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ADMINISTRATIVE REPORT

Report Date: December 14, 2010
Contact: Dan Garrison
Contact No.: 604.871.6003
RTS No.: 09002
VanRIMS No.: 08-2000-20
Meeting Date: January 18, 2011

TO: Vancouver City Council
FROM: Managing Director of Social Development
SUBJECT: Housing Agreement Amendment for 1803 Frances Street

RECOMMENDATION

- A. THAT Council approve a modification of the Housing Agreement and Land Title Act Section 219 covenant with the owner of 1803 Frances Street so as to re-designate the Housing Agreement and Section 219 Covenant from Strata Lot 6 to Strata Lot 3 subject to this variation being approved by the Strata Corporation. No legal rights or obligations are hereby created or will arise until the variation of the Housing Agreement and the Section 219 Covenant are agreed to by the Strata Corporation, signed and registered.
- B. THAT the Director of Legal Services be instructed to bring forward a by-law to amend the Housing Agreement.

GENERAL MANAGER'S COMMENTS

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

COUNCIL POLICY

In May 2007, Council adopted revised policies and regulations (known as Rate of Change regulations) to protect existing rental housing in apartment areas and areas of the city zoned CD-1. These regulations require that the owner of a property replace existing rental housing on a one-for-one basis where a development of 6 or more units is proposed.

PURPOSE

This report seeks Council approval to vary the existing Housing Agreement and Land Title Act Section 219 Covenant from Strata Lot 6 to Strata Lot 3.

BACKGROUND

In 2007, the owner of 1803 Frances Street applied for Development Permit DE411420 to construct a three storey multiple dwelling containing six (6) dwelling units. The existing property contained one dwelling unit that provided rental accommodation. The site is located in the RM-4 zoning district, which is covered by the Rate of Change regulations to protect existing rental stock. Therefore, the demolition of the rental unit required one-for-one replacement in the new development.

On December 16, 2008, Council approved the Housing Agreement and Section 219 Covenant for 1803 Frances Street to secure one of the units (Strata Lot 6) as rental housing for the life of the building.

The existing Housing Agreement secures Strata Lot 6 as rental housing by requiring that:

- The unit only be occupied by tenants;
- If requested, tenants must identify themselves to City staff; and
- The strata corporation may not prohibit rental of this rental-only strata lot.

The Section 219 Covenant required establishment of the rental unit through strata title subdivision of the new building.

DISCUSSION

The owner of 1803 Frances Street now proposes re-designating the specific rental unit from Strata Lot 6 to Strata Lot 3. Section 565.2 of the Vancouver Charter requires a by-law to vary the Housing Agreement to re-designate the specific rental unit.

The owner proposes to designate Strata Lot 3 as the rental unit because it is a smaller unit than Strata Lot 6. The smaller square footage may result in lower market rents for this unit.

The designation of Strata Lot 3 as the rental unit in this development satisfies the one-for-one replacement requirement of the Rate of Change regulations.

FINANCIAL IMPLICATIONS

There are no financial implications.

CONCLUSION

The proposed Housing Agreement and the Section 219 Covenant amendments will continue to secure a rental unit for the life of the building on this site. This is consistent with Council's objective under the rate of change regulations.

It is recommended that Council approve variation of the existing Housing Agreement and Land Title Act Section 219 Covenant in principle and instruct the Director of Legal Services to bring forward a by-law to vary the Housing Agreement.

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