

## **REPORT**

### ***Planning and Development***

**To:** Mayor Johnstone and Members of Council in Workshop      **Date:** July 15, 2024

**From:** Jackie Teed, Director Planning and Development      **File:** #2516086

**Item #:** 2024-458

**Subject:** **Heritage Revitalization Agreement: 530 Columbia Street (Columbia Theatre) - Preliminary Report**

---

#### **RECOMMENDATION**

**THAT** Council provide direction on key questions summarized in the Council Feedback section of this report and instruct staff to process the proposed Heritage Revitalization Agreement and Special Development Permit applications at 530 Columbia Street (Columbia Theatre).

---

#### **PURPOSE**

The purpose of this report is to seek Council's feedback and approval to proceed with processing a mixed-use residential and commercial development in the Columbia Street Historic Precinct.

#### **EXECUTIVE SUMMARY**

Heritage Revitalization Agreement (HRA) and Special Development Permit (SDP) applications have been received for a 30-storey mixed-use residential and commercial development associated with the Columbia Theatre at 530 Columbia Street. The application proposes partial retention and reconstruction of the heritage building including the auditorium, with a tower containing 95 hotel rooms and 216 residential strata units. The proposal includes a restaurant, hotel lounge and coffee bar, as well as a retail unit on Front Street. A limited number of underground vehicle parking spaces are proposed. An overall combined Floor Space Ratio (FSR) of 18.8 is proposed for the site.

Staff is seeking Council feedback on key issues including: the level of heritage retention and reconstruction, community use of the auditorium, building height and density, unit mix, and provision of a hotel. Following Council feedback, staff would work with the applicant to address any outstanding items, and advance processing of the HRA and SDP applications.

## **BACKGROUND**

### **Preliminary Application Review**

A Preliminary Application Review (PAR) was presented to the Land Use and Planning Committee (LUPC) on January 14, 2019. LUPC generally supported the proposal that included full retention and restoration of the heritage building and auditorium, incorporation of a 75 room hotel, consideration of a 22-storey tower, and potential relaxations to parking, loading and servicing. Links to the January 14, 2019 LUPC report can be found [here](#) and meeting minutes [here](#).

### **Policy and Regulations**

The subject site is designated as Columbia Historic Mixed-Use in the Official Community Plan (OCP). An HRA and SPD would be required to enable the proposed project which exceeds the site's existing C-8 and Density Bonus zoning. An HRA is a specialized type of application where retention and restoration of a heritage building allows the City to supersede local zoning regulations, and the cost of heritage restoration is factored into the overall amenity contribution to the City.

The Columbia Theatre, including a number of interior features, are already legally protected through a Heritage Designation Bylaw and Conservation Covenants. Given this heritage designation, the site is not eligible for the additional height and density requirement under the Provincial Transit Oriented Development (TOD) Area legislation despite being located within Tier 1 (200 m) of the Columbia Station. Residential parking is not required in TOD Areas.

A summary of relevant City policies and regulations is included in Attachment 1.

### **Site Characteristics, Context and Heritage**

The subject site is located in the heart of historic downtown, near the corner of Columbia Street and Sixth Street. The lot is 8,690 sq. ft. (807 sq. m.) with frontages on both Columbia Street and Front Street. There is a nearly two storey grade change sloping down from Columbia Street to Front Street. The site is within walking distance of rapid transit (335 feet/102m from Columbia Station) and frequent bus transit (26 feet/8m) on Columbia Street.

Additional site context information, including details related to the site's heritage value, is included in Attachment 1.

## **PROPOSAL**

The application proposes to retain and restore the historic Columbia Street façade, and reconstruct the remainder of the protected building elements including the Front Street façade, auditorium, and interior design elements. A 30-storey tower is proposed above the historic building, which would accommodate approximately 95 hotel rooms, and 216 stratified residential dwelling units. Of proposed residential units, 8% would contain two or more bedrooms.

The ground floor, accessed from Columbia Street, would contain an auditorium/multi-purpose venue, theatre lobby, coffee bar and residential entrance. A commercial retail unit is also proposed on Front Street. Hotel uses would be concentrated on floors three to 10, with a restaurant proposed on the third level. Residential uses would be on floors 11 to 30. Drawings indicate an overall Floor Space Ratio (FSR) of 18.8.

Marriott International has expressed interest in the hotel to be operated as part of their collection of boutique hotels. The auditorium is proposed to be operated by the hotel as a multi-purpose venue. The applicant has offered to enter into a 'Community Use Agreement' registered on title, where community associations and non-profit organizations could rent the theatre space at a 30% discount to the market rate, subject to availability, up to a maximum of 100 hours per year.

A three-level parkade is proposed, with two levels located above-grade on Front Street (though below-grade at Columbia Street), and one level fully below-grade. A total of 57 off-street vehicle parking spaces are proposed (39 commercial and 18 resident) and the applicant has indicated that, given the site size and other constraints, car elevators, stacking systems, and valet service would be required. Bicycle parking, loading and Transportation Demand Management (TDM) measures are also proposed.

Further detail is available in the applicant's Drawing Package included in Attachment 3.

## **DISCUSSION**

### **Overall Evaluation**

Staff is seeking Council feedback to ensure that the proposal strikes the right balance of policy objectives and community benefits, commensurate with an increase in density on the site. Staff recognize that the proposal includes several benefits to the community, including provision of new housing units and 95 hotel rooms that may help revitalize Columbia Street and the downtown. However, construction of the tower and underground parking would require significant demolition and reconstruction of the protected heritage building. The applicant is also seeking other policy relaxations (such as a reduction in family units).

The following sections discuss key considerations and pose questions for Council feedback. The questions are summarized in the Council Feedback section of this report. Additional supporting information is contained in Attachment 4.

**Heritage Considerations**

Given that the building is legally protected, but recognizing construction challenges, the applicant is proposing the following approach to heritage:

- retention and full restoration of the Columbia Street façade, including the restoration of the marquee and a vertical sign (not currently present);
- removal and reconstruction of the:
  - Front Street façade and retail unit; the ghost signs would be recreated through a lighting feature or other suitable alternative;
  - auditorium and protected interior design elements, including the atmospheric ceiling, plasterwork, and murals; and
  - original doors, windows, balconies, and other openings for the above features, though retention and rehabilitation would be attempted wherever possible.

Staff consider the proposed heritage approach to be supportable, though the level of retention and reconstruction is not in line with the existing heritage protections, given the site’s size constraints and the complexity of constructing above an existing auditorium if: 1) retention of historic elements wherever feasible is prioritized; 2) where retention is infeasible, lost building elements are accurately reconstructed; and, 3) all work is guided and supervised by an on-site Heritage Professional.

1. *Does Council support the revised heritage approach to Columbia Theatre which is limited to restoration of the Columbia Street façade, and reconstruction of the Front Street façade, the auditorium, and other protected interior design elements, including the atmospheric ceiling, original doors, windows, balconies, and other related openings?*

**Auditorium Reconstruction and Community Use**

The proposed auditorium/multi-purpose venue would be smaller than the auditorium is today. The auditorium, originally designed as a movie theatre, has limited support space to operate as a performance venue. Reconstruction provides an opportunity to re-design the space to optimize functionality in a modern context. As a next step, the applicant would engage an arts consultant to develop a design that could accommodate a range of arts, culture and entertainment events, as well as hotel functions.

The applicant’s initial proposal would make the auditorium available to community associations and non-profit organizations for up to 100 hours per year, subject to venue availability, at 30% discount to the market rate. This would be secured through a legal agreement registered on title. Given the cultural and historic value of the Columbia theatre, staff recommend further discussions with the applicant, and the hotel operator, to improve the offered terms, while maintaining financial viability. The applicant has agreed to additional discussion, subject to Council endorsement of advancing this application in principle.

2. *Does Council support further exploration of the hours of availability, level of affordability, and/or exploration of alternative approaches to ensure ongoing community use of the Columbia Theatre auditorium, while maintaining financial viability for the operator?*

### **Height and Density Considerations**

The revised proposal includes a 30-story tower, increased by eight storeys from the 2019 PAR. The revised tower would be the tallest building in the Columbia Street Historic Precinct. There is also a slight increase in overall density (+15,300 sq. ft.) and shifting area between uses (reduction to the theatre, and an increase for both the hotel and residential uses).

The proposal is generally consistent with the provisions in the Downtown Community Plan for heritage buildings in the Columbia Street Historic District. While the proposal exceeds the maximum height and density thresholds set out within the Density Bonus zones in use throughout downtown, some relaxation could be considered given the mix of uses and heritage revitalization that is proposed.

Staff note that as the site is located mid-block, the project may impact development on adjacent properties due to tower separation requirements. Based on analysis provided by the applicant, design adjustments, such as introduction of a zero lot line condition above the third storey on the west elevation, could improve adjacent development potential by allowing more development on the podium levels. However, this may result in fewer hotel rooms where windows are limited. Consolidation with adjacent properties could improve tower siting which may benefit the entire block.

3. *Does Council support consideration of an increase to height and density beyond existing zoning if the heritage approach (as outlined above), community use of the auditorium, hotel use, and conformance with relevant design guidelines are achieved?*
4. *Does Council support further design development of the proposed tower to improve the development potential of the adjacent sites, recognizing that this could result in fewer hotel rooms?*

### **Unit Mix and Family Housing Policy**

The current proposal does not comply with the Family Friendly Housing Policy, which requires 20% of units contain two bedrooms (8% proposed) and 10% contain three bedrooms (0% proposed). The applicant has indicated that the site's size and configuration limits the amount of parking that could be achieved on-site; and, the applicant is concerned that the lack of dedicated parking would challenge the marketability of larger units.

The City is in the process of updating the Family Friendly Policy, and it is anticipated that the proportion of two- and three-bedroom unit requirements will be increased city-wide.

- 5. *Does Council support consideration of a relaxation of the family housing requirements, based on the feasibility of on-site residential parking?*

**Anticipated Amenity Contribution**

The primary public benefits proposed for this site are retention/reconstruction of the heritage building, community use of the auditorium/multi-purpose venue, and commercial uses including the hotel.

An HRA is a specialized type of application where the cost of heritage restoration is factored into the overall amenity contribution of the City. The HRA will be supported by a financial review to ensure that the offered package of in-kind community amenities and other benefits (such as the hotel use) are commensurate with the increase in height and density. Given the unique nature of this type of application, and consistent with other HRAs, a negotiated rather than a fixed-rate density bonus is recommended, which is generally in keeping with the Interim Development Review Framework. However, this may require future adjustment as new information related to Provincial Legislation continues to emerge.

- 6. *Does Council support that restoration and reconstruction of the heritage building and interior features (as outlined above), community use of the auditorium, and the hotel be considered as the primary public benefits for this site, subject to financial review to ensure that the value of the amenities are commensurate with the increase in density?*

**COUNCIL FEEDBACK**

Staff is requesting feedback from Council on the overall proposal, as well as direction on the following key questions:

- 1. Does Council support the revised heritage approach to Columbia Theatre which is limited to restoration of the Columbia Street façade, and reconstruction of the Front Street façade, the auditorium, and other protected interior design elements, including the atmospheric ceiling, original doors, windows, balconies, and other related openings?
- 2. Does Council support further exploration of the hours of availability, level of affordability, and/or exploration of alternative approaches to ensure ongoing community use of the Columbia Theatre auditorium, while maintaining financial viability for the operator?
- 3. Does Council support consideration of an increase to height and density beyond existing zoning if the heritage approach (as outlined above), community use of the auditorium, hotel use, and conformance with relevant design guidelines are achieved?
- 4. Does Council support further design development of the proposed tower to improve the development potential of the adjacent sites, recognizing that this could result in fewer hotel rooms?

- 5. Does Council support consideration of a relaxation of the family housing requirements, based on the feasibility of on-site residential parking?
- 6. Does Council support that restoration and reconstruction of the heritage building and interior features (as outlined above), community use of the auditorium, and the hotel be considered as the primary public benefits for this site, subject to financial review to ensure that the value of the amenities are commensurate with the increase in density?

**APPLICATION REVIEW PROCESS**

The anticipated next steps in the application review process are identified below. These steps are general in nature and are likely to be further refined and revised as the project advances:

- 1. Preliminary report to Council (July 15, 2024) (**WE ARE HERE**);
- 2. Interdepartmental staff review towards a suitable plan of development (ongoing);
- 3. Applicant revision / completion of studies / submission of supplemental information (as necessary);
- 4. Consultation phase including Applicant-led Open House, Council Committee consultation, engagement with other stakeholders (as required), and City-led consultation (e.g. Be Heard New West webpage);
- 5. Final staff comments;
- 6. Applicant Revisions based on comments in the Consultation Phase and submission of final draft;
- 7. Comprehensive Report to Council
- 8. Council consideration (bylaw readings, Public Hearing)
- 9. Completion of adoption requirements
- 10. Council consideration of adoption of HRA and issuance of SDP.

**INTERDEPARTMENTAL LIAISON**

The City has a project-based team approach for reviewing development applications, which facilitates interdepartmental review, providing comments to the applicant throughout the development review process. This project-based team includes staff from Engineering; Climate Action, Planning and Development; Parks and Recreation, Electrical and Fire Departments.

**FINANCIAL IMPLICATIONS**

Financial considerations will be evaluated as part of the application review process and any relevant details will be included in the comprehensive report.

**OPTIONS**

The following options are offered for Council consideration:

- 1. That Council provide direction on key questions summarized in the Council Feedback section of this report and instruct staff to process the proposed Heritage Revitalization Agreement and Special Development Permit applications, as outlined in Application Review Process section of this report; or
- 2. That Council provide staff with alternative direction.

Staff recommends Option 1.

**ATTACHMENTS**

- Attachment 1: Background Information
- Attachment 2: Statement of Significance
- Attachment 3: Drawing Package (Select)
- Attachment 4: Discussion Supplemental Information
- Attachment 5: Project Statistics and Proposed Relaxations

**APPROVALS**

This report was prepared by:  
Kirsten Robinson, Senior Development Planner

This report was reviewed by:  
Demian Rueter, Manager of Development Planning

This report was approved by:  
Jackie Teed, Director, Planning and Development  
Lisa Spitale, Chief Administrative Officer