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ADMINISTRATIVE REPORT

Report Date: May 10, 2010
Contact: Annitta Lee
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VanRIMS No.: 08-2000-20
Meeting Date: June 8, 2010

TO: Vancouver City Council

FROM: Managing Director of Social Development and
Director of Development Services

SUBJECT: Housing Agreement - 1772 Comox Street

RECOMMENDATION

- A. THAT Council approve entering into a housing agreement with the owner of 1772 Comox Street as summarized in this report, provided that this resolution does not create any legal rights or obligations and none will arise until the housing agreement as authorized by by-law is signed.
- B. THAT the Director of Legal Services be instructed to bring forward a by-law to authorize the housing agreement.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services recommends approval of A and B.

COUNCIL POLICY

Council's housing priorities are 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; and the mentally ill, physically disabled, and others at risk of homelessness.

BACKGROUND

This report concerns a market-rental building that was built in 1963 with 61 dwelling units and with amenity space on the first floor in the form of an indoor swimming pool.

In 2005 the owner obtained approval to remove the under-used swimming pool which was to be replaced by amenity meeting rooms. The pool was removed and replaced with an

additional dwelling unit but the meeting rooms were not provided. Over the past few years there have been ongoing discussions about the configuration of the additional dwelling unit, but no building permits were ever issued to validate this change.

In August of 2009, the owner submitted Development Application DE413247 seeking approval for the change of use from amenity area to one dwelling unit. This change created an additional 1,020 square feet in the existing building. In considering such an approval, the Director of Planning has agreed to support the loss of the amenity space (and the additional floor area created), on the condition that the owner agree to securing two residential units in another area of the building (Unit #101 and Unit #102) under a housing agreement. Relaxation of allowable floor area can only be approved through a successful appeal to the Board of Variance.

On April 14, 2010, the Board of Variance granted appeal Number Z33344, thereby allowing additional floor area in the amount of 1,020 square feet for the building.

DISCUSSION

Staff are recommending approval of a housing agreement to secure two units (Unit #101 and Unit #102) within the building for affordable rental. The units in question currently house two tenants who were referred to the owner by a non-profit organization, the Jewish Family Service Agency of Vancouver. Both tenants are in receipt of BC Employment and Income Assistance and are paying \$375 per month rent, the maximum shelter component of their welfare cheques. Prior to moving in, they were both paying over 80% of their income towards rent and both were at risk of eviction because they could not afford the high rents.

The vacancy rate in the West End is among the lowest in the City. Even with the economic downturn, vacancy rate in West End in the fall of 2009 was 0.9% vs. 1.2% for the city. Average rents for a one bedroom unit of \$1,091 in West End are also higher than the city average of \$990 per month.

The development application involves a trade-off between amenity space in the building and affordable rental housing. As the building is well-served by the nearby West End Community Centre, and as affordable housing is needed in the West End, the Director of Planning supports the development application to replace the building amenity with an additional dwelling unit subject to the approval and registration of a housing agreement securing two units elsewhere in the building for low-income rentals.

The major features of the proposed housing agreement are as follows:

Terms of the Agreement

1. Unit #101 and Unit #102 to be retained for rental tenure for the life of the building for low-income people on social assistance, to be rented at no more than the maximum shelter component of social assistance for a single person. Priority will be given to long-term residents in the West End.
2. The Jewish Family Service Agency of Vancouver will be responsible for qualifying prospective tenants by confirming that they are in receipt of social assistance; and
3. The housing agreement will be registered in the Land Title Office.

FINANCIAL IMPLICATIONS

There are no financial implications.

CONCLUSION

Both rental housing and low-income housing are needed in the City including the West End. The proposed housing agreement presents an opportunity to secure two dwelling units for low-income persons. This is consistent with Council's priorities to maintain and expand affordable rental housing.

It is recommended that Council approve the housing agreement and instruct the Director of Legal Services to bring forward a by-law to enter into the housing agreement.

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