



owner cannot occupy the unit and has to make the unit available for rental purposes for the duration of five consecutive years. This is the minimum term that would be incorporated within the Housing Agreement.

#### **Issues & Analysis:**

This proposal has been referred to Sustainable Planning and Community Development for evaluation and staff have no objections to securing by means of an acceptable legal agreement registered on title, one of the existing rental units.

The tenant plan for 409-411 Government Street proposes that when the current tenancy ends, the unit will be placed back into the rental pool with a new lease agreement signed, lending some assurance that this unit will continue to be operated as long-term rental. However, based on the current vacancy rate of 0.5% and the increasing cost of rental housing as indicated by CMHC's most recent Rental Market Report, it is advisable that Council consider further securing the strata unit as rental housing for a minimum period of five years. It is also advised that no rental restrictions be permitted on the Strata contract.

It should be noted that the Residential Strata Titling Policy is now twenty years old (established in 1997), and does not contain minimum standards for length of secured rental, nor considerations for more security for established tenants or affordable units, and considering today's rental market. However, previous conversion approvals have set secured rental periods of 2-5 years, and so this project falls within the range of previously approved tenant plans. Staff recommend keeping a consistent approach that secures one unit, without restrictions, as rental for the full five (5) years.

#### **Options & Impact:**

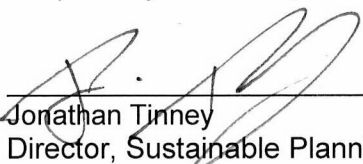
The impact of this approval is consistent with similar requests for duplex conversions of this nature. This approval ensures that one of the existing units is maintained within the rental pool for a reasonable length of time, in this case five (5) years and will be secured by a Housing Agreement. The agreement would be required to be registered on the property's title. This would take effect at time of registration of the strata plan.

#### **Recommendation:**

That Council approve the proposed tenant plan provided with the strata conversion application for 409 - 411 Government Street, subject to one of the existing rental units be secured for a five (5) year period.

That Council instruct staff to prepare the necessary Housing Agreement in order to secure one of the proposed strata units as rental for five (5) years.

Respectfully submitted,

  
Jonathan Tinney  
Director, Sustainable Planning  
and Community Development

  
Craig Steinberg  
Deputy Approving Officer

**Report accepted and recommended by the City Manager:**

  
**Date:** August 4, 2017

#### **Attachments**

409 & 411 Government – Tenant Plan  
Residential Strata Titling Policy  
Location Information Map