in order to make the ground-floor retail/commercial viable. However, the design intention is to retain the historic quality of a series of punched openings as opposed to continuous glazing.

The existing ventilation cupolas will be restored and new skylights on the north section of the roof will be added to provide more light. The rooftop flue, with “china hat” detailing, will be restored. Outboard rigid insulation — under new, sawn, red-cedar roof cladding — will be installed to allow new roof boards to be exposed to the interior. A sandwich-panel wall-enclosure system will be constructed to allow exposed interior cladding similar to the existing condition. The building will be painted a reddish-brown colour with yellow trim, to match the original colour scheme.

North Barn — Three of the original 14 structural bays would be carefully deconstructed, tagged, catalogued, transported to an off-site shop, rehabilitated and reconstructed on the completed two-level underground garage. The heavy timber posts and trusses would be retained, structurally repaired, upgraded as required, or replaced where necessary. The purlins and roof boards would be replaced in identical profiles, unless building code requirements force slightly larger sizes or closer spaced members. As much as possible of the existing cladding board will be salvaged and re-used, with the balance being replaced in exact profile.

The existing single-pane, wood-frame windows, upper and lower, would be rehabilitated using wood and re-glazed as required. Any member or sash/frame replacement would be in the original species, configuration, operation, and member profile.

Gantry Crane — The principal artifact being retained and restored is the traveling crane and crane way. The existing crane way would be carefully deconstructed and removed off site and structurally repaired or upgraded as required. The crane way would be re-assembled in the original location to create a frame for the open surface parking lot off the lane. The eastern end of the crane way and the traveling crane would be housed within a double-height fully glazed room on the ground floor of the East Tower. The glazed area will allow views from Quebec Street through the site to the north barn, and views of the gantry crane and frame.

The **swinging pivot** crane currently located in the north building would be dismantled, tagged and catalogued and stored off-site and re-assembled in the rehabilitated building. Miscellaneous artifacts, including, wooden casting patterns, timber grilles and tools, would be retained and interpreted in the rehabilitated building.

Signage — The original Opsal Steel metal signage, attached to the 1930s building on the corner of Quebec Street and 2nd Avenue, would be re-fabricated, and mounted on either the heritage or new building. The original painted Opsal Steel sign would be cut away from the siding and re-mounted on the outside of the south barn, in a location similar to the existing condition.

* * * * *

15 and 97 East 2nd Avenue
ADDITIONAL INFORMATION

1. Comments of the General Manager of Engineering Services

Engineering Services reviewed the application and, in a memo dated December 2, 2009, the Projects Engineer stated that Engineering Services has no objection to the proposed rezoning provided that specific conditions are met. In the memo, a number of rezoning conditions were listed for inclusion in the staff report. These have been inserted in Appendix C as design development conditions (b)39 and (b)40, and as conditions of by-law enactment (c)1(i) through (c)1(xii).

In addition to the rezoning conditions, the following detailed comments must be addressed at the development permit stage:

- Separated garbage storage areas are required for each use on the sites.
- Doors should not swing over the ultimate property or widening lines.
- All widening and property lines (existing and ultimate) should be clearly shown on the plans.
- Provision of an improved plan showing design elevations on both sides of the parkade ramps at all break points and within the parking areas clearly indicating slopes and cross falls.
- Number all parking stalls.
- Provision of minimum vertical clearance of 7' -6½" from the laneway to all required manoeuvring aisles and access to disability parking spaces.
- Provision of a section drawing through the loading bays and ramps for the underground parking showing elevations and vertical clearance.
- Dimension all columns encroaching into parking stalls.
- Modify the bottom of the main ramp for the East Tower to provide adequate two-way flow.
Note to applicant: A corner cut would achieve this.
- Provision of an additional parking stall width adjacent to walls or stalls with columns set back more than 4 ft. from the end of the stall.
- Modify column placement to provide the required manoeuvring aisle width.
Note to applicant: Some of the columns are protruding into the manoeuvring aisle.
- Provision of measures to improve visibility of oncoming traffic on the ramp and drive aisles.
- Provision of required throat widths for all Class B loading spaces as per the Parking By-law.

West Tower Residential requirements

- Provision of 1 Class A loading space.

East Tower Residential requirements

- Provision of 7 disability parking spaces (4 shown in application).
- Provision of 2 Class A and 1 Class B loading spaces (none shown in application).
- Provision of 4 car-share spaces (2 shown in application).

Opsal Building requirements

- Provision of 1 Class B loading space
- Provision of 1 disability parking space
- Provision of Class A bicycle parking spaces.
- Removal of the westerly driveway access for the surface parking area to reduce the number of crossings onto the lane.

2. Vancouver Heritage Commission

The Vancouver Heritage Commission reviewed the proposal on October 26, 2009 meeting, the VHC supported the project with conditions (see motion below). Staff will report back to the Commission at the Development Permit stage on these and other staff conditions.

RESOLVED

THAT the Vancouver Heritage Commission generally supports the Conservation Plan as presented at this meeting, particularly noting the following:

South Barn

- a) The Commission does not support full glazing as presented but recommends the general rhythm of punched openings;
- b) The Commission does not support the new monitors, but does support the retention of existing monitors;
- c) The Commission supports skylights in the plane of the north shed of the roof as an acceptable alternative to the proposed new monitors;
- d) The Commission recommends the applicant should consider retaining more of the length of the south façade on 2nd Avenue to retain the original lettering in its original location; with an abstract interpretation being better than the truncated facade; and
- e) The Commission supports the consistent use of contemporary butt glazing where new glazing is indicated.

North Barn

- a) The Commission recommends the existing windows be retained where possible;
- b) The Commission supports the monitors being retained; and
- c) The Commission supports remaining in situ the traveling crane track.

CARRIED UNANIMOUSLY
(Kim Maust absent for vote)

RESOLVED

THAT the Vancouver Heritage Commission recommends reconsideration of the relationship of the tower to the Opsal Steel building, suggesting that extension of the South Barn south façade would greatly improve the relationship.

CARRIED UNANIMOUSLY
(Kim Maust absent for vote)

3. Urban Design Panel

The Urban Design Panel reviewed an earlier scheme of this proposal, with towers heights at 12 and 18 storeys, on November 19, 2008 and it was not supported. The Panel reviewed the scheme presented in this report on December 2, 2009 and supported it. Below are the relevant minutes from that meeting.

EVALUATION: SUPPORT (5-2)

Introduction: Dale Morgan, Development Planner, introduced the proposal to rezone two parcels from M-2 Industrial to CD-1 residential in conformance with the Southeast False Creek ODP and partial retention and integration of the heritage resource, the Opsal Steel Building. Retail uses are proposed at grade with residential above.

Mr. Morgan noted that this was the second review by the Panel as it received none support although there was support for the proposed height and density. At the last review the proposed height was for 12 and 18 storeys with density of 4.3 and 5.1 FSR. The current proposal has increased the height of the east building from 18 to 24 storeys.

The Panel wanted to see the relationship of the East Tower to the Opsal Building improved so that there is a clear landmark entry to the heritage building from the corner of Quebec Street and 2nd Avenue. Also they wanted to see a clear separation between the old and new structures so the warehouse character of the heritage building was retained. The Panel asked the applicant to consider putting the East Tower behind the Opsal Steel Building and retaining as much of the existing heritage structure on 2nd Avenue as possible. The east end elevation of the Opsal Building should maintain its historic connection to the corner of 2nd Avenue and Quebec Street. Finally the Panel asked the applicant to keep with the spirit of Southeast False Creek and change the surface of the parking area to a plaza.

Mr. Morgan described the context for the site noting the two parcels are separated by a small mid-block site that is currently a car wash. He then described the changes proposed by the applicant since the last review.

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

- Given the increase of height above the recommended ODP from 15 to 24 storeys, and the resulting building form of a taller slender tower, does this extra height and change in building topology effectively weaken that the overall urban design as originally envisioned for the Southeast False Creek basin?
- Aside from the parking at grade indicated on the heritage site, has the resubmission satisfactorily addressed the previous concerns of the Panel?

Mr. Morgan took questions from the Panel.

Applicant's Introductory Comments: Jim Hancock, Architect, further described the proposal noting that the basic premise is to make the East Tower as narrow as possible to pull it away from the heritage building. One more bay has been added from the previous scheme. The building has taken on a slightly different form and they have attempted to have some fun with the balconies. A portion of the rear building will also be preserved. Because the site

has been split in two, the West Tower will have a more traditional expression. The old crane way is being preserved and there will be some surface parking off the lane. Mr. Hancock stated that there are plans to have a brew pub in the building off the lane. The density hasn't been increased but the height of the East Tower has been increased.

Michael Patterson, Landscape Architect, described the landscape plans noting the streetscape treatment is coming from the City's guidelines. In terms of the boulevard and parking area treatment, there will be concrete sidewalks and granite setts. The overhead structure for the crane will be delineated in the ground plane with a stronger band of darker concrete. In the courtyard area a water feature is proposed that will wrap around the building. There will be roof decks that incorporate both exterior amenity space as well as a green roof. On the top of the tower there will be a patterned green roof.

The applicant team took questions from the Panel.

Panel's Consensus on Key Aspects Needing Improvement:

- Further Design development to the corner of Quebec Street and 2nd Avenue including the relationship of the East Tower to the heritage structure;
- Consider retaining as much of the Opsal Building frontage as possible and preserving the unique qualities of the site;
- Consider retaining the heritage truss structure over the rear portion of the site; and
- Consider additional height to the base of the East Tower in order to preserve the entire Opsal Building along 2nd Avenue.

Related Commentary: The Panel supported the proposal and thought the design had been improved since the last review and would fit with the neighbourhood.

The Panel felt there was a need for some design development at the corner of Quebec Street and 2nd Avenue. The Panel had some concerns regarding the East Tower with the relationship to the Opsal Building and felt there needed to be more room between the two buildings. They also thought the corner expression needed to be considered similar to the lane corner, that the tower should be kept light and high at the corner, and that the ground plane be more transparent. The Panel thought that retaining more of the heritage building and raising the tower further to allow the heritage to slide under the tower would be a better design solution. The Panel felt the tower could have a smaller floor plate and another two floors could be added to keep the amount of density.

The Panel supported keeping the extra bay in the heritage building with a couple of Panel members encouraging the applicant to consider the adjacency to the car wash site regarding future development. They fully supported the design for the gantry cane which will be incased in a glass space.

Several Panel members thought the quality of the ground-plane materials would be important especially in the parking area. One Panel member suggested reviewing the number of parking stalls, as most people will walk to the site from the surrounding buildings. Another Panel member suggested eliminating the parking and turning the area into an opportunity for the public realm to enjoy the heritage rather than as a back drop or entry to the parkade. Several Panel members suggested retaining the rhythm of the trusses to express the form of

the old buildings. Also, it was suggested that the gantry area be heated as it would make a fantastic terrace for a neighbourhood pub or restaurant. One Panel member noted that the street is different from any other place in the city, that it is actually unusual and differs from the basic precept of the ODP and, as there is little industrial presence still existing, it would be a shame to not retain as much of the building as possible. The Panel member also thought there was value in retaining the signage on the Opsal Building.

Applicant's Response: Mr. Hancock said they were looking for opportunities for a different building form. Ms. Maust said she appreciated the comments and looked forward to incorporating them into the design.

4. Staff Urban Design Analysis

East Tower – The site's high visibility from a westerly approach along 2nd Avenue, and its marking as a southern boundary and gateway into SEFC, support a rational basis for a higher building at this location. Although the proposed increase from 15 to 24 storeys is significant, the higher height does support the objective to lend visual prominence for landmark sites. Because of this landmark potential and because of the considerable extra height proposed, staff are seeking an architectural quality worthy of its special landmark status. (See Form of Development Condition (b)1 in Appendix C.)

The distribution of density across the east and west sites is also a factor in the determination of building height. The unique challenges posed by the integration of the refurbished Opsal Building within the new development call for special consideration of the siting of the East Tower, particularly its spatial relationship with the Opsal Building and the surrounding ground plane. Design issues addressed in the form of development conditions include:

- Visible presence of the Opsal Building as seen from the adjacent street corners [(b)5];
- Public realm connectivity within and around the Opsal Building [(b)2 and (b)3]; and
- Scale disparities between the East Tower and the Opsal Building [(b)4].

For these reasons, a significant size reduction of the lower floor levels of the East Tower and a slimming of its overall massing are proposed to enable the Opsal Building more "breathing room". Consequently, the displaced density of the lower floor levels is reallocated to the upper massing of the tower form, which while adding additional height results in a more compatible relationship with the heritage structure. [Subject to Design Condition (b)4.]

The top two floors are stepped back on the northern and western flanks, reducing shadowing and apparent scale as would be experienced from neighbours to the north and west. The full un-modulated expression of a continuous 24-storey tower form is positioned tight to the corner, as is appropriate for a landmark site. The shadow profile, although considerably longer than a 15-storey structure, is noticeably narrower than a lower, squatter building, and has arguably less negative impact on its immediate neighbours to the north than would otherwise be the case.

The scope of the heritage preservation costs, and the necessity to develop the site with a built form compatible with both the neighbourhood and the existing on-site heritage, all support the tower height exceeding the maximum envisaged under the ODP. When the applicant proposed to increase the height to 24 storeys, staff discussed an additional heritage "offering" as an off-setting measure to the added height. The goal of this discussion was to

challenge the applicant to retain more of the site's unique historic value, without adding additional costs to the pro forma. Staff suggested providing a view of the rear barn and gantry crane from Quebec Street. In response, the applicant proposes to extend the crane rails to Quebec Street and locate the gantry crane in a transparent area dedicated to retail uses within the base of the East Tower. This glass enclosure will retain the gantry crane in its original location, protect it from weather damage and afford a view through the site to the north barn off the lane. With retention of the majority of the south barn and the views through the site to the north barn and the crane, staff now feel the request for additional height has been offset by the scale of heritage conservation proposed. (See glass enclosure in Appendix G, page 2 of 5.)

West Tower — Although the West Tower is 4 storeys higher than what the ODP recommends, the overall maximum height of 38 m is consistent with maximum recommended height in the ODP. The increase in the height of the West Tower from 8 to 12 storeys is also supportable on the basis that it preserves the intended hierarchy of urban form of the surrounding sites while absorbing some of the bonus density that accrues from the Opsal Building.

* * * * *

15 and 97 East 2nd Avenue
FORM OF DEVELOPMENT

View of proposed 24-storey East Tower – looking northwest from 2nd Avenue and Quebec Street

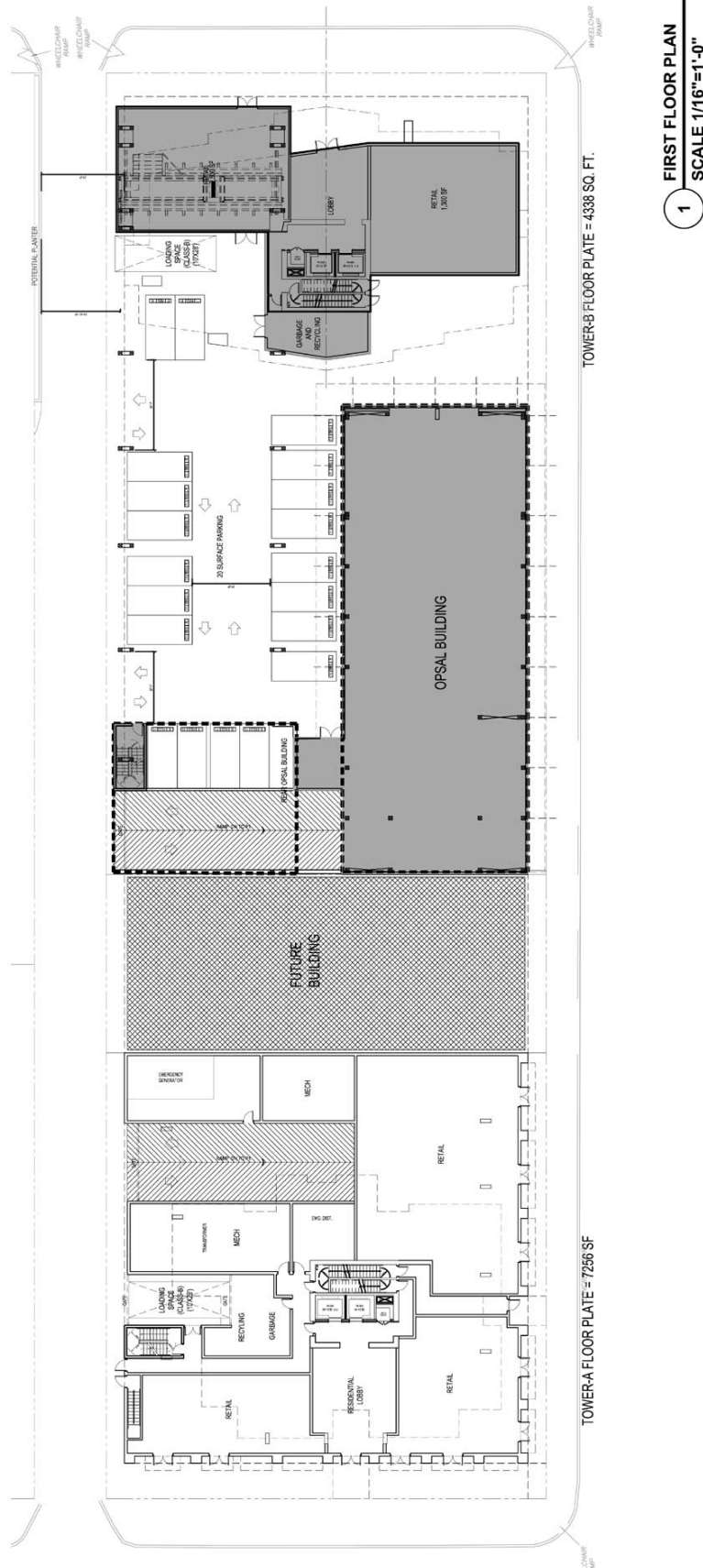


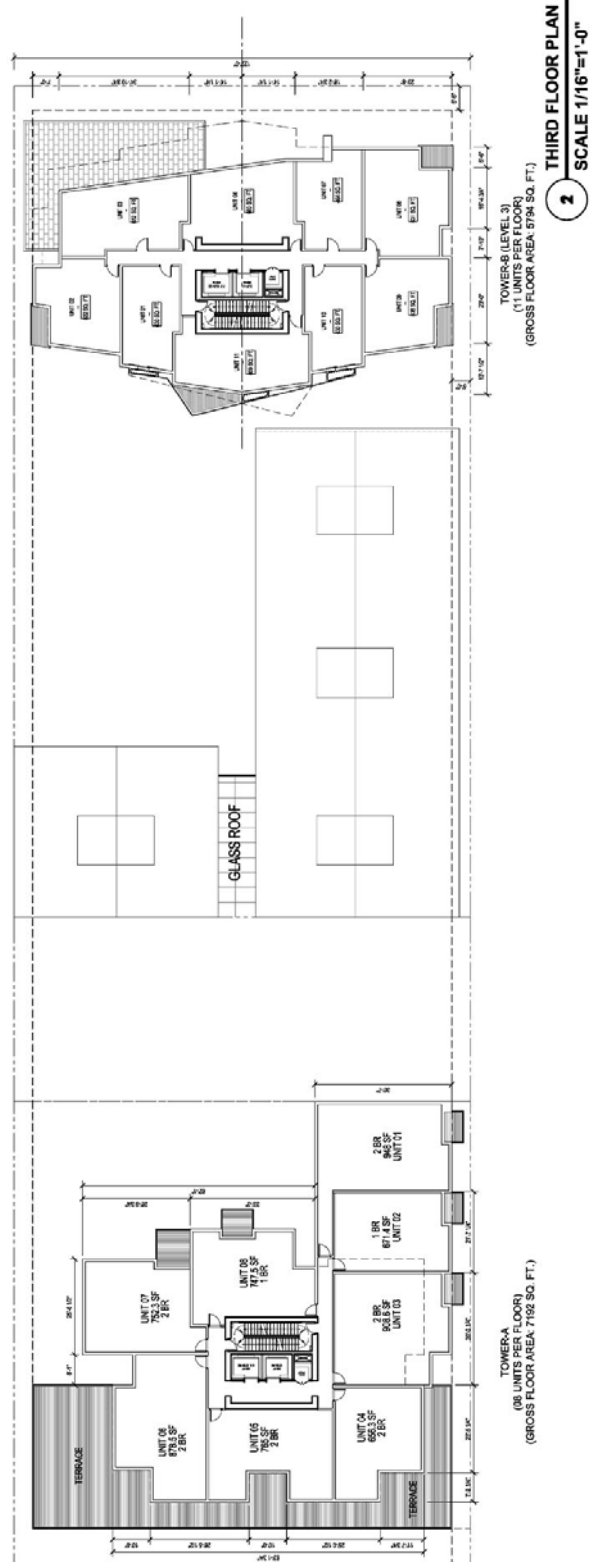
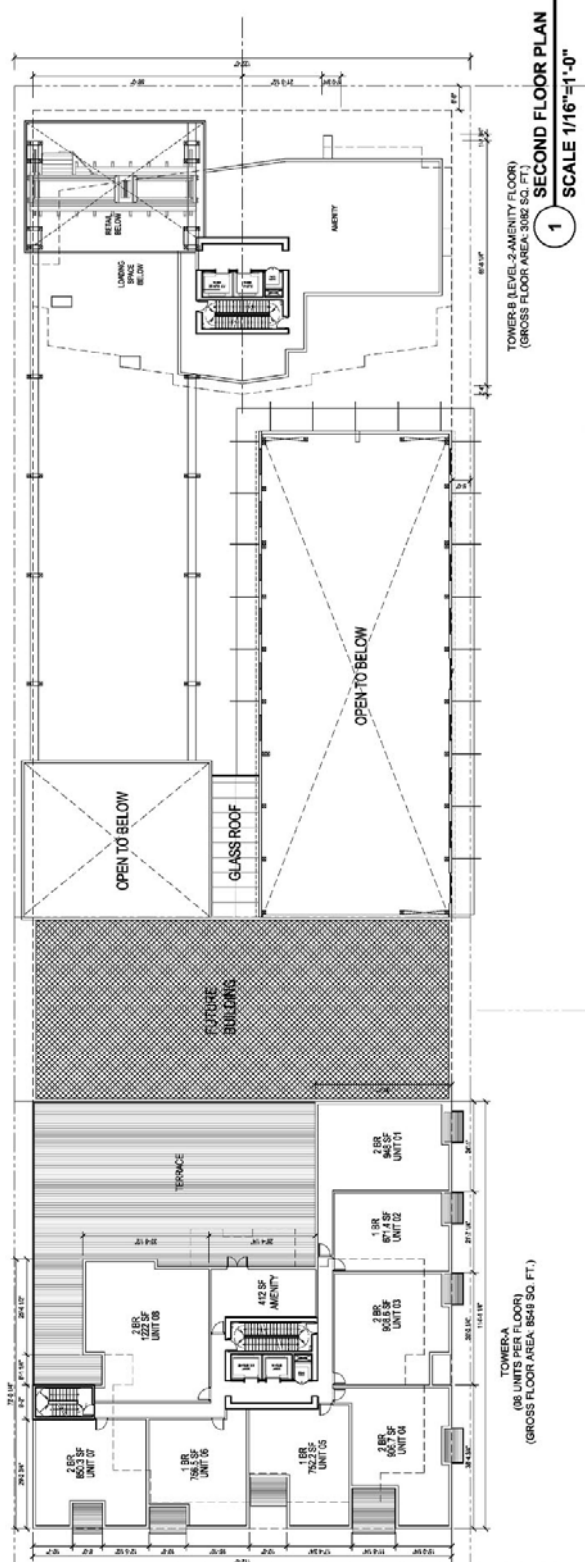
View of proposed development – looking northeast from Ontario Street and 2nd Avenue

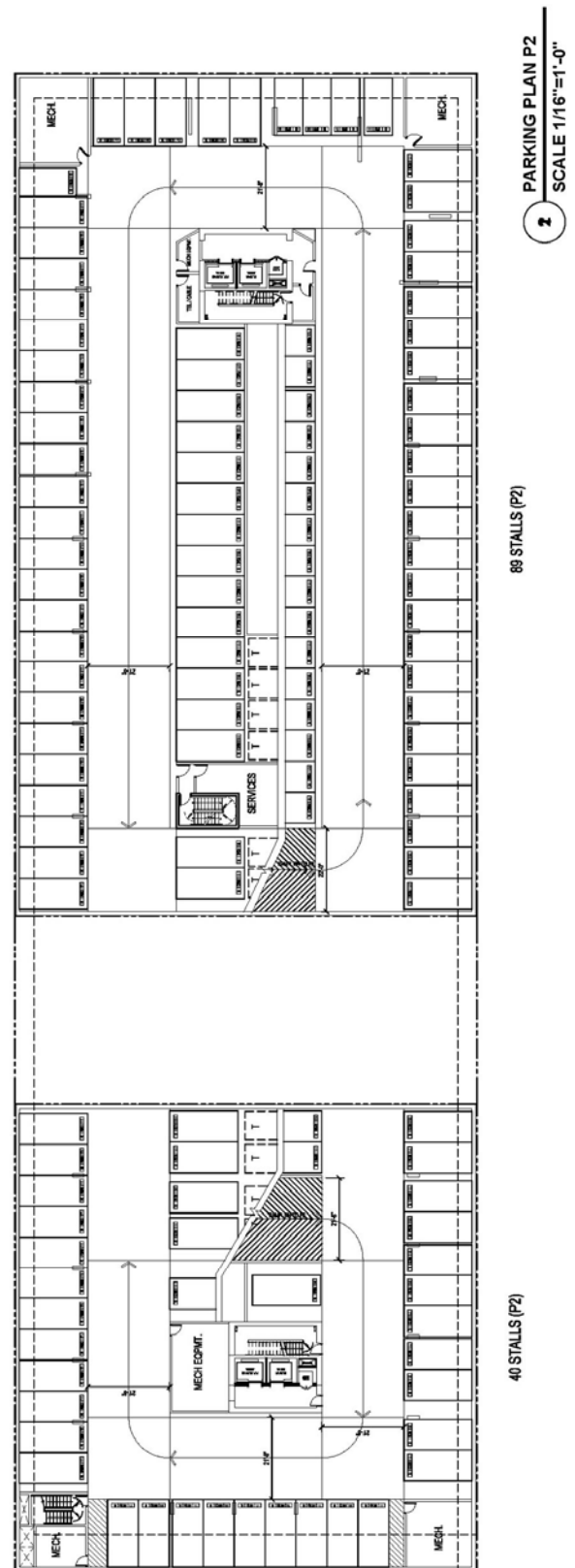


View of glass enclosure at base of East Tower – showing gantry crane inside and north barn beyond











Note: To view higher quality versions of these drawings (including colour), access the PDF version of the Policy Report on line at vancouver.ca. Refer to the City Council meeting agendas.

15 and 97 East 2nd Avenue
LEED CHECKLIST

OPSAL STEEL

EAST SECOND, ONTARIO, AND QUEBEC STREET
VANCOUVER, BC



LEED CANADA Registered Project Checklist

Opsal (Ontario&2nd, Quebec&2nd)

Vancouver, BC

Yes ? No

11 1 2 Sustainable Sites **14 Points**

Y			Prereq 1	Erosion & Sedimentation Control	Required
1			Credit 1	Site Selection	1
1			Credit 2	Urban Redevelopment	1
1			Credit 3	Brownfield Redevelopment	1
1			Credit 4.1	Alternative Transportation, Public Transportation Access	1
1			Credit 4.2	Alternative Transportation, Bicycle Storage & Changing Rooms	1
1			Credit 4.3	Alternative Transportation, Alternative Fuel Vehicles	1
	1		Credit 4.4	Alternative Transportation, Parking Capacity	
1			Credit 5.1	Reduced Site Disturbance, Protect or Restore Open Space	1
1			Credit 5.2	Reduced Site Disturbance, Development Footprint	1
1			Credit 6.1	Stormwater Management, Rate and Quantity	1
		1	Credit 6.2	Stormwater Management, Treatment	
		1	Credit 7.1	Landscape & Exterior Design to Reduce Heat Island Effect, Non-Roof	
1			Credit 7.2	Landscape & Exterior Design to Reduce Heat Island Effect, Roof	1
1			Credit 8	Light Pollution Reduction	1

Yes ? No

2 3 Water Efficiency **5 Points**

1			Credit 1.1	Water Efficient Landscaping, Reduce by 50%	1
		1	Credit 1.2	Water Efficient Landscaping, No Potable Use or No Irrigation	
		1	Credit 2	Innovative Wastewater Technologies	
1			Credit 3.1	Water Use Reduction, 20% Reduction	1
		1	Credit 3.2	Water Use Reduction, 30% Reduction	

Yes ? No

4 4 Energy & Atmosphere **17 Points**

Y			Prereq 1	Fundamental Building Systems Commissioning	Required
Y			Prereq 2	Minimum Energy Performance	Required
Y			Prereq 3	CFC Reduction in HVAC&R Equipment	Required
1			Credit 1	Optimize Energy Performance	5
1			Credit 2.1	Renewable Energy, 5%	1
1			Credit 2.2	Renewable Energy, 10%	1
		1	Credit 2.3	Renewable Energy, 20%	
		1	Credit 3	Additional Commissioning	
		1	Credit 4	Ozone Depletion	
		1	Credit 5	Measurement & Verification	
1			Credit 6	Green Power	1

OPSAL STEEL

EAST SECOND, ONTARIO, AND QUEBEC STREET
VANCOUVER, BC

4	2	7	Materials & Resources	14 Points
Y			Prereq 1 Storage & Collection of Recyclables	Required
		1	Credit 1.1 Building Reuse , Maintain 75% of Existing Walls, Floors and Roof	
		1	Credit 1.2 Building Reuse , Maintain 95% of Existing Walls, Floors and Roof	
		1	Credit 1.3 Building Reuse , Maintain 50% of interior non-Structural Elements	
1			Credit 2.1 Construction Waste Management , Divert 50%	1
1			Credit 2.2 Construction Waste Management , Divert 75%	1
1			Credit 3.1 Resource Reuse , Specify 5%	1
		1	Credit 3.2 Resource Reuse , Specify 10%	
	1		Credit 4.1 Recycled Content , Specify 5% (post-consumer + ½ post-industrial)	
		1	Credit 4.2 Recycled Content , Specify 10% (post-consumer + ½ post-industrial)	
	1		Credit 5.1 Local/Regional Materials , 20% Manufactured Regionally	
		1	Credit 5.2 Local/Regional Materials , of 20% Above, 50% Harvested Regionally	
1			Credit 6 Rapidly Renewable Materials	1
		1	Credit 7 Certified Wood	
Yes	?	No		
11	1	3	Indoor Environmental Quality	15 Points
Y			Prereq 1 Minimum IAQ Performance	Required
Y			Prereq 2 Environmental Tobacco Smoke (ETS) Control	Required
		1	Credit 1 Carbon Dioxide (CO₂) Monitoring	
1			Credit 2 Increase Ventilation Effectiveness	1
	1		Credit 3.1 Construction IAQ Management Plan , During Construction	
		1	Credit 3.2 Construction IAQ Management Plan , Before Occupancy	
1			Credit 4.1 Low-Emitting Materials , Adhesives & Sealants	1
1			Credit 4.2 Low-Emitting Materials , Paints and Coating	1
1			Credit 4.3 Low-Emitting Materials , Carpets	1
1			Credit 4.4 Low-Emitting Materials , Composite Wood and Agrifiber	1
		1	Credit 5 Indoor Chemical & Pollutant Source Control	
1			Credit 6.1 Controllability of Systems , Perimeter Spaces	1
1			Credit 6.2 Controllability of Systems , Non-Perimeter Spaces	1
1			Credit 7.1 Thermal Comfort , Comply with ASHRAE 55-2004	1
1			Credit 7.2 Thermal Comfort , Permanent Monitoring System	1
1			Credit 8.1 Daylight & Views , Daylight 75% of Spaces	1
1			Credit 8.2 Daylight & Views , Views for 90% of Spaces	1
Yes	?	No		
1		4	Innovation & Design Process	5 Points
		1	Credit 1.1 Innovation in Design: educational aspect of sustainability	
		1	Credit 1.2 Innovation in Design: Provide Specific Title	
		1	Credit 1.3 Innovation in Design: Provide Specific Title	
		1	Credit 1.4 Innovation in Design: Provide Specific Title	
1			Credit 2 LEED™ Accredited Professional	1
Yes	?	No		
33	4	23	Project Totals (pre-certification estimates)	37
Silver				
Certified 26-32 points Silver 33-38 points Gold 39-51 points Platinum 52-69 points				

15 and 97 East 2nd Avenue
APPROACH TO UNIVERSAL DESIGN

As part of their rezoning application the Applicant was required to submit the Safer Homes Checklist to indicate their approach to ensuring maximum access is provided for all persons with varying levels of mobility and sensory ability. This Appendix includes the Safer Homes Checklist submitted by the applicant.

SAFER HOME CERTIFICATE CRITERIA

CHECKLIST

- ✓ All exterior thresholds are flush
- ✓ Interior thresholds meet minimal code constraints
- ✓ Bath and shower controls off set from center
- ✓ Pressure/temperature control valves on all shower faucets
- ✓ 2"x12" blocking lumber in all washrooms tub, shower, and toilet locations
- ✓ Waste pipes brought in at 12" to the centre of the pipe from floor level
- ✓ Cabinets underneath sinks easily removable
- ✓ Doors a minimum of 34" wide but should be ideally be 42" wide
- ✓ Hallways and stairways a minimum of 40" wide but should ideally be 42" wide
- ✓ Light switches 42" floor to the centre of the electrical box from the finished floor
- ✓ Receptacles 18" floor to the centre of the electrical box from the finished floor
- ✓ Electrical receptacles placed as follows"
 - ✓ Beside windows, especially where draperies may be installed
 - ✓ Top and bottom of stairways
 - ✓ Beside the water closet
 - ✓ Above external doors (outside and inside)
 - ✓ On front face of kitchen counter
 - ✓ At Node Zero Location
- ✓ Larger grey electrical boxes utilized
- ✓ Four-plex receptacles in master bedroom, home office, garage and rec room
- ✓ Level 5 (4 pair) telephone pre-wire to all areas returning to one central area
- ✓ RG-5 coaxial cable runs returning to one central area
- ✓ All low-voltage runs returning to one central area
- ✓ Walls at the top of stairs reinforced with 2"x12" at 36" to centre
- ✓ Either allowance made for elevator in stacked closets, or make the staircase 42" wide

15 and 97 East 2nd Avenue
APPLICANT, PROPERTY, AND DEVELOPMENT PROPOSAL INFORMATION

APPLICANT AND PROPERTY INFORMATION

Street Address	15 and 97 East 2nd Avenue
Legal Description	Lot A and Lots 1 to 12 & E½ of 13, Block 8, DL 200A, Plan 197
Applicant	IBI/HB Architects
Architect	IBI/HB Architects
Property Owners	0619933 BC Ltd. and Montsal Holdings Ltd.
Developer	Bastion Developments Corp.

SITE STATISTICS (prior to any dedications)

	GROSS	DEDICATIONS	NET
Frontage	west site - 123.94 ft. east site - 222.75 ft.	west site - 5 ft. east site - none	west site - 118.94 ft. east site - 222.75 ft.
Depth	122 ft.	5 ft.	117 ft.
Site Area	west site - 15,135 sq. ft. east site - 27,175 sq. ft.	west site - 1,205 sq. ft. east site - 1,114 sq. ft.	west site - 13,930 sq. ft. east site - 26,061 sq. ft.

DEVELOPMENT STATISTICS

	DEVELOPMENT PERMITTED UNDER EXISTING ZONING	PROPOSED DEVELOPMENT	RECOMMENDED DEVELOPMENT
ZONING	M-2	CD-1	as proposed
USES	Manufacturing, Retail, Service, Transportation & Storage, Utility & Communication, Wholesale	Dwelling Uses, Commercial Uses	Dwelling Uses, Live-Work Use, Commercial Uses, Institutional Uses (some)
DWELLING UNITS	n/a	west site - 68 units east site - 190 units	25% of units are to be suitable for families
MAX. FLOOR SPACE RATIO	5.0 (M-2) 3.5 (SEFC ODP)	west site - 4.29 east site - 5.09	as proposed
MAX. FLOOR AREA		west site - 64,959 sq. ft. east site - 138,226 sq. ft.	as proposed
MAXIMUM HEIGHT	west site - 38.1 m east site - 47.0 m (ODP maximums)	west site - 38.1 m east site - 72.2 m	as proposed
MAX. NO. OF STOREYS	west site - 8 storeys east site - 15 storeys (ODP optimums)	west site - 12 storeys east site - 24 storeys	as proposed
PARKING SPACES	Parking By-law	west - 69 east - 154	Parking By-law
2ND AVE. SETBACK		5.0 ft. dedication	as required/proposed
ONTARIO ST. SETBACK		5.0 ft. dedication	as required/proposed
LANE SETBACK		5.0 ft. SRW for new buildings (for lane lighting)	as required/proposed