



## CITY OF VANCOUVER

### ADMINISTRATIVE REPORT

Report Date: July 16, 2007  
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Meeting Date: September 18, 2007

TO: Vancouver City Council

FROM: Subdivision Approving Officer in consultation with the Director of the Housing Centre

SUBJECT: Proposed Strata Title Conversion - 206 East 49th Avenue

#### RECOMMENDATION

THAT the application to convert the previously occupied building at 206 East 49<sup>th</sup> Avenue (Lot A, Block 5, D.L. 651, Plan 22818) to strata title ownership be refused.

#### GENERAL MANAGER'S COMMENTS

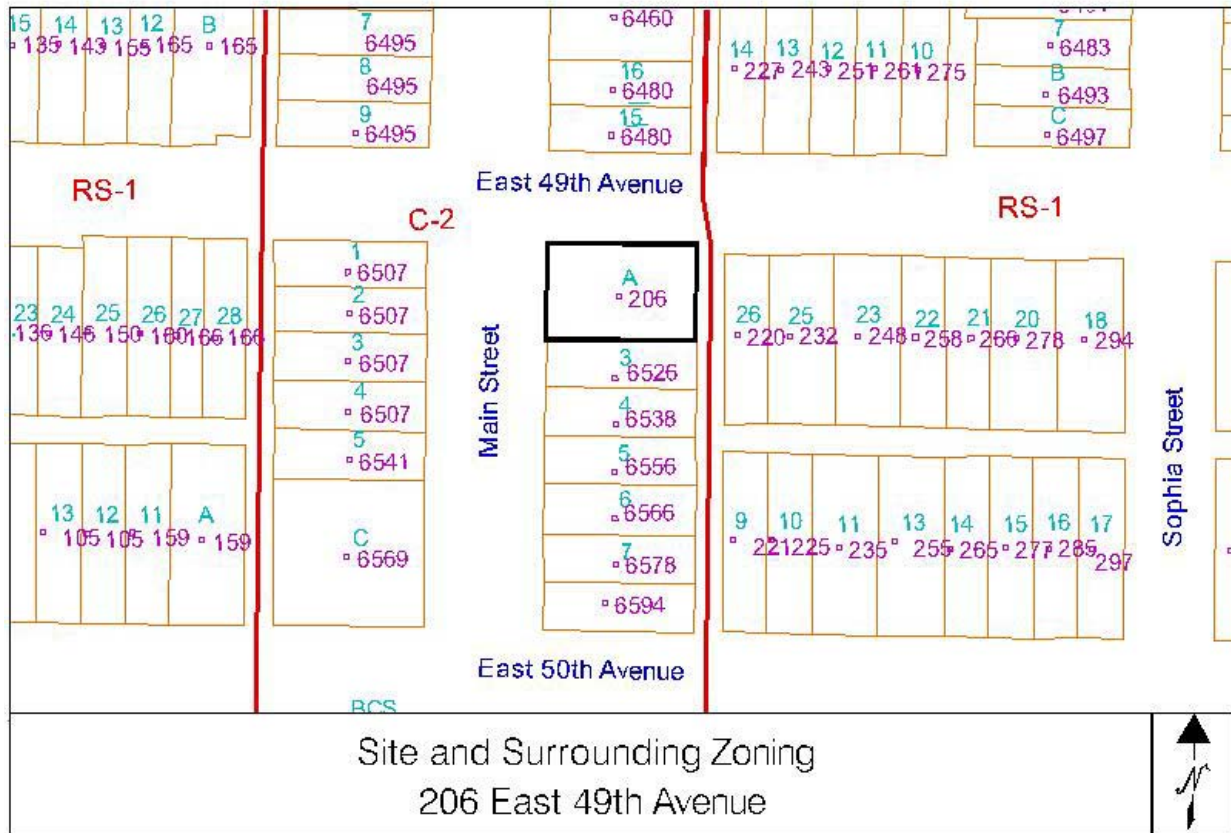
The General Manager of Community Services RECOMMENDS approval of the foregoing.

#### COUNCIL POLICY

Council policy is reflected in the City's Strata Title and Cooperative Conversion Guidelines, which outline factors Council will consider in reviewing applications for converting previously occupied buildings to strata title or cooperative ownership. Council approval is required specifically for all residential buildings containing six dwelling units or more.

**BACKGROUND**

The site is zoned C-2 and contains a four-storey mixed use retail/residential building completed in 1990. The building is comprised of fifteen residential units (six 1-bedroom units and nine 2-bedroom units), and five commercial/retail units. The location of the site is shown below.



**DISCUSSION**

The building has been occupied by residential tenants since its completion in 1990. Fourteen (14) of the fifteen (15) residential units were tenanted when the strata application was submitted.

An agent for the owner of the building has applied to convert this building to strata title ownership. At time of application, form letters were submitted by the applicant to the City, indicating that eleven (11) of the fifteen (15) residential tenants were in support of the application. The City's Strata Title and Co-operative Conversion Guidelines require that notices be posted in the building stating the intent to convert the building to strata title ownership, and that two thirds of the tenants in the building be in support of the proposal. City staff notified the tenants in October, 2006, and received six (6) responses. One tenant supported the application, two were in non-support, and three stated that they did not know if they supported the proposal. Several respondents indicated that no notices stating the intent to convert the building had been posted. The applicant was then advised to post notices. Once the notices had been posted, City staff once again notified the tenants of the proposed conversion. This notification yielded eight (8) responses: three in support; two in non-support and three who didn't know. It should be noted that once the notices stating intent to strata title the building were posted, form letters were again submitted to staff by the applicant, all but one indicating support for the proposal. However, staff are obliged to rely on the results of the official notification, and report these results to Council. Comments from commercial tenants are not solicited.

The City's Strata Title and Co-operative Conversion Guidelines require that two thirds of the building's residential tenants be in support of a proposal to strata title the units. In this circumstance, the applicant did not achieve the required tenant support.

On May 24, 2007, Council approved new policy preserving rental housing stock in certain zones, including the RM zones, FM-1 and CD-1 zones. Amendments to the Strata Title and Cooperative Conversion Guidelines to reflect this new policy have been made, but are not applicable in this circumstance, as the proposed strata conversion is situated on lands zoned C-2.

In addition to Development Services staff, the City Engineer, the City Building Inspector and the Manager of the Housing Centre have reviewed this application.

Should this application be approved, the City Engineer is seeking the dedication of the north 2.134 m (7.0 ft.) of Lot A for future road purposes to conform with the widening line for East 49<sup>th</sup> Avenue, noting that the existing building appears to be clear of the proposed widening line. In addition, the City Engineer notes that if the road dedication occurs, an existing easement and indemnity agreement registered on the title of Lot A which allows for the maintenance of an existing canopy may need to be replaced or modified.

The City Building Inspector reports that there are a number of upgrades to the building required in order for this building to substantially comply with all relevant City By-laws. A number of the electrical upgrades will be required, regardless of whether this application for strata conversion is approved.

The owner of this building has advised staff that he is currently developing another site in the same block at 6569 Main Street, which will consist of a mixed-use building containing commercial/restaurant units on the ground floor and 18 residential units on the second and third storeys. The owner states that the 18 residential units will be rental suites. It should be noted that unless the owner enters into a housing agreement which will guarantee the units remain rental, the owner could deposit a strata plan for registration at the Land Title

Office at any time before the building is occupied. Staff do not review strata plans for new construction, only for conversions of existing buildings.

The Director of the Housing Centre has the following comments:

“The Director of the Housing Centre advises that CMHC’s 2006 rental survey, the vacancy rate in SE Vancouver was 0.4% and that there are fewer than 700 conventional rental two-bedroom units in this sub-area. The building’s average rents (\$707 for the one-bedroom units and \$827 for the two-bedroom units) are below the average rents for SE Vancouver.

The City’s conventional market-rental stock is currently under significant pressure as a result of the escalation in condo prices over the last few years. Currently there are a substantial number of condo units under construction and very few rental units. Consequently, the Director of the Housing Centre recommends that this strata title application be refused.”

### FINANCIAL IMPLICATIONS

There are no financial implications.

### CONCLUSION

This application failed to achieve the two thirds tenant support required by the Strata Title and Co-operative Conversion Guidelines. Based on the lack of support, and on the comments received from the Director of the Housing Centre, the Subdivision Approving Officer recommends refusal of this application.

In the event that Council wishes to approve this strata title conversion, the Subdivision Approving Officer recommends that the strata plan not be approved until the following conditions have been completed:

1. Dedication of the north 2.134 m (7.00 ft.) of Lot A for future road widening purposes;
2. Modification of the existing easement and indemnity agreement (BR337705) to reflect the existing canopy; and
3. Completion of all work required by the City Building Inspector, under the required permits, at no cost to the City.

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