

THE GASTOWN HERITAGE MANAGEMENT PLAN

November 2001

This report was prepared for

The Planning Department, City of Vancouver and the
Heritage Branch, Ministry of Community, Aboriginal and Women's Services,
Province of British Columbia

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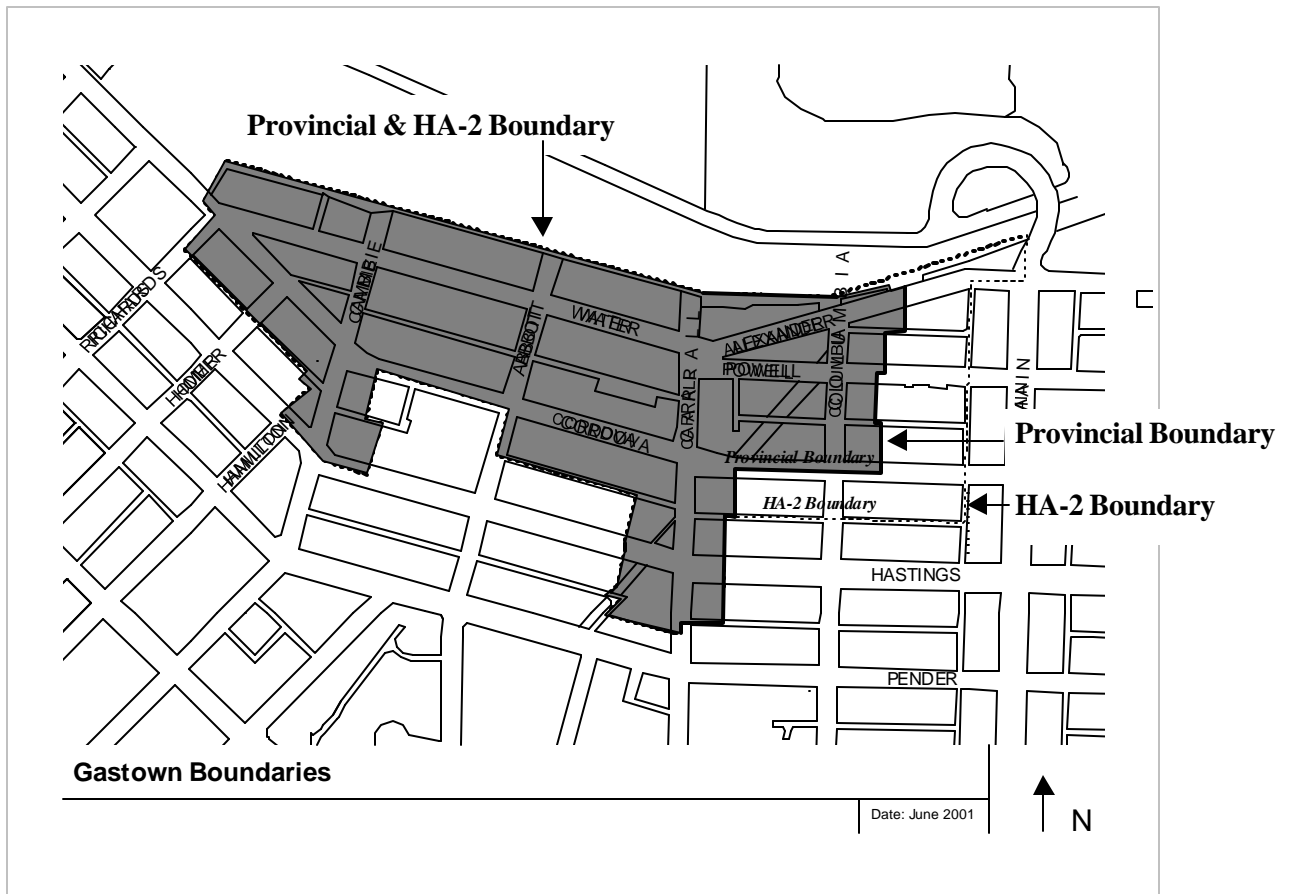
APPENDIX A: DESIGN GUIDELINES

THE STUDY AREA

The area covered in the Gastown Heritage Management Plan study consists of the Provincially designated heritage site and the City's HA-2 zoning district.

These two boundaries are illustrated on the map below and show that while they are mostly contiguous the HA-2 boundary extends further to the east.

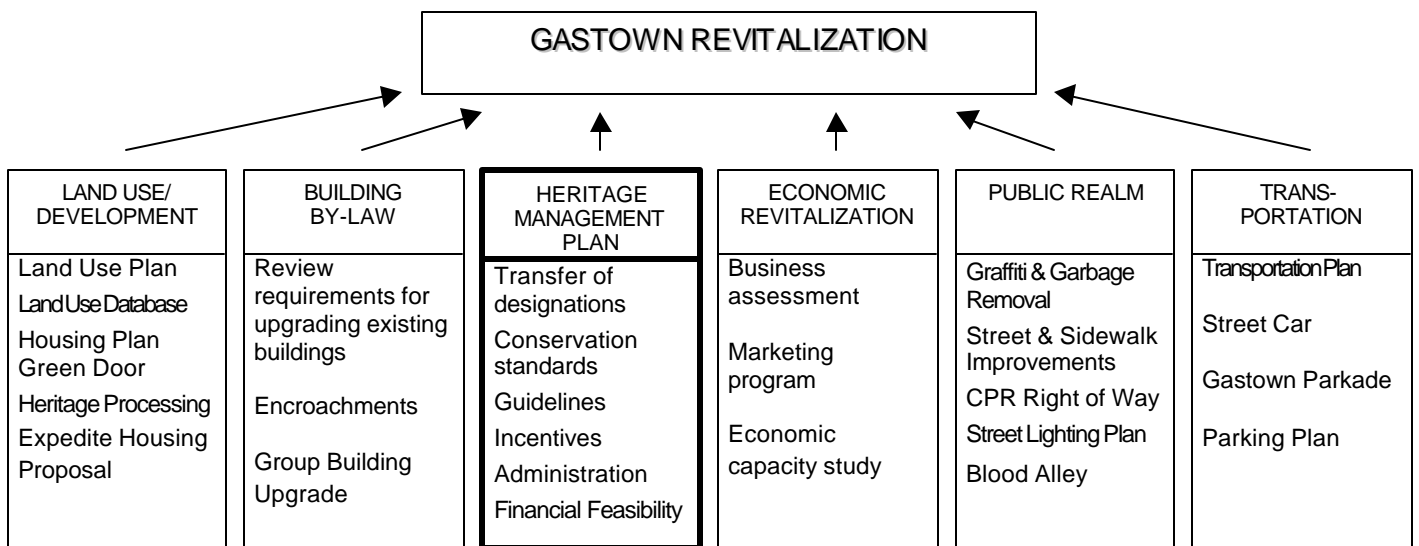
The Gastown Heritage Management Plan proposes to create a Gastown Heritage Conservation Area which encompasses both the existing Provincial and HA-2 areas.



INTRODUCTION

The Plan

In May 2000 the City of Vancouver and the Province of British Columbia commissioned a study to develop a Heritage Management Plan for Gastown. The primary purpose of the study has been to develop effective heritage conservation strategies and implementation tools to conserve Gastown's historic built environment. Other related and important concurrent studies concerning land use, housing, transportation and economic revitalization are also being undertaken by the City. These, together with the Heritage Management Plan, will provide an overall revitalization strategy for Gastown.



The Gastown Heritage Management Plan sets the direction for physical change in Gastown, and is the product of intense study and public review undertaken in 2000 and 2001. The research, analysis, discussions and alternatives considered in preparing for the Plan are contained in four additional reports that can be consulted for background information, as follows:

- The *Discussion Papers* (July 2000), provide an assessment of existing conditions, key issues and concerns, and what direction might be considered related to each of the study's main subject areas;
- The *Interim Report* (February 2001), describes a range of possible directions to achieve heritage conservation in Gastown;

- The *Draft Heritage Management Plan* (June 2001), suggests direction and guidance for physical changes to the buildings of Gastown, and provides policy recommendations on a range of tools and incentives to conserve and maintain heritage buildings – all for discussion with stakeholders before finalizing the Plan;
- The *Background Studies* (September 2001), contain a number of technical papers, including:
 - Provincial Heritage Branch Statement Regarding Transfer of Heritage Designations to the City of Vancouver;
 - Economic Inputs (September 2001);
 - Incentives/Residuals/Transfers (August 2001).

The principal objective of the Gastown Heritage Management Plan is to facilitate the conservation of the heritage structures in Gastown.

The Plan sets out the Vision and six primary Goals with associated recommended Actions:

- Goal 1 Conserve Gastown's Authentic Heritage Resources
- Goal 2 Adopt Effective Regulatory and Protective Mechanisms
- Goal 3 Provide Real Incentives for Building Conservation
- Goal 4 Develop an Effective Management and Administrative Framework
- Goal 5 Adopt Clear Standards and Guidelines
- Goal 6 Encourage Economic Revitalization for the Gastown Area

To achieve these goals, a number of actions are recommended. Some relate to removing disincentives from current regulations and processes while others recommend specific financial incentives in the form of tax relief, grants and density bonuses.

While the Plan shows the way to begin the conservation of the physical structures in Gastown, the overall social and economic conditions must be improved for the needed long term revitalization of Gastown to occur.

If improvements are not achieved in these social and economic conditions, the difference between costs of conservation work and revenues will increase, the size of the incentives needed will rise, the value of density bonusing will decline and the whole program will become unaffordable for owners and the City. The seriousness of this possibility, and the potential loss of this uniquely valuable piece of Vancouver to future generations, are what generate the urgent need to support the provisions of this Plan and to vigorously pursue the remainder of the City's Gastown Revitalization Strategy.

The key components of the Gastown Heritage Management Plan can be summarized as:

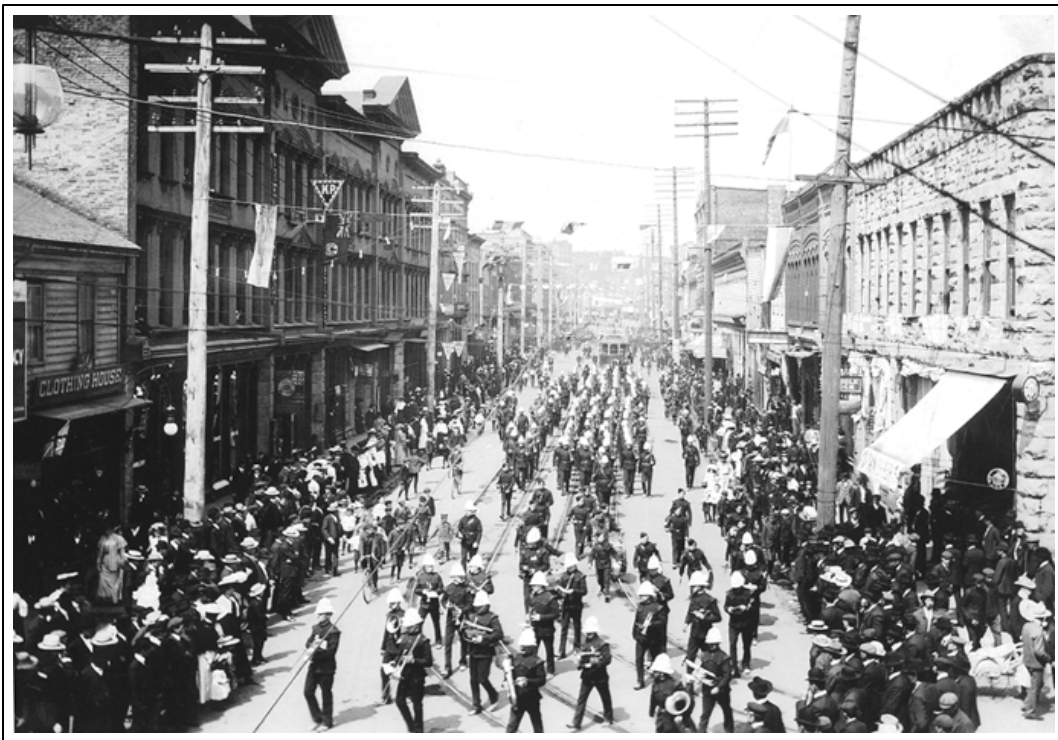
A Gastown Vision Statement
Straightforward Regulations And Standards
New Direct Financial Incentives
For The First Time - A Gastown Manager
Much Simplified Development Review Procedures
Density Bonuses and
The Removal of Disincentives

BACKGROUND

Gastown

As the City's birthplace, Gastown is an irreplaceable historic resource of great significance to the citizens of Vancouver, as well as to British Columbia and Canada. Beginning with the arrival of the transcontinental railway in 1887, this settlement on the shores of Burrard Inlet provided the core of industrial, commercial and residential uses that established Vancouver as a major port on the Pacific Ocean. The collection of buildings within the area, almost all of which date from between the Great Fire of 1886 and the onset of the First World War in 1914, are among the most historic and distinguished pieces of Vancouver's architectural heritage. They include some of Vancouver's most notable examples of Victorian Italianate and Edwardian Commercial building styles.

Once doomed by freeway construction and urban renewal, Gastown and the adjacent area of Chinatown were saved by citizen activists in the 1960s. At the City's request the Province enacted heritage designation for both areas in 1971 that established a high degree of regulatory control. Gastown and Chinatown together represent the largest concentration of turn of the 20th century commercial and industrial heritage sites in the Vancouver Region. As such they represent a unique reminder of the early beginnings of the City. These buildings have been included on the City's Heritage Register in recognition of their heritage value.



Photographer: Philip T. Timms, City of Vancouver Archives 677-533 - Cordova Street, Gastown

Gastown Urban Form

The existing built form of Gastown is a reflection of its historic development, both in its urban form and streetscape. The area contains a notable collection of buildings which vary in width and height, from one to thirteen storeys, with most in the two to four storey range. This variation in height presents a characteristic "sawtooth" appearance to the block profile. Clad in brick or stone masonry, the buildings vary in architectural character in response to their location within Gastown. Large floor plate warehouse buildings were located along Water Street, while narrower, more elaborate buildings were located along Cordova Street that was, at the turn of the 20th Century, Vancouver's main commercial street.

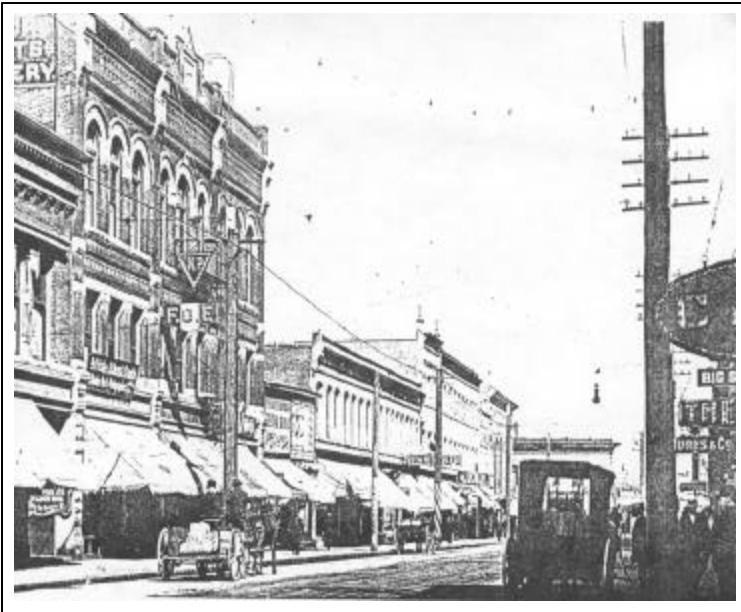


Photographer: Ray Spaxman - Gastown 2000

The pattern of building heights in Gastown contributes to the overall urban form of the area. In particular, around Maple Tree Square, there is a general dip in the medium height form with many two and three storey buildings which contribute to the scale of that important public place.

"Sawtooth" Profile

The pattern of building heights in Gastown contributes to the overall urban form of the area. The "sawtooth" profile of building heights is a product of the historic building pattern, especially along Water Street. Some buildings are low and narrow, others high and wide, almost always with a projecting cornice at the roofline. This is a legacy of the needs and aspirations of the original owners, whose buildings reflect the time when they were erected. The characteristic "sawtooth" profile is an important consideration in the Gastown Heritage Management Plan, as its retention is fundamental to the conservation of the area's built form.



West Cordova Street, 1910



42 - 48 East Cordova Street, 1929

Architectural Composition and Materials

There is a strong historic pattern of architectural compositions and consistent use of materials. Facades were ordered generally in three parts: a high, open shopfront; the upper storey wall surface with punched window openings; and crowning cornice at the top. Materials were almost always masonry: sandstone, granite and brick, sometimes used together. Usually the street facade was more elaborate than the back, the rear facades being rendered in cheaper brick or stucco on brick; e.g., this is evident on the north side of Water Street where buildings are visible from the harbour.

THE VISION

FOR HERITAGE MANAGEMENT IN GASTOWN

Gastown is the birthplace and historic core of the City of Vancouver, and a source of pride to its citizens. The vision for its heritage management is built on its historic character, buildings and built form being conserved within an historic context for present and future generations. It would accommodate a broad range of uses. The economic viability of the entire area would be assured and it would become a safe, livable, attractive and inspirational place. Gastown would be the home of a vibrant and diverse community, containing a mixture of businesses, housing and income levels and be a good place to visit, work, live and conduct business.

GOAL 1

CONSERVE GASTOWN'S AUTHENTIC HERITAGE RESOURCES

Conserve Gastown's historic built form and public realm including all provincially-designated and Vancouver Heritage Register-listed sites in the current HA-2 zoned district, in order to preserve, protect and promote the unique heritage resources of Gastown.

This means undertaking conservation of heritage buildings within their historic context. For each individual heritage building this will include the existing building envelope, facades, internal structure, historic construction methods, cornices, windows, and other original elements. This doesn't mean pedantic compliance with rigid regulations, for a City grows through a thousand incremental decisions which give a City its depth of character and a sense of time and place. Nevertheless, careful attention to the design guidelines is needed to ensure what is achieved in the end is a genuine heritage area. In this way Gastown can become a unique asset to owners, visitors and the community as a whole.

The intent is to establish the current HA-2 zoning district as the Gastown Heritage Conservation Area, and work toward ensuring compatible development in the surrounding areas.

Designation as a National Historic Site would affirm the heritage value of Gastown, and could bring benefits to Gastown property owners and the City in revitalizing the Gastown area.

A considerable amount of building activity has occurred in Gastown over the past many years, and with the absence of adopted conservation, design and maintenance guidelines it has been difficult to achieve good conservation practices. This has increased the risk of erosion of the remaining authentic aspects of Gastown – buildings, materials, and street fabric.

It has been over 25 years since the last major Gastown beautification program, which resulted in, especially along Water Street, a “renaissance” for the Gastown area. However, the Gastown public realm has deteriorated, on a continuous basis, since that time.

ACTIONS

- 1** **Adopt the Vision Statement for Heritage Management in Gastown** as set out in this Plan.
- 2** **Conserve Gastown's historic built form and public realm** including the existing heritage buildings in their current configuration (with minor additions allowed), and conserve the characteristic "saw tooth" built form and those elements of the existing public realm that contribute to the vision of the area. When required, enhance the historic street or public context with the introduction of new, compatible elements. The City will create the regulations within the zoning bylaw to carry these out, develop the plan and provide financial assistance to assist conservation work.
- 3** **Proceed to make an application to the National Historic Sites and Monuments Board of Canada** to declare Gastown a Historic District of National Significance.
- 4** **Maintain the existing public realm beautification program**, centered on Water Street and now extended along Alexander Street. The character of the public realm, after almost thirty years, has become an integral part of the heritage context of Gastown. This will mean finding ways to significantly improve the heritage-related infrastructure (roads, sidewalks, street furnishings, lighting standards, signing, weather-protecting awnings, public art, etc.). It is recommended the City undertake these improvements on a phased basis, accompanied with higher-level maintenance standards.
- 5** **Conserve historic streetscape elements** in place where they still exist (surviving early light standards, early paving materials, granite curbs, etc.). It is recommended that the City complete an inventory and adopt a policy to conserve, protect and interpret these historic elements.
- 6** **Undertake a public realm beautification for Cordova Street** that reflects and enhances the character of the street. It is recommended that the City develop a design concept and allocate resources to carry out the beautification program.
- 7** **Retain the character of historic lanes** when building and services upgrading are undertaken. This can be done in the way services, exits and garbage facilities are designed. To achieve this it is recommended that the City complete an inventory of historic lane features and create a program for rehabilitation and enhancement.

- 8 Retain and conserve historic encroachments** including areaways, cornices and bay windows and fire escapes, through a variety of programs such as: exclusion from FSR calculations (for the purpose of density incentives), the provision of grants, and the elimination of fees and rentals. It is recommended that the City commence with an inventory of the historic encroachments followed by a retention and conservation program.
- 9 Develop a plan for utilization of CPR Right of Way** as public open space.
- 10 Complete consultant study on Blood Alley** and consider implementing the GHMP on a priority basis in this area to facilitate revitalization of this public open space.
- 11 Design and implement an Interpretation Plan to help people understand Gastown's heritage.**

GOAL 2

ADOPT EFFECTIVE REGULATORY AND PROTECTIVE MECHANISMS

Provide an open and streamlined regulatory environment that encourages authentic heritage conservation and minimizes uncertainty for owners and the City, through improved zoning and regulatory systems, and enforcement policies that balance long-term conservation with acceptable safety standards.

The Province of BC designated Gastown as a Provincial heritage site in 1971 upon request by the City of Vancouver. The designation was meant to be a temporary form of protection until the Vancouver Charter was amended to allow the City to designate. This was enabled in 1973, but due to inadequacies in the legislation, the City never designated the properties and the Provincial designations were retained. Instead, authority to issue ministerial permits for building alterations was delegated to the Director of Planning for the City in 1981, except in cases where the City is the owner or developer of heritage property. This has worked reasonably well although enforcement authority could not be delegated and the City still has to seek approval from the Province for heritage alteration permits for its own property.

The current regulations for the heritage area are considered by many to be confusing and difficult to navigate, and marginal economics often preclude the owners or tenants seeking professional advice. Many ignore regulations entirely, and infractions are seldom caught. A substantial number of Gastown's existing buildings are seismically weak – posing a threat to the lives of occupants and the general public in the event of an earthquake.

There have been few incentives to upgrade these buildings, some of which are amongst the most historic pieces of Vancouver's architectural heritage. One incentive is to remove the barriers of the present regulatory system.

While financial incentives will be more effective than regulation in promoting conservation, regulations are required to set out the basic needs of safety, health and desired conservation practice. The HA-2 zoning district is being clarified to confirm the "sawtooth" building profile. The density provisions are unchanged and remain as "not applicable". (See Goal 3)

ACTIONS

1 Transfer the Provincial Heritage Designations to the City of Vancouver.

- a) The City should arrange for the Province to transfer the heritage designations for Gastown.
- b) The City should arrange for the Province to amend the Vancouver Charter to have the powers to create heritage conservation areas as other local governments can do and include any other provisions for heritage conservation contained in the Local Government Act.

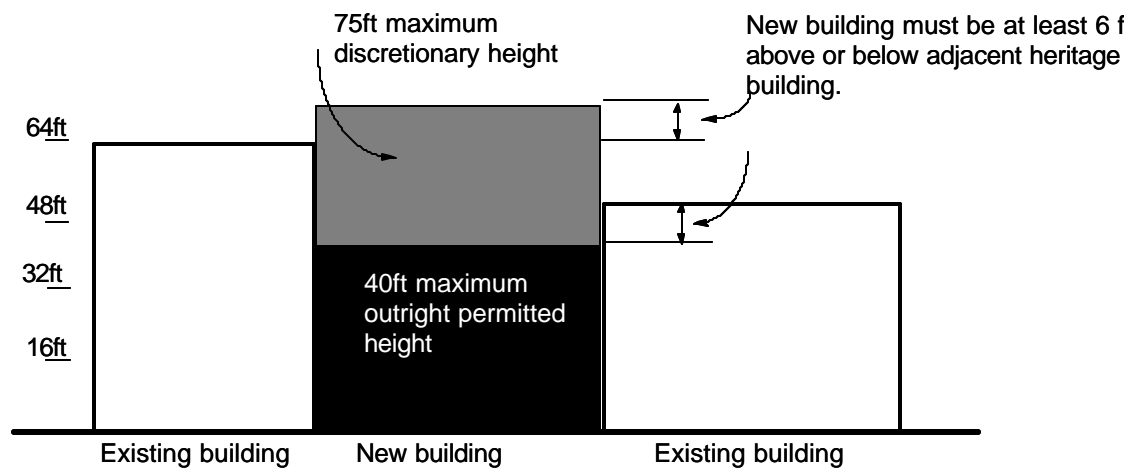
2 Simplify and streamline the regulatory process through improvements to the existing permit approval process (see Goal #4), applying the Vancouver Building Bylaw provisions in their most flexible form for heritage buildings.

3 Accept all Gastown buildings on the Vancouver Heritage Register as eligible for conservation incentives, subject to the selection criteria set out in Goal #3.

4 Revise the existing HA-2 District Schedule as follows:

- a) Replace the existing Intent Statement with the Vision for the Heritage Management of Gastown.
- b) Include the following provisions:
 - The existing building envelope constitutes the outright building envelope allowance for heritage buildings;
 - One additional storey of useable space may be permitted on existing buildings provided it meets the design guidelines and is set back from street facades and is not visible from the sidewalk directly across the street;
 - The use of roof tops is encouraged as open space amenity;
 - All existing floor space, including areaways and encroachments, is included in the allowable envelope;
 - Parking requirements will be assessed during project review, to determine whether location should be on site, in Gastown, and where exemption or payment in lieu of parking is appropriate;
 - A broader range of outright and conditional uses for heritage buildings will be considered when the Land Use Study is completed;

- For new buildings on vacant sites or sites containing buildings not on the Vancouver Heritage Register a maximum outright height of 40 feet and 3 storeys is permitted. A discretionary maximum height of 75 feet may be considered by the approving authority where additional floor space is being transferred to the site (from heritage sites in Gastown) and where the additional height is a minimum of 6 feet higher or lower than adjacent buildings;
- FSR remains not applicable.



5 Replace current Development Policies and Guidelines for HA-2 character areas with the design guidelines of the Gastown Heritage Management Plan.

6 Complete the staff work on reviewing the Vancouver Building Bylaw for existing buildings. This should include amending 'Change of Use' in the Vancouver Building Bylaw provisions as a trigger for building code upgrading to reflect acceptance of a broader range of uses, and develop alternative, less onerous, life safety, fire protection and accessibility code upgrades based on the performance level of a building as a result of the work to be completed. This work is underway.

7 Facilitate a Group Building Upgrade Pilot Project for Gastown Buildings involving several adjacent buildings in the historic area.

GOAL 3

PROVIDE REAL INCENTIVES FOR BUILDING CONSERVATION

Create a program of effective conservation incentives appropriate to Gastown that will encourage the authentic conservation and rehabilitation of individual buildings, by encouraging and assisting owners to invest in their properties.

Gastown owners find themselves in a difficult position when asked to consider rehabilitating their buildings. The area has been in serious decline for a number of years. Revenues are declining and financing for development is very difficult if not impossible to obtain. For many owners the prospect of being able to undertake any conservation work is non-existent without incentives.

A range of potential incentives including property tax relief, financial grants and density bonuses have been studied to determine how much a realistic incentive might cost. Different degrees of rehabilitation and costs were also assessed to determine the costs involved with smaller projects such as façade improvement, to major conservation work on substantial buildings in various structural conditions. It is obvious in Gastown that no two building conservation projects will be alike. Therefore, in order to assess the likely costs involved, proforma analyses were undertaken of typical average buildings. Overall total costs were assessed from these averages.

As an alternative, or in addition to offering direct financial incentives, the City could consider offering additional floor space equivalent to the value of the costs incurred. This floor space would be considered as a bonus density that could be sold and transferred to another site, as set out in the City's Transfer of Density Policy and Procedure.

Incentives could be offered to meet full or partial costs of the work undertaken depending on a number of factors described below.

In practice, each case will be assessed on its individual merits.

Because the City will have a limit on the amount of its budget which can be allocated for heritage conservation incentives in Gastown, and because there is a limit to the amount of

transferable floor space that can be realistically absorbed in Vancouver, the City will need to set maximum annual amounts for financial assistance and transferable densities. Determining these amounts has been a complex process. Hence a summary of the reasoning behind the recommended program is set out here.

The incentives recommended. The Plan recommends a five year program for property tax incentives and grants totaling an annual maximum \$3.7M for façade and building conservation, and an annual maximum of 60,000 sq. ft. in bonus floor space. While it is recommended that grants be provided for façade improvements, to a maximum annual amount of \$200,000, it is recommended that property tax relief programs be provided for building conservation. Such programs have proven successful in other cities.

The reasons for these amounts are as follows.

Anticipated number of projects. In the last few years an average of 2 projects a year have been undertaken in Gastown. If the incentives are effective it is anticipated that this rate of development could be more than doubled. Hence it is reasonable to anticipate the equivalent of at least 4 average building conservation projects, and four average façade improvements each year. This could include more than four projects of each type consisting of a variety of small, medium and large projects.

Anticipated level of incentives needed. For an incentive other than a façade improvement grant to be attractive to most owners it must cover the difference between the costs of rehabilitation and the revenues or benefits to be achieved. For many owners, the benefits will be seen solely as the difference between costs and revenues based on normal pro forma assessments, i.e., "the shortfall costs".

The tax incentive program set out in this plan is oriented to the "shortfall costs". The total annual cost is estimated as equivalent to the "shortfall costs" for four average buildings. While a property tax incentive is likely to cover the "shortfall costs" of conservation projects, some may need to be "topped up" with density bonuses.

Anticipated City budget appetite. A major decision has still to be made by the City as to the amount of budget that it is prepared to provide for the conservation work in Gastown. Prior to the City concluding on this amount, this plan assumes that the incentives will be capped at the equivalent of approximately 1% of the municipal tax levy (\$3.7M for 2001). This would mean that bonus incentives would come into play to make up the difference between the property tax incentives awarded and total "shortfall costs".

Property Tax incentives or grants? While grants are recommended for façade improvements and property tax relief is preferred for building conservation, the choice between tax incentives and grants requires more consideration. While tax incentives may be procedurally more attractive to the City, grants may be more attractive to owners. A combination of tax relief and grants may provide the best program with actual incentives to be determined at the time a project is approved.

Anticipated appetite for transfers of density from Gastown. In anticipation that part of the incentive program will involve the awarding of bonusable floor space (based on proforma analysis) to be transferred from Gastown, it is important to recognize that the value of this space depends on the total supply of such space in the City. Other City programs also produce such space. Experience shows that the City has absorbed about 60,000 sq. ft. of space each year with an average value in the order of \$25/ sq. ft. The challenge is to provide the opportunity to obtain floor space bonus incentives while not overwhelming the market for such space. It is for these reasons that this plan recommends that a maximum of 60,000 sq. ft. of bonusable space per annum be established for Gastown.

Why is there no stated density maximum in the proposed zoning? This is a designated Provincial heritage site. Since 1971, when designation occurred, there has been no density prescribed. Density has been the product of individual approvals for new building heights based on discretionary design considerations by the City. This policy is continued in this plan except that design guidelines, which accommodate the key policy of retaining the existing saw tooth pattern of building heights, permit no more than one additional storey with appropriate setbacks on existing heritage buildings, to a maximum height of 75 feet.

Owners of smaller heritage buildings may be concerned that such a limitation prevents them from attaining significant additional floor space in development of their properties, especially compared with other neighbouring heritage properties. Studies undertaken by the City show that prices paid for properties in Gastown reflect the value of the existing built floor space and generally do not anticipate additional value for speculative additional densities.

While this is the reality of the designated area, it is proposed that smaller heritage buildings, which undertake major conservation in accordance with the Plan, will be able to seek additional transferable floor space. The transferable additional floor space will be equivalent to the difference between the existing building and what could be built to the maximum permitted height of 40 feet plus one additional storey set back as required in the design guidelines. This

floor space would be available for sale for transfer as per the Transfer of Density Policy and Procedure and would be a further incentive for smaller buildings.

What about new buildings? New buildings proposed for vacant sites and for sites containing buildings that are not included on the City's Heritage Register must conform in height to the new design guidelines. Hence new buildings will be permitted to a height of 40 feet. In addition, new buildings can buy floor space from heritage sites in Gastown and, subject to meeting the design guidelines concerning preserving the sawtooth profile, may be able to reach the maximum height of 75 feet.

Selection of projects for incentives. If more proposals are received than the maximum funding and bonusing can support, then it will be necessary to select those proposals that best meet the objectives of the program. Such criteria as the heritage quality of the building, the relationship of the building to groupings of heritage buildings, the relationship to other conservation projects being undertaken at the same time, the importance of the building to Gastown as a whole, the quality of the proposal and the size of the incentive sought will be considered.

How will applications for development approval and incentives be processed? An applicant will meet with the Gastown manager to review the proposal, agree the suitability for the program and agree the process as follows:

- Applicant prepares the documentation to support a preliminary application including a description of the building, its heritage value and its condition, and drawings and reports showing the conservation plan for the building along with a first-cut pro forma identifying the estimated incentive needed.
- Applicant submits the documentation to the Gastown Manager who will review the application, and submit the report to the Gastown Heritage Commission (GHC) with a recommendation as to how the application should be processed. This could include refusal, request for more information or revisions and refinement, or approval and the determination of an incentive package. The City's Director of Planning will make the decision taking into account the Commission's recommendation.
- The type and amount of incentive required will be identified at this stage. Façade improvement projects will be selected and awarded grants within the City budget limit. Approved full building restoration projects seeking incentives will be provided with property tax forgiveness up to the maximum 10 year program as needed. Where the tax forgiveness

is not sufficient to cover the full "shortfall costs" then consideration will be given to the use of density bonuses to make up the difference.

- Following approval of the preliminary application, a detailed application will be submitted to the Manager who will coordinate the City responses for a report to the GHC with recommendations. The City's Director of Planning will make the decision taking into account the Commissions recommendation.
- Following approval of the GHC the Manager will assist the applicant in finalizing details, setting out agreements, obtaining building permits, implementing the project and certifying satisfactory completion.

Anticipated duration of program. As the benefits of the Gastown Heritage Management Plan, and those of the City's other Gastown revitalization programs are realized, it can be anticipated that the need for the incentives in Gastown will decline and eventually disappear as market conditions allow owners to undertake conservation without needing public financial support. The Plan recommends that the incentive program be targeted to last for five years, subject to annual reviews.

The benefits of the program are intended to increase the livability and attractiveness of Gastown, obtain fully occupied and productive buildings, improve the business climate and increase property tax payments to the City.

ACTIONS

1 **Adopt and implement a conservation incentive program** that provides assistance to owners to rehabilitate and conserve the heritage buildings in Gastown. The City will create a five year program selected from the following incentives, emphasizing the preference for façade grants and tax forgiveness, followed by grants and minimizing the use of floor space bonuses.

- a) Provide a maximum **\$50,000 façade conservation grant** to individual owners and retail tenants to cover up to 50% of the cost of the work. This will include up-front research and documentation to a maximum of \$2,000. This will be made available to those proposals which best meet the objectives of the Gastown Heritage Management Plan. Such grants will be based on a budget to be approved annually by City Council. Anticipating the equivalent of four (average) projects a year suggests an annual budget of \$200,000 plus administration costs.
- b) Provide **100% property tax forgiveness** for up to 10 years, to cover the “shortfall costs” involved in conserving and rehabilitating a heritage building. "Shortfall costs" represent the difference between the estimated costs and revenues of a rehabilitation project in Gastown. This will include up-front research and documentation. These incentives would operate on for those projects which best meet the objectives of the Gastown Heritage Management Plan, to a maximum annual total budget of \$3.5M.
- c) Where the total “shortfall costs” exceed the available tax forgiveness, the City will provide an additional incentive of **bonus densities**. The total amount of bonus space to be awarded each year will be held to a maximum of 60,000 sq. ft.
- d) Provide an **additional "small building incentive"**. When negotiating incentives to encourage the conservation of buildings lower than 40 feet in height, consideration will be given to providing floor space that may be transferable to another site, in accordance with the City's Transfer of Density Policy and Procedure.

That floor space will be equivalent to the difference between the existing building and what could be build to the maximum permitted height of 40 feet plus on additional storey set back as required in the Gastown Design Guidelines.

- e) The incentive program will be encouraged and coordinated, and its impacts monitored by the Gastown Manager who will report to City Council annually on its effectiveness and any improvements needed.
- f) Amend the Transfer of Density Policy and Procedure to permit density to be transferred within Gastown, (to non-heritage sites only) from Gastown to other areas, and prohibit density being transferred into Gastown.

2 Pursue other sources of incentives such as:

- a) The federal/ provincial/ city trilateral Vancouver Agreement that provides for the social-economic revitalization of the Downtown Eastside, including Gastown, of which heritage conservation is a major component. This could be a potential source of funds for façade improvement or public realm improvements;
- b) The potentially significant federal tax relief programs being developed as part of the Historic Places Initiative;
- c) Utilization of CMHC RRAP funding to facilitate upgrading existing housing stock.

3 Complete the consultant study reviewing Transfer of Density Policy and Procedure to seek ways to maximize the value of transferable densities through zoning policies, administration and marketing of the “density pool”. This is underway.

GOAL 4

DEVELOP AN EFFECTIVE MANAGEMENT AND ADMINISTRATIVE FRAMEWORK

Develop an effective management and administrative framework with processes that encourage and support the rehabilitation of heritage buildings in Gastown and thereby assist in the revitalization of the area.

Clarification and simplification are two important objectives for restructuring Gastown Management and Administration.

The current management and administrative processes that deal with physical change in Gastown involve numerous committees, City departments and individuals administering a variety of bylaws and procedures that most users find overly complex and ambiguous. Coupled with the absence of a shared vision for the area, and therefore unclear policies to guide physical change, there is considerable difficulty when proposing, processing, advising and making decisions about changes to the physical fabric of Gastown.

ACTIONS

1 **Create a Gastown Heritage Conservation Area (GHCA)** to encompass the existing HA-2 zoning district, maintaining the present boundary, and request the Province to amend the Vancouver Charter to enact heritage conservation area powers similar to what exists in the *Local Government Act*.

2 **Create a Gastown Heritage Commission (GHC)** to replace the current Gastown Historic Area Planning Committee (GHAPC), to advise Council and provide conservation and design review of permit applications within the Gastown Heritage Area:

- a) The terms of reference of the GHC will be to advise Council on the implementation of the Gastown Heritage Management Plan particularly concerning development proposals and applications;

- b) The GHC will be comprised of eleven members, appointed by City Council, including one City Councillor, and the remaining appointments made for two years on a staggered basis, with five appointments each year - to start, five of the appointments would be for a one year term;
- c) Members will be appointed from a range of stakeholders with special knowledge about Gastown heritage conservation and an interest in its future.

The following balance of representation is recommended:

- (1) a City Councillor
 - (2) a registered architect
 - (3) a registered engineer
 - (4) an expert in heritage conservation
 - (5) a representative of the GBIS
- and representation from owners, businesses, residents from the area.

- d) It would no longer be necessary for development proposals in Gastown to be considered by the City's Urban Design Panel.

3 **Appoint a Gastown Heritage Conservation Manager** with the mandate and authority to achieve the goals of this plan including encouraging and facilitating the rehabilitation of heritage structures in Gastown. The manager, coordinating the City's interests in Gastown and working with the Gastown Heritage Commission will assist building owners in determining the work needed to conserve their building, advise them about the procedures and incentives available to them for that purpose and assist them in preparing the necessary documentation and obtaining approvals. This position can be City staff or a consultant and be for a five-year period initially.

4 **Improve City Staff Services to Gastown** by informing and training City staff about heritage conservation issues, and on the goals and actions of the Gastown Heritage Management Plan.

GOAL 5

PROVIDE CLEAR STANDARDS AND GUIDELINES

Provide clear standards and guidelines to owners, designers, advisory panels and decision makers to guide their actions when considering physical change to buildings in Gastown.

Standards and guidelines will allow those people involved in change to gauge the conservation and design implications of rehabilitation and new construction.

The lack of standards and guidelines in Gastown has caused concern and ambiguity about what constitutes conservation, rehabilitation and new design and how it can be achieved. Without such standards and guidelines, the erosion of authentic heritage fabric will continue.

The Four Part Study of Gastown set out a useful framework for such work in 1989. Since then considerable progress has been made on refining and adopting such documents at the municipal, provincial and federal level.

ACTIONS

- 1 Adopt the Conservation Standards and Rehabilitation Guidelines** as set out in the existing BC Heritage Trust documents: *Principles of Heritage Conservation - Technical Paper #9 and Rehabilitation Principles and Guidelines Technical Paper #11*, for use in Gastown until the national standards and guidelines are available, and to accompany the Design Guidelines provided in Appendix A. Once the Standards and Guidelines for Historic Places in Canada are completed, adopt as required.
- 2 Adopt the Design Guidelines as set out in Appendix A.**
- 3 Adopt the Maintenance Standards** contained in *the Principles of Heritage Conservation - Technical Paper #9 and Rehabilitation Principles and Guidelines Technical Paper #11*, for sites in Gastown until such time as the City's standards and guidelines are available.

(See Action #4 below.) While all owners will be encouraged to follow these maintenance provisions, they will become obligatory when a conservation incentive is received.

4 **Finalize and adopt the Heritage Maintenance Bylaw and Maintenance Guidelines for Heritage Buildings**, currently under review by the City, for use city-wide and for Gastown specifically.

5 **A set of procedures for the interpretation and application of the guidelines should be established as part of the implementation process for the Gastown Heritage Management Plan.** These procedures would describe the circumstances where the Standards and Guidelines are used on a voluntary or required basis. Where they are linked to an incentive package, they would set out the need for a conservation report and thorough documentation. A process for certifying the compliance of completed work as part of an incentive package would need to be established.

GOAL 6

ENCOURAGE ECONOMIC REVITALIZATION FOR THE GASTOWN AREA

Support the economic revitalization and long-term economic stability of the historic area by establishing a conservation incentive program and removing disincentives from current regulations and processes, thereby enabling the area's historic resources to contribute effectively to the City's prosperity and the quality of life for its citizens.

The principal objective of the Gastown Heritage Management Plan is to facilitate the conservation of the heritage structures in Gastown. To achieve that, a number of actions are set out in this Plan. Some relate to removing disincentives from current regulations and processes while others relate to specific economic financial incentives in the form of tax relief, grants and density bonuses.

Essential to the success of these programs will be the impact of other City strategies directed at the revitalization of Gastown. That is because, without the general improvement in the overall attractiveness of the area and resultant improving market conditions, the *Gastown Heritage Management Plan* on its own will not be successful. The following commentary is provided in the context that the City is undertaking an Economic Revitalization Study.

Gastown could be enjoying much higher occupancy and rental levels – not unlike the situation, for example, in Yaletown. Most of the difficulties currently negatively impacting on Gastown's "revenue side" are localized and cannot be attributable to some of the broader dynamics such as BC's economy, and the general state of commercial real estate markets in the City which, while not as strong as five years ago, are substantially stronger than Gastown's current real estate characteristics. Most of the building stock, even in its pre-restoration state, could be enjoying much higher occupancy and rental levels were it not for the many social/ economic problems associated with this part of downtown Vancouver.

Current trends in Vancouver for office, retail, and downtown residential development are generally quite positive. As Concord Pacific Place and the Coal Harbour projects continue to approach their allotted capacities, demand for residential development will pick up for other parts of the downtown area. Those properties in the Gastown area that offer views of the

waterfront and the North Shore and others which enjoy the heritage ambiance could expect market support.

As evidenced by the high occupancy rates and relatively high rental rates, Yaletown has demonstrated that older buildings with higher ceilings, brick walls, and heavy timber frames and other unique qualities are of particular interest to high-tech related firms.

The retail circumstance in Gastown is especially problematic. Street related-activities are more constantly in direct contact with the social and economic problems that have led to Gastown's decline as an attractive destination for regional, local and visitor shoppers. This circumstance is particularly disturbing when Vancouver continues to exhibit constant and attractive growth in its street-related retailing activity elsewhere.

As various policy changes and revitalization programs take effect, Gastown and surrounding area real estate values will begin to climb. In this context upward pressures on land values will inevitably contribute to the challenge of maintaining rental rates associated with the low income housing stock in and around the Gastown area. While the Plan's goals and actions will be available to all owners in Gastown, regardless of use, they focus on the conservation of heritage buildings. The City should continue to monitor the situation and may need to develop programs to provide the resources required to retain the stock of low-income housing. Utilization of programs such as CMHC RRAP funding and cooperative efforts by all levels of government (e.g. purchase of Pennsylvania Hotel) have proven effective in improving the quality of housing units in the area.

A more thorough commentary on the potential implications for SRO's as a result of the incentives proposed in this plan is to be completed as part of the update to the 1999 SRO Conversion/ Demolition Study by PriceWaterhouseCoopers.

ACTIONS

- 1 Establish a conservation incentive program** that provides financial and non-financial assistance to the owners and retailers, as set out in Goal #3 of this Plan, to conserve heritage buildings and rejuvenate the Gastown area.
- 2 Implement the area improvement strategies** emerging from the City's other Gastown studies covering land use, housing, transportation and economic revitalization of the area.
- 3 Pursue new opportunities** for housing, commerce and tourism within, and adjacent to the revitalized heritage area. For example, once active heritage related building restoration is well underway, the Gastown Business Improvement Association (BIA), with City's assistance, would develop and implement an office and retail retention and recruitment program.
- 4 Create employment** by supporting the building restoration trades, retail and service industries, and providing new commercial opportunities.
- 5 Reinforce and support Gastown's importance** as a popular tourist destination through implementing the recommendations of this Plan, and creating a community and region-wide awareness and promotional program, together with the active support of the Mayor and Council, the Gastown BIA Board and its members, and Tourism Vancouver.
- 6 Encourage long-term investment** through area-wide economic stabilization, thereby creating improved market conditions and opportunities. This means starting with the approval and implementation of this Plan, which would be phased according to agreed priorities (Council and community priorities), and available financial resources, and monitored according to agreed improvement targets.