

The Corporation of the District of Central Saanich

REGULAR COUNCIL REPORT

For the Regular Council meeting on Monday, October 7, 2024

Re: 7925 East Saanich Rd – Strata Conversion

RECOMMENDATION(S):

That Strata Conversion application for 7925 East Saanich Road be authorized for issuance subject to the following:

- 1. That a report by an architect be provided that addresses the items outlined in the 'Strata Conversion Handout';
- 2. That any improvements required to be made as per the architect report be carried out prior to strata conversion approval; and,
- 3. That a covenant be registered prior to strata conversion approval to secure that the three residential units remain rental units for a period of 10 years after first occupancy.

PURPOSE:

The request is to stratify three rental units and a day care space operating under a lease agreement. This report provides background information on why the application is presented to Council for consideration and staff analysis of the request.

BACKGROUND:

The subject property at 7925 East Saanich Road previously included the "Old Attic" business and a day care on the lower level (see Appendix A – Site Context Plan and Appendix B – Strata Plan). In 2021, a rezoning application was received to increase the allowable Floor Area Ratio in order to accommodate the redevelopment of part of the commercial space to three rental dwelling units while expanding the day care space.

The current request is to convert the three rental units and day care space to four strata units. The applicant has provided a letter of rationale in support of the application (Appendix C) and Appendix D includes a letter from the project architect.

Delegation of Authority Bylaw No. 2060, 2020 states that: *"The subdivision of 3 or more multi-family residential units into separate strata lots will require Council approval."* Therefore, the application is presented to Council for consideration.

DISCUSSION:

Official Community Plan

Section 4.1 Growth Management and Housing in the Official Community Plan (OCP) includes under Affordable, Rental, and Special Needs Housing Policies the following policy:

13. Support the creation of new and the retention of existing rental housing within Central Saanich and discourage the conversion of rental housing of three or more units to strata ownership.

Generally, rental housing is encouraged, as are small, more compact housing forms and alternative forms of ownership. A mix of housing tenures, including market ownership, can provide increased housing options in the community.

The proposal would see three rental units and commercial space being stratified, opening the door for these units to be sold individually.

The applicant has indicated that he would be willing to register a covenant to commit to keeping the three dwelling units as rental units under one ownership for a period of 10 years from the date of occupation (January 2024).

Overall, staff are in support of the request. With multiple large-scale rental housing developments nearing completion (Marigold) and being approved (7701 East Saanich Road and possibly the CRHC project at 1183 Verdier), and others such as 7840 Lochside Drive being proposed, many rental units are expected to come on the market over the next few years. In addition, the units would not be removed from the rental pool for another 9+ years and the benefit of the units being stratified would be relatively attainable units becoming available for homeownership due to their size.

BC Building Code

As no exterior alterations are proposed, there are no concerns with respect to zoning regulations and there is no requirement for a development permit. However, there are BC Building Code implications.

Staff have put together a handout (Appendix E) for strata conversions and the Approving Officer would be relying on a report by an architect in determining whether to approve a strata conversion of the building under S.242. The architect report should include items such as:

- Floor plan and section, detailing described work to improve building;
- Condition of existing footings and foundation systems;
- Roof water collection system (clarify work completed under the recent permit);
- Existing exterior assemblies (exterior wall and roof assemblies that were retained along with the plans that show what was updated);
- Extent of seismic upgraded completed; and,
- The architect's professional seal.

To address the aforementioned BC Building Code matters, staff recommend that the architect's report be required prior to approval of the strata conversion. Should Council support the proposed conversion in general, staff would work with the applicant to address items listed in the handout before signing off on the plans.

The lower level includes common spaces and access to these spaces after hours would require access agreements between the strata units. With multiple owners, parking would need to be allocated and maintenance costs for services shared between future owners.

With respect to servicing, all existing service connections would continue to be used. Future repairs and maintenance of the service lines would be the responsibility of the new Strata.

OPTIONS:

Option 1 (Recommended):

That Strata Conversion application for 7925 East Saanich Road be authorized for issuance subject to the following:

- 1. That a report by an architect be provided that addresses the items outlined in the 'Strata Conversion Handout';
- 2. That any improvements required to be made as per the architect report be carried out prior to strata conversion approval; and,
- 3. That a covenant be registered prior to strata conversion approval to secure that the three residential units remain rental units for a period of 10 years after first occupancy.

Option 2:

That the strata conversion request for 7925 East Saanich Road be denied.

Option 3:

That alternative direction be provided.

CONCLUSION:

An application has been made to convert three rental units and a day care space currently all under one ownership to strata units. With the amount of rental units expected to come on the market in the near future and more units being proposed, staff have no concerns with the conversion subject to a covenant being registered that the units remain rental for another 9 years and improvements being made to address items listed in the 'Strata Conversion Handout' document.

Respectfully submitted by:	Ivo van der Kamp, A/Manager of Development Services
Concurrence by:	Jarret Matanowitsch, Director of Planning and Building
	Services
Concurrence by:	Christine Culham, Chief Administrative Officer

ATTACHMENTS:

Appendix A: Site Context Plan Appendix B: Strata Plan Appendix C: Letter of Rationale

Appendix D: Architect Letter

Appendix E: Strata Conversion Handout