

CITY OF VANCOUVER

ADMINISTRATIVE REPORT



Report Date: April 26, 2005  
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CC File No.: 4657  
Meeting Date: May 26, 2005

TO: Standing Committee on City Services and Budgets

FROM: Director of the Housing Centre in consultation with the Directors of Current Planning and Legal Services.

SUBJECT: Single Room Accommodation Demolition Permit 909 Richards Street (Roseberry House)

**RECOMMENDATION**

THAT Council approve a Single Room Accommodation Demolition Permit for all 8 designated rooms at 909 Richards Street (The Roseberry House) on the condition that the applicant pay \$5,000 per designated room being demolished.

**CITY MANAGER'S COMMENTS**

The City Manager RECOMMENDS approval of the foregoing.

**COUNCIL POLICY**

On May 16, 1991, Council confirmed its policy of one-for-one replacement of Single Room Occupancy (SRO) rooms in the Downtown South and endorsed the principle of developing new social housing, constructing unsubsidized SRO replacement projects, and retaining and upgrading the existing SRO stock as required in the absence of new replacement housing, with priority given to housing long-term Downtown South residents.

On October 16, 2001, Council adopted a policy to maintain and expand housing opportunities in Vancouver for low and modest-income households with priority being given to: families with children; seniors on fixed incomes or in need of support; SRO residents; the mentally ill; the physically disabled; and, others at risk of homelessness.

On October 21, 2003, Council enacted the Single Room Accommodation By-law to manage the rate of change in the low-income housing stock.

On October 23, 2003, Council amended the Zoning and Development By-law to require an SRA Permit prior to the issuance of a Development Permit.

On June 22, 2004 Council confirmed its objective of achieving a minimum of one to one replacement of Single Room Occupancy units in Downtown South and the Downtown Eastside.

## **PURPOSE AND SUMMARY**

This report provides a brief overview of the history of the proposed redevelopment for 909 Richards Street which requires Single Room Accommodation Permit for the demolition of 8 rooms on this site; as well as a rationale for staff's recommendation that the Single Room Accommodation Permit be approved with the condition that \$40,000 fee be paid into the reserve fund earmarked for replacement housing.

## **BACKGROUND**

On October 21, 2003, Council enacted the Single Room Accommodation By-law to regulate the conversion and demolition of single room accommodation. The By-law requires Council approval for the conversion or demolition of single room accommodation. The By-law also allows Council to attach conditions to the approval of a permit to convert or demolish single room accommodation, including a fee of \$5,000 per room which must be deposited into a reserve fund earmarked for the creation of replacement housing.

## **DISCUSSION**

The Vancouver Charter requires that Council consider the following factors in deciding whether or not to approve a permit to demolish or convert a building with designated SRA rooms:

- the accommodation that will be available to the tenants affected by the conversion or demolition;
- the supply of low-cost accommodation in the Downtown Core;
- the condition of the building; and
- the need to replace or improve, over time, single room accommodation in the city.

The Single Room Accommodation By-law allows Council to manage the rate of change in the low-income housing stock by considering each conversion or demolition on a case-by-case basis. In this case:

- Council may refuse the SRA permit and require that the 8 SRA rooms be restored to living accommodation for permanent residents; and
- Council may approve the SRA permit on the condition that prior to issuance of the SRA Permit, the owner contribute \$40,000 (\$5000 X 8 demolished rooms) to the City's Affordable Housing fund earmarked for the creation of replacement housing. The Vancouver Charter requires that payments required under the SRA By-law are deducted from the Development Cost Levy (DCL) to a maximum of the replacement housing component of the DCL By-law.

909 Richards (The Roseberry) is included in Schedule A of the Single Room Accommodation By-law as the building has provided single room accommodation to permanent residents. City staff had extensive discussions with the owner with respect to the proposed redevelopment of 909 Richards and two adjacent properties (project address 538 Smithe), prior to the enactment of the SRA By-law. These discussions established the parameters for the form of development on this site. Staff believe that this small development site (125ft by 120ft) cannot accept any more density than what is allowed under the zoning. A recent policy

report established that this is one of the sites in the Downtown South that should not be considered for more density or height than that permitted in the Zoning.

The applicant submitted an application for Development Permit (DE408305), on April 13, 2004, for a 7-storey multiple dwelling with 60 units including 10 street-oriented townhouses, and two levels of underground parking. The project received approval by the Development Permit Board on November 8, 2004. The Board, noting that the site was an SRA, stipulated that arrangements be made "to the satisfaction of the Director of the Housing Centre and Council approval for demolition of the SRA-designated building at 909 Richards Street ("Roseberry House") prior to the issuance of a development permit." The applicant made application for SRA demolition permit on March 16, 2005 and submitted their "prior-to response" regarding the Development Permit Board conditions on March 29, 2005.

**Accommodation for affected tenants:** At the time of application, the Roseberry housed two permanent residents. As required, the applicant submitted a tenant relocation plan as part of the SRA Demolition Permit application (see Appendix A). The applicant offered a list of similar accommodation in the area and offered a month's free rent and the cost of moving (up to \$325) to relocate, as well as providing an offer to allow the tenants to stay until demolition of the building was required for redevelopment of the site. According to the owner, one tenant remains in a free rent arrangement with the owner in order to secure the building against potential vandalism.

**Supply of low cost accommodation in the Downtown Core:**

Since the enactment of the SRA by-law in October 2003, 4 hotels with a total of 331 SRA units have applied for and have been exempted from the SRA designation in the Downtown South. These properties were operating as predominately nightly tourist accommodation at the time of their SRA designation in the By-law. These rooms were therefore not considered as a housing resource in the "Survey of Low-Income Housing." According to the Housing Centre's 2003 "Survey of Low-Income Housing," the Downtown South sub-area contained 786 SRO rooms in residential hotels and rooming houses representing 12% of the total in the Downtown core.

Council has approved demolition/conversion permits for 3 hotels representing a net loss of 54 units in the Downtown South. One of these permits was for the City-owned Granville Hotel, where the demolition of 17 rooms facilitated upgrades to the remaining 83 SRA units, including washrooms and cooking facilities. Furthermore, rents have been tied to the shelter component of welfare for these units. No new non-market housing has been built in the Downtown South sub-area since the completion of the 63-unit Candela Place (1265 Granville St) in August 2002. The 8 rooms that are the subject of this SRA demolition/conversion permit represent approximately 1% of the SRA stock in the Downtown South and 0.1% of the SRA stock in the Downtown core.

**The need to replace or improve, over time, single room accommodation in the City:** As a condition of the SRA demolition permit, the owner will pay \$40,000 earmarked for replacement housing. This must be deducted in accordance with the Vancouver Charter, from the Development Cost Levy. The floor area of the proposed development for the site is 49,500 sq ft. and the current Development Cost Levy (DCL) rate in the Downtown South is \$6.18 per square foot, assuming the Building Permit is issued by September 15, 2005. The replacement housing allocation in the Downtown South DCL area is 47.25% of the total DCL collected. The redevelopment of this site will therefore yield approximately \$144,542 earmarked for the creation of replacement housing (DCL replacement housing allocation plus SRA demolition fee.)

## CONCLUSION

Staff recommend Council approve the SRA demolition permit for the 8 SRA-designated rooms from 909 Richards Street, on the condition that prior to the issuance of the SRA Conversion/Demolition Permit, the owner submit a payment of \$40,000 to be deposited into the reserve fund earmarked for the creation of replacement housing, noting that this amount is required by the Vancouver Charter to be deducted from the Development Cost Levy.

\* \* \* \* \*

APPENDIX A  
SRA APPLICATION AND AFFADAVIT



CITY OF VANCOUVER  
COMMUNITY SERVICES  
Planning Department  
Current Planning

**SINGLE ROOM ACCOMMODATION  
CONVERSION\* or DEMOLITION\*  
PERMIT APPLICATION**

SR No. SP400010

Civic Address: 438 SMITH STREET  
 Legal Description: PARCEL A Subdivision \_\_\_\_\_ Block 74 District Lot 541 GROUP 1 ALWD  
 Plan PLAN BCP 15576  
 Building Name: MODE

**This area must be completed by the person signing this application.**

Your Name: NIZAR MAHJI You are the:  
 Mailing Address: 421 CAPLANO ROAD 01  Property Owner  
 City: NORTH VANCOUVER, B.C. 02  Agent for Property Owner  
 Postal Code: V7R 4K2  
 Phone Number: 604 987 0678  
 Company Name: PARK PLACE DEVELOPMENT CO LTD

Note: If the applicant is NOT the property owner, a letter of consent signed by the owner must also be submitted.

Owner's Information (if owner is a corporation, provide incorporation Certificate and names and addresses of all directors & associates):

Property Owner's Name <u>As Above</u>	
Address:	City:
Postal Code:	Phone Number:
Property Owner's Name	
Address:	City:
Postal Code:	Phone Number:
Property Owner's Name	
Address:	City:
Postal Code:	Phone Number:

This application is to: (Check applicable box) 001 <input type="checkbox"/> Convert* occupancy of designated room(s) 002 <input type="checkbox"/> Change term or nature of tenancy of designated room(s) 003 <input type="checkbox"/> Change frequency of rent payments for designated room(s) 004 <input type="checkbox"/> Convert* vacant designated room(s) 005 <input type="checkbox"/> Repair or alter designated room(s) 006 <input checked="" type="checkbox"/> Demolish* designated room(s) *see definitions of "conversion" and "demolition" on reverse side of form under "Explanatory Notes"	Total # of storeys in this building: <u>2 + BASEMENT</u> Total # of SRA rooms in this building: <u>8</u> Total # of non-SRA rooms in this building: <u>0</u>
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Describe nature of the proposed conversion or demolition:  
To Build 60 Unit Condominium Building As per DE A08385

Please continue application on reverse

City of Vancouver Single Room Accommodation Conversion or Demolition Permit Application - continued

	OFFICE USE
Are there any permanent residents needing to relocate as a result of this proposed conversion?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes, you must provide the following information:	
1. The number of permanent residents that will be affected? <u>2 (two)</u>	
2. A list of names of the residents needing relocation, their room nos. and length of residency	
3. Proposed relocation strategy for existing tenants	
You must also include with this application the following required supporting documents:	
1. Two sets of existing floor plans and proposed floor plans as detailed below*	
2. An affidavit, sworn by the owner or, if the owner is a corporation, by a director of the corporation, setting out why the owner wants to convert or demolish the designated room	
3. Records required under the Hotel Guest Registration Act or Hotel Room Tax Act, tax assessment records, guest ledgers, and daily rent receipts, for the current calendar year and for the three immediately preceding calendar years, in respect of the designated room	
4. Tentative schedule for construction (if applicable)	

\* Explanatory Notes:

- Definition of "conversion" or "convert" means the following under the Single Room Accommodation By-law:
  - (a) a change in the form of occupancy, intended form of occupancy, or customary form of occupancy of a designated room from living accommodation for a permanent resident to living accommodation for a transient guest or to another purpose,
  - (b) a change in the term or nature of the tenancy to which a permanent resident has the right in respect of a designated room,
  - (c) a change in the frequency of the rent payments a permanent resident must make in respect of a designated room,
  - (d) an occupancy or use, or the suffering or allowing of an occupancy or use, of a vacant designated room for a purpose other than living accommodation for a permanent resident,
  - (e) a repair or alteration to a designated room or any improvement or fixture in it or a replacement of any such improvement or fixture, except for repairs or alterations that are minor in nature and have no material effect on the enjoyment by permanent residents of their living accommodation,
  - (f) a reclassification of a building or any portion of a building from Class 1-residential to any other class referred to in the Assessment Act and its regulations, or
  - (g) a loss of exemption in respect of a designated room from an obligation to pay or remit hotel room tax under the Hotel Room Tax Act and its regulations;"
- Definition of "demolition" or "demolish" means the following under the Single Room Accommodation By-law:
  - "to pull, knock, or tear down or to raze, wholly or partially, a designated room"
- Floor plans must be professionally drawn, to a scale NOT less than 1/8" to 1", and must:
  - (a) include dimensions and layout of all floor levels including basement and underground parking;
  - (b) identify on each floor:
    - rooms that provide accommodation for permanent residents;
    - rooms that provide accommodation for transient guests (tourists);
    - rooms that provide other non-residential accommodation uses (e.g., lounge, storage rooms, etc.);
  - (c) indicate on each floor the square footage of all rooms and common areas;

Office Use Only

As owner or owner's agent, I have verified that the information contained within this document and associated applications and plans is correct, and describes a use, a building or a work which complies with all relevant by-laws and statutes. I acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors. I will indemnify and save harmless the City of Vancouver, its officials, employees and agents against all claims, liabilities and expenses of every kind, in respect of anything done or not done pursuant to this application or fact sheet or ensuing permit, including negligence and/or the failure to observe all by-laws, acts or regulations.

SIGNED AT VANCOUVER, BC THIS 16<sup>th</sup> DAY OF MARCH 2020 May  
 Signature of Applicant

Canada

Province of British Columbia

In the Matter of the City of Vancouver  
Single Room Accommodation By-law (the "By-law")

AFFIDAVIT

I, NIZAM MANJI, of 4621 CAMPILANO  
West Vancouver, British Columbia, make oath and say as follows:

1. I am a director of PARK PLACE DEVELOPMENT CO LTD, the registered owner of real property in Vancouver, British Columbia bearing the legal description PARCEL IDENTIFIER: 015-454-584 LOT 34 BLOCK 74 DISTRICT LOT 541 PLAN 210 and civic address 909 Richards Street, and as such have personal knowledge of the matters to which I depose in this affidavit.

2. I wish to convert or demolish the following rooms in the building on the property for the following purpose:

Room Numbers:

1 - 8

Purpose: To BUILD 60 UNIT CONDOMINIUM

Sworn before me at Vancouver,  
British Columbia this 15th day of  
March, 2005  
[Signature]  
A Commissioner for taking Affidavits  
for British Columbia

[Signature]  
Nizam Manji

THOMAS G. ANDISON  
Barrister & Solicitor  
410 - 1333 West Broadway  
Vancouver, B.C. V6H 4C1  
Tel: 734-4554 Fax: 734-5182

(Commissioner's stamp or seal)