

# CITY OF HAMILTON

# PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT Planning Division

TO: Chair and Members Planning Committee	WARD(S) AFFECTED: WARD 2			
COMMITTEE DATE: August 8, 2011				
SUBJECT/REPORT NO: Application for Approval of a Draft Plan of Condominium Conversion for Lands Located at 121 Hunter Street West (Hamilton) (PED11131) (Ward 2)				
SUBMITTED BY: Tim McCabe General Manager Planning and Economic Development Department	PREPARED BY: Timothy Lee (905) 546-2424, Ext. 1249			
SIGNATURE:				

#### RECOMMENDATION

That approval be given to <u>Condominium Conversion Application</u> <u>CDM-CONV-11-001</u>, by <u>Renimmob Properties Limited</u>, c/o <u>The Effort Trust Company</u>, <u>Owners</u>, to establish a Draft Plan of Condominium for 232 dwelling units, located at 121 Hunter Street West (Hamilton), as shown on the attached map marked as Appendix "A" to Report PED11131, subject to the following:

- (a) That this approval shall apply to the plan, prepared by A.T. McLaren Limited and certified by S.D McLaren, O.L.S., dated February 15, 2011, showing a total of 232 residential apartment dwellings and 198 vehicular parking spaces, attached as Appendix "B" to Report PED11131.
- (b) That the following conditions shall apply to the Draft Plan of Condominium Approval:
  - (i) That the Final Plan of Condominium shall comply with all of the applicable provisions of the applicable Zoning By-law, to the satisfaction of the Manager of Development Planning.

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- (ii) That the owner shall satisfy all conditions, financial or otherwise, of the City of Hamilton.
- (iii) That the owner shall submit a report in accordance with Section 9(4) of the Condominium Act, 1998, prepared and certified by a qualified Registered Professional Engineer or Licensed Architect, to the satisfaction of the Chief Building Official of the City of Hamilton, to confirm the structural and mechanical integrity of the building and any owner initiated measures required to correct any deficiencies prior to the release of the final plan for registration. That the owner further agrees to include a copy of this Report in all Offers of Purchase and Sale.
- (iv) That the owner shall include the following warning clause in all Development Agreements and Offers of Purchase and Sale or Lease/Rental Agreements:
  - "Purchasers/tenants are advised that sound levels due to increasing road traffic may occasionally interfere with some activities of the dwelling occupants as the sound levels may exceed the Municipality's and the Ministry of the Environment's noise criteria."
- (v) That the owner shall provide the Manager of Design and Construction with evidence that satisfactory arrangements, financial and otherwise, have been made with the telecommunications service provider, approved by the Canadian Radio and Telecommunications Commission (CRTC), that adequate telecommunication service will be provided to the condominium, including 9-1-1 emergency calling service, that identifies, at a minimum, the caller's name and location information.
- (vi) That the owner shall prepare a reference plan to establish a 9.0 metre wide servicing easement, centered over the existing sewer, in favour of the City of Hamilton, and to register the easement on the title of the lands, to the satisfaction of the Manager of Design and Construction.
- (vii) That the owner shall provide a centralized mail facility, at their own expense, within the building's common lobby, common indoor, or sheltered space, to the satisfaction of Canada Post.
- (viii) That the owner shall submit a Landscape Plan to show additional tree plantings on the road allowance of Hunter Street West, to the satisfaction of the Manager of Forestry and Horticulture.

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#### **EXECUTIVE SUMMARY**

The purpose of this application is to create a Plan of Condominium for 232 apartment units within a 17-storey building, and 198 vehicular parking spaces, located at 121 Hunter Street West (Hamilton), to allow for the tenure of the units to change from rental to condominium ownership (see Appendix "A"). The existing tenants are protected under the Residential Tenancies Act.

The proposed condominium conversion has merit and can be supported, with conditions, as the proposal is consistent with the Provincial Policy Statement, and conforms to the Places to Grow Plan, the "Urban Area" policies of the Hamilton Wentworth Official Plan, and the "Residential" and "Housing" policies of the City of Hamilton Official Plan.

Alternatives for Consideration - See Page 16.

#### FINANCIAL / STAFFING / LEGAL IMPLICATIONS

Financial: None.

Staffing: None.

**Legal:** The Planning Act does not require notice of Public Meeting for an

application for Condominium conversion. However, formal notice was

given to all existing residents.

#### HISTORICAL BACKGROUND

#### **Proposal**

The subject property is approximately 0.72 hectares in size, and is located on the south side of Hunter Street West, west of Bay Street South, and east of Caroline Street South (see Appendix "A"). The 17-storey building was constructed in the mid-1960's and consists of underground and surface parking, a common element lobby area on the ground floor, and residential units on the remaining floors. Currently, there are 30 bachelor, 92 one-bedroom, 88 two-bedroom, and 15 three-bedroom units, for a total of 225 units. The applicant proposes to create an additional 7 dwelling units within the penthouse on the 17<sup>th</sup> floor of the existing building, for a total of 232 units.

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Uses surrounding the subject property include a church located immediately east of the subject property, and residential uses of varying densities and dwelling types, such as high-rise and low-rise apartments, and single-detached dwellings. The purpose of the Condominium Conversion application is to allow a change in tenure from rental to condominium for the existing 224 apartment dwelling units, plus the conversion of the penthouse unit into 7 units (net increase of 6 units) located within the existing building (see Appendix "B").

# **Chronology:**

December 7, 2010: Date of Tenant Information Meeting.

April 12, 2011: Application is deemed complete.

July 21, 2011: Circulation of Notice of Public Meeting to all residents of the

subject building.

# **Details of Submitted Application**

**Location:** 121 Hunter Street West (Hamilton)

Owner/Applicant: Renimmob Properties Limited

(c/o Effort Trust Company)

Agent: IBI Group (George Zajac)

**Property Description:** Lot Area: 0.72 hectares

Lot Frontage: 116.9 metres
Lot Depth: 80.5 metres

#### **EXISTING LAND USES AND ZONING:**

**Existing Land Use Existing Zoning** 

**Subject Lands:** Apartment Building "E-3" (High Density Multiple

**Dwellings**) District

**Surrounding Lands:** 

West Apartment Buildings "E-3" (High Density Multiple

**Dwellings**) District

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North Single-Detached Downtown Residential "D5" Zone;

Dwellings Downtown Mixed-Use "D3" Zone

(By-law 05-200)

East Church "A/S-1443" (Agricultural) District

South Single-Detached "E-3" (High Density Multiple Dwellings; Residential Dwellings) District; Community

Care Facility Institutional "I2" Zone

## **POLICY IMPLICATIONS**

#### **Provincial Policy Statement**

The application has been reviewed with respect to the Provincial Policy Statement (PPS). The application is consistent with Policy 1.1.3.1., which focuses growth in Settlement Areas. In addition, Policy 1.4.3(a) outlines establishing and implementing minimum targets for the provision of housing, which is affordable to low and moderate income households. Finally, Policy 1.4.3(b)1. permits and facilitates all forms of housing required to meet the social, health, and well-being requirements of current and future residents. These policies are consistent in addressing the Provincial Interest in Section 2(j) of the <u>Planning Act</u> with respect to providing adequate housing types.

Policy 1.7.1(e) outlines that sensitive land uses are to be appropriately designed, buffered, and/or separated from major transportation corridors to prevent adverse effects from odour, noise, and other contaminants. The subject property is located 300 metres from the Canadian Pacific Railway/Metrolinx railway corridor, 200 metres from Main Street West, and 40 metres from Bay Street South. A condition to Draft Plan of Condominium Conversion approval has been included requiring that a noise warning clause be added to all Development Agreements and Offers to Purchase and Sales or Lease/Rental Agreements (see Recommendation (b)(iv)). Based on the foregoing, the proposal is consistent with the policies of the Provincial Policy Statement.

#### **Places to Grow**

The application has been reviewed with respect to the Places to Grow Plan. The application is consistent with the guiding principles of Policy 1.2.2 with respect to building compact, vibrant, and complete communities, and providing for different approaches to managing growth that recognizes the diversity of communities in the Greater Golden Horseshoe. In addition, Policy 2.2.2.1h) encourages cities and towns to develop as complete communities with a diverse mix of land uses and a range of housing types and easy access to local stores and services. These policies are also consistent in addressing the Provincial Interest in Section 2(j) of the <u>Planning Act</u> with

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respect to providing adequate housing types. As a result, the proposal conforms to the Places to Grow Plan.

### Hamilton-Wentworth Official Plan

The subject property is designated "Urban Area" in the Hamilton-Wentworth Official Plan. Policy C.3.1 outlines that a wide range of urban uses, defined through Area Municipal Official Plans and based on full municipal services, will be concentrated in the Urban Areas. Urban Areas are intended to accommodate approximately 96% of new residential housing units in the Region to the year 2020. In addition, under Part A, Section II, the City has interests in providing for housing which meets the needs of the diversity of households throughout the City.

As the nature of the application is for the conversion of the existing rental apartment units into a plan of condominium, the proposal conforms to the Hamilton-Wentworth Official Plan.

## **City of Hamilton Official Plan**

The subject lands are designated "Residential" on Schedule "A", Land Use Concept, of the City of Hamilton Official Plan, which permits the existing residential use. Section C.7.3.v) supports residential development that provides tenure options and a range of prices for new dwellings that will be affordable to Hamilton residents. Also, Section C.7.3.ix) supports the concept of a residential community that provides a diversity of dwelling forms and housing options that are accessible to all Hamilton residents.

Section C.7.11 provides the criteria for evaluating condominium conversion proposals. A detailed analysis of the proposal of this policy is found in the Analysis/Rationale for Recommendation section of this Report. Based on the analysis of this application, staff notes that the application conforms to Section C.7.11.i) with respect to rental vacancy rate by dwelling/structure type for the City, and the respective local housing market being at or above 2.0% for the City and respective local housing market zone; and, Section C.7.11.iii), that the existing market rent levels for the units proposed are not significantly below the average market rent levels for the City and the respective local housing market zone.

The subject lands are within the Special Area Policy known as the Central Policy Area that contains policies promoting and providing residential opportunities in close proximity to downtown. The following policies have been met:

"A.2.9.3.1.i) It is the intent of Council to strengthen the Residential function of this AREA to complement the multi-use nature of the Central Policy Area, to foster a wider choice in housing opportunities for all residents of the City, and to increase the resident population;

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- A.2.9.3.1.ii) Further to the above, a wide variety of densities, unit sizes, building styles, incomes, and household groups will be accommodated. Housing suitable for families, the physically disabled, and senior citizens will be particularly encouraged;
- A.2.9.3.1.v) It is intended that Residential development or re-development be at a scale, density, and bulk compatible with the established character of the surrounding uses;
- A.2.9.3.1.vi) Council will require, when considering a proposed high-density Residential development or re-development in this AREA, the provision of the maximum useable open space on-site;
- A.2.9.3.1.vii) Council will encourage high-density Residential developments or redevelopments which utilize innovative design alternatives to the "high-rise" apartment structure, while maintaining desirable standards of bulk, setbacks, and landscaping; and,
- A2.9.3.1.xii) To enhance the quality of a high density Residential and Commercial/Residential development, Council may, where appropriate, permit additional Residential density, where the proponent provides landscaped areas in excess of the Zoning By-law provisions, in accordance with Sub-section D.3 of the Plan."

Based on the foregoing, the proposal conforms to the policies of the City of Hamilton Official Plan.

#### **New Urban Hamilton Official Plan (Under Appeal)**

The Urban Hamilton Official Plan received Ministerial Approval from the Ministry of Municipal Affairs and Housing on March 16, 2011, and, therefore, can no longer be modified. The Plan has been appealed to the Ontario Municipal Board, and no hearings have been set. The subject property is designated "Neighbourhoods" on Schedule E-1, which permits the existing use. Section 3.2.5.1 of the Plan includes Condominium Conversion policies for Rental Housing Units. Section 3.2.5.1(a) states that to protect the adequate provision of a full range of housing, conversion to condominium rental apartment or townhouse buildings, or groups of buildings comprised of six or more units, should be permitted if all three general criteria are met, as outlined in (i), (ii), and (iii) below:

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### "3.2.5.1a) All of the following criteria have been met:

- (i) The rental vacancy rate by dwelling unit and structure type for the City and the respective local housing market zone, as identified on Schedule G Local Housing Market Zones and based on CMHC data, has been at or above 2.0% for the preceding twenty-four months;
- (ii) The proposed conversion shall not reduce the rental vacancy rate by dwelling unit and structure type to below 2.0% for the City and the respective local housing market zone; and,
- (iii) The existing market rent levels for the units proposed to be converted are not significantly (approximately 10%) below the average market rent levels for the City and the respective local housing market zone for rental units of a similar dwelling unit, and structure type and size."

As all of the criteria are being met with respect to the Condominium Conversion policies for Rental Housing Units, the application conforms to the Urban Hamilton Official Plan.

#### **RELEVANT CONSULTATION**

The following Departments and Agencies had no comments or objections to the proposed conversion:

- Taxation Division, Corporate Services Department.
- Traffic Engineering Section, Public Works Department.
- Horizon Utilities.

#### **Canada Post:**

Canada Post has advised that a condition to Draft Plan of Condominium approval be added requiring that the owner install a centralized mail facility, at the owner's expense, and to locate the mail facility in the common lobby area, or common indoor or sheltered area (see Recommendation (b)(vii)).

## **Bell Canada:**

The telecommunications provider has requested that an easement may be required to provide additional servicing of the subject property. Recommendation (b)(v) has been added as a condition to Draft Plan of Condominium approval to ensure that all of Bell Canada's requirements to provide adequate services are met.

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### <u>Urban Forestry Section, Public Works Department:</u>

The City's Urban Forestry Section has advised there are three municipal asset trees located on the road allowance surrounding the subject property. Recommendation (viii) will require the owner to submit a landscape plan to show the installation of 50 mm calliper deciduous trees along the Hunter Street West road allowance opposite 130 and 142 Hunter Street West in order to humanize and soften the streetscape.

# <u>Parking and By-law Services Division, Planning and Economic Development</u> Department:

The City's Parking Services Section has no objection to the application. However, the building will not be eligible for on-street Time Limit Exemption Permits, and all parking requirements should be provided on-site. Any short-term, on-street parking is available on a "first come" basis, as on-street parking is limited in the vicinity of the subject property.

## <u>Urban Renewal Section, Planning and Economic Development Department:</u>

The City's Urban Renewal Section advises that the property is located within the Downtown Hamilton Community Improvement Project Area, and the 7 additional units that are proposed for the penthouse level may be eligible for funding through the Hamilton Downtown Multi-Residential Property Investment Program or the Commercial Corridor Housing Loan and Grant Program.

#### **Housing Division, Community Services Department:**

The City's Housing Division has advised that the following Official Plan requirements for both the local housing market zone and the City of Hamilton have been met:

- 1. The rental vacancy rate has been at or above 2.0% for the past two years by dwelling/structure type for the City and the respective housing market zone;
- 2. The proposed conversion will not reduce the rental vacancy rate by dwelling/structure type to below 2.0% for the City and the respective local housing market zone; and,
- 3. The existing market rent levels for the units proposed to be converted are not significantly below the average market rent levels for the City and the respective local housing market zone.

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The Fall 2009 and Fall 2010 CMHC Rental Market Reports were used by the Housing Division as part of their comments for this application. The combined Zones 1 (Downtown) and 4 (Central) local housing markets were used in their analysis. Data showed that the vacancy rates within the local housing market zone increased from 6.2% in 2009 to 8.4% in 2010 for bachelor units, increased 3.9% in 2009 to 4.1% in 2010 for one-bedroom units, decreased slightly from 4.9% in 2009 to 4.8% in 2010 for two-bedroom units, and decreased from 3.8% in 2009 to 3.0% in 2010 for three-bedroom units. The vacancy rates for the former City of Hamilton showed that the rental vacancy rates increased from 6.9% in 2009 to 7.8% in 2010 for bachelor units, increased from 3.8% in 2009 to 4.3% in 2010 for one-bedroom units, decreased from 4.9% in 2009 to 4.0% in 2010 for two-bedroom units, and increased from 4.0% in 2009 to 5.1% in 2010 in three-bedroom units.

Based on the data presented, Criteria 1 and 2 of the Hamilton Official Plan requirements have been met as the rental vacancy rate has been above the minimum required 2.0% for the past two years, and that the loss of stock from the proposed Condominium Conversion will not negatively affect rental vacancy rates.

The CMHC Rental Market Report showed that the average rents for bachelor, one, two, and three-bedroom units showed an increase for the local housing market and the City from 2009 to 2010. The only exception are bachelor units within the local housing market zone, where the average rent remained stable at \$507.00 from 2009 to 2010. For the local housing market zone, the average rent increased from \$635.00 in 2009 to \$649.00 in 2010 for one-bedroom units, increased from \$790.00 in 2009 to \$806.00 in 2010 for two-bedroom units, and increased from \$909.00 in 2009 to \$973.00 in 2010 for three-bedroom units.

For the City, the average rents increased from \$507.00 in 2009 to \$508.00 in 2010 for bachelor units, increased from \$640.00 in 2009 to \$650.00 in 2010 for one-bedroom units, increased from \$761.00 in 2009 to \$775.00 in 2010 for two-bedroom units, and increased from \$875.00 in 2009 to \$932.00 in 2010 for three-bedroom units. Further analyses of the Housing Division comments are provided in the Analysis/Rationale for Recommendation section of this Report (Comment 3, Pages 11-14).

The rent roll information that was provided by the applicant showed that none of the average rents for the units in the subject property was significantly below the average market rent. Based on the foregoing, the application conforms to all of the criteria of the Official Plan requirements, and staff supports the Condominium Conversion application.

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#### **ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

- 1. The proposal can be supported for the following reasons:
  - (i) It is consistent with the Provincial Policy Statement, and conforms to the Places to Grow Plan and the Hamilton-Wentworth Official Plan;
  - (ii) It conforms to the Residential Condominium Conversion policies of the City of Hamilton Official Plan and the Ministerial-approved Urban Official Plan; and,
  - (iii) The conversion of the units will not reduce the number of overall affordable rental units for bachelor, one-bedroom, two-bedroom, and three-bedroom apartment dwelling units within the City of Hamilton.
- 2. There are currently 30 bachelor, 92 one-bedroom, 88 two-bedroom, and 15 three-bedroom units, for a total of 225 units. The owner proposes to convert the existing 17<sup>th</sup> floor penthouse into 7 units (2 one-bedroom, 3 two-bedroom, and 2 three-bedroom), for a total of 232 units. No addition to the existing building is being proposed.

The subject property is zoned "E-3" (High Density Multiple Dwellings) District, and permits the existing residential use. However, a minor variance application will be required to address the following zoning deficiencies:

- Two loading spaces are required, as identified in Hamilton Zoning By-law No. 6593, whereas no loading spaces are currently being provided on the subject property:
- Reduce the exterior side yard setback from the minimum required 13.5 metres to 0.071 metres along Caroline Street only; and,
- The total landscaped area of the subject property is 26.6%, which does not conform to Hamilton Zoning By-law No. 6593, where a lot must have a minimum of 40% of the area landscaped.

The Draft Plan does not identify the parking space dimensions. Further details must be provided by the applicant to show the parking space dimensions as it appears that the parking stalls do not conform with respect to its size. If the applicant cannot demonstrate that the parking space dimensions conform to the minimum size requirements in Hamilton Zoning By-law No. 6593, then a variance

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will be required to reduce the dimension size to be consistent with Hamilton Zoning By-law No. 05-200.

- 3. The housing policies found in the City of Hamilton Official Plan are intended to guide future growth and development, which includes the protection of a full range of housing, including rental housing, throughout the City. In this regard, Section C.7.11 of the City of Hamilton's Official Plan identifies the three conditions that must be satisfied in order to recommend the conversion of rental stock to condominium ownership:
  - "(i) The Vacancy rate has been above 2% for the past two years by dwelling/structure type for the City and the respective local housing market zone;
  - (ii) The Proposed conversion will not reduce the rental vacancy rate by dwelling/structure type to below 2.0% for the City and the respective local housing market zone; and,
  - (iii) The existing market rent levels for the units proposed to be converted are not significantly below the average market rent levels for the City and the respective local housing market zone for rental units of a similar dwelling/structure type."

The Canada Mortgage and Housing Corporation (CMHC) provides annual statistical information on the national, provincial, and local housing markets. In order to evaluate the proposal against the above noted Official Plan policies, the City uses the local housing market data that is specifically ordered from CMHC (see Tables 1 and 2).

<u>Table 1: Vacancy Rate and Average Market Rents for Bachelor, One-Bedroom,</u>
Two-Bedroom, and Three-Bedroom Units in the City of Hamilton

Unit Type	Vacancy Rate (2009)	Average Rent (2009)	Vacancy Rate (2010)	Average Rent (2010)
Bachelor	6.9%	\$507	7.8%	\$508
One-				
Bedroom	3.8%	\$640	4.3%	\$650
Two-				
Bedroom	4.9%	\$761	4.0%	\$775
Three-				
Bedroom	4.0%	\$875	5.1%	\$932

Source: CMHC (2009)

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The subject property is located in the Downtown (Zone 1) local market zone. For the purpose of analysis, the Central Hamilton (Zone 4) local market zone is also used. Comments from the City's Housing Division used the Fall 2009 and Fall 2010 Rental Market Reports as the sources of data for the analysis of Official Plan conformity. As outlined in Table 1, the rental vacancy rate in the City of Hamilton for bachelor units increased from 6.9% in 2009 to 7.8% in 2010. The rental vacancy rates for one-bedroom units increased from 3.8% in 2009 to 4.3% in 2010. For two-bedroom units, the vacancy rates decreased from 4.9% in 2009 to 4.0% in 2010. For three-bedroom units, the vacancy rates increased from 4.0% in 2009 to 5.1% in 2010.

<u>Table 2: Vacancy Rate and Average Market Rents for Bachelor, One-Bedroom, Two-Bedroom, and Three-Bedroom Units in CMHC Zone</u>
1+4 - Downtown/Central

Unit Type	Vacancy Rate (2009)	Average Rent (2009)	Vacancy Rate (2010)	Average Rent (2010)	
Bachelor	6.2%	\$507	8.4%	\$507	
One-					
Bedroom	3.9%	\$635	4.1%	\$649	
Two-					
Bedroom	4.9%	\$790	4.8%	\$809	
Three-					
Bedroom	3.8%	\$909	3.0%	\$973	

Source: CMHC (2009)

As outlined in Table 2, the rental vacancy rate in the local housing market zone for bachelor units increased from 6.2% in 2009 to 8.4% in 2010. For one-bedroom units, the vacancy rate increased from 3.9% in 2009 to 4.1% in 2010. For two-bedroom units, the vacancy rate decreased slightly from 4.9% in 2009 to 4.8% in 2010. For three-bedroom units, the vacancy rate decreased from 3.8% in 2009 to 3.0% in 2010. The data has shown that the rental vacancy rate for all bedroom types for the City of Hamilton and the local housing market has been consistently above the minimum required 2.0% for the preceding twenty-four months for the City and the respective local housing market.

Staff reviewed the application against the Fall 2009 and Fall 2010 Rental Market Reports, which showed that the vacancy rates for bachelor, one-bedroom, two-bedroom, and three-bedroom units for the City of Hamilton to be consistently above 2.0% for the preceding twenty-four months, where the lowest rental vacancy rate for the period was 3.8%. Similarly, the rental vacancy rate for all bedroom types for the local housing market was also consistently above 2.0% for the preceding twenty-four months, where the lowest rental vacancy rate for the

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period was 3.0%. The conversion of 225 apartment units will not reduce the rental vacancy rate to below 2.0%. Therefore, Section C.7.11.ii) of the Hamilton Official Plan has been met, as the conversion of the 225 apartment units will not result in the rental vacancy rate to decrease to below 2.0%.

<u>Table 3: Average Market Rents for Bachelor, One-Bedroom, Two-Bedroom, and Three-Bedroom Units of the Subject Property, and Average Market Rents in the City of Hamilton and Local Market Zone</u>

	High	Low	Average	2009 (City)	2010 (City)	2009 (Zone 1+4)	2010 (Zone 1+4)
Bachelor	\$1182	\$554	\$616	\$507	\$508	\$507	\$508
One-							
Bedroom	\$819	\$609	\$715	\$640	\$650	\$640	\$650
Two-							
Bedroom	\$1,012	\$839	\$903	\$761	\$775	\$761	\$775
Three-							
Bedroom	\$1,163	\$1,039	\$1088	\$875	\$932	\$875	\$932

Source: CMHC (2009)

Tables 3 shows the highest and lowest market rent and average market rent by bedroom type, based on the December, 2010 rent roll information that was provided by the agent. Comparing the Fall 2009 and Fall 2010 Rental Market Report, the data showed that none of the units were significantly below the average market rent in the City of Hamilton and the local market zone. Therefore, the application conforms to Policy C.7.11.iii) with respect to the existing market rent levels for the units proposed to be converted as the rents are not significantly below the average market rent levels for the City and the respective local housing market zone for rental units of similar dwelling/structure type.

In summary, the application conforms to the following criteria:

- (i) The vacancy rate has been above 2% for the past two years by dwelling/structure type for the City and the respective local housing market zone:
- (ii) The proposed conversion will not reduce the rental vacancy rate by dwelling/structure type to below 2.0% for the City and the respective local housing market zone; and,

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- (iii) The existing market rent levels for the units proposed to be converted are not significantly below the average market rent levels for the City and the respective local housing market zone.
- 4. An "Information Meeting" was held by the applicant on December 7, 2010, and all tenants, staff, and the local Ward Councillor were invited. A total of 79 residents were in attendance. At the meeting, the applicant advised the tenants that the owner intended to make an application to the City for the conversion of the subject property to ownership tenure. The applicant explained to the tenants the condominium conversion process, the tenant's rights under the Residential Tenancies Act, and provided opportunity for the tenants to ask questions. An information sheet was circulated to all tenants outlining the application process and the existing tenants' rights under the Residential Tenancies Act, including confirmation that existing residents not committing to purchase their units will be allowed to continue to rent (see Appendix "C" Minutes of Meeting).

A total of 60 questionnaires were received from residents, where 37 residents do not support the Condominium Conversion application, 3 residents are in support, and 20 residents have no opinion on the application. The results of the analysis suggest that the application meets all of the criteria with respect to the Residential Condominium Conversion Policies of the Hamilton Official Plan, and that the application will not affect the affordability of the rental market within the City and the local housing market. In addition, tenant's rights are protected under the Residential Tenancies Act, where tenants can continue to rent their unit even though they are not committing to buy their unit.

- 5. In accordance with Section 9(4) of the <u>Condominium Act</u>, when an application is made to convert a residential building from rental to condominium tenure, the municipality shall require the owner/applicant to retain a qualified professional to inspect the property, and report to the municipality all matters that it considers may be of concern. This has been addressed in Recommendation (b)(iii).
- 6. There are existing municipal watermains, combined sewers, and storm sewers adjacent to the subject lands. In addition, there are no road widening requirements from the subject property at this time. There is an existing 229mm sewer, which traverses the property in an east-west direction that services an existing building at 130 Bay Street South. A 9.0 metre wide servicing easement will be required over the existing sewer to allow for maintenance and repairs to the sewer line. The owner will be required to submit a reference plan to establish the servicing easement, and to register the easement on the title of the lands. This has been addressed in Recommendation (b)(vi).

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#### **ALTERNATIVES FOR CONSIDERATION**

If the Condominium Conversion application is not approved, the existing apartment dwelling units will remain as rental tenure.

#### **CORPORATE STRATEGIC PLAN** (Linkage to Desired End Results)

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

### Social Development

Everyone has a home they can afford that is well maintained and safe.

### **Healthy Community**

- Plan and manage the built environment.
- Adequate access to food, water, shelter and income, safety, work, recreation and support for all (Human Services)

#### **APPENDICES / SCHEDULES**

- Appendix "A": Location Map
- Appendix "B": Draft Plan of Condominium
- Appendix "C": Notice and Minutes of Tenant "Information Meeting" on December 7, 2010, and Resident Questionnaires

:TL Attachs. (3)