

CITY OF HAMILTON

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Planning Division

TO: Chair and Members Planning Committee	WARD(S) AFFECTED: WARD 7
COMMITTEE DATE: May 3, 2011	
SUBJECT/REPORT NO: Application for Approval of a Draft Plan of Condominium Conversion for Lands Located at 47-61 Lilacside Drive (Hamilton) (PED10136(a)) (Ward 7)	
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 **Condominium Conversion Application CDM-CONV-09-04, by Parutus Investors Group, Owner**, to establish a Draft Plan of Condominium for 8 existing townhouse units, located at 47-61 Lilacside Drive (Hamilton), as shown on the attached map marked as Appendix "A" to Report PED10136(a), subject to the following:

- (a) That this approval apply to the plan, prepared by A.T. McLaren Limited and certified by S.D. McLaren, O.L.S., dated November 26, 2009, showing a total of 8 residential townhouse dwellings, and 9 vehicular parking spaces, attached as Appendix "B" to Report PED10136(a).
- (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.
- (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 a telecommunication service provider, approved by the Canadian Radio and Telecommunication 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.

EXECUTIVE SUMMARY

The purpose of this application is to create a Plan of Condominium for 8 existing townhouse units, located at 47-61 Lilacside Drive (Hamilton) (see Appendix “A”) to allow for the tenure of the units to change from rental to condominium ownership. 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, Places to Grow Plan, conforms to the “Urban Area” policies of the Hamilton-Wentworth Official Plan, and the “Residential” and “Housing” policies of the City of Hamilton Official Plan.

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Alternatives for Consideration - See Page 15.

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 0.29 hectare in size, and is located on Lilacside Drive, southwest of Mohawk Road East and Upper Sherman Avenue (see Appendix "A"). The owner also owns the property located immediately to the north of the subject property, but it is not part of this Condominium Conversion application. Uses that surround the subject property are predominantly residential of varying densities. In addition, there is a gas station and commercial retail uses located to the northeast of the subject property. The purpose of the Condominium Conversion application is to allow a change in tenure from rental to condominium for the existing 8 townhouse units (see Appendix "B").

The Condominium Conversion application was submitted in July 2009, and the Fall 2008 and Fall 2009 CMHC Rental Market Report was used as part of staff's initial analysis. In 2009, the application did not conform to Section 7.11.i) of the Hamilton Official Plan, which requires that the rental vacancy rate by dwelling/structure type for the City be at or above 2.0% for the preceding twenty-four months; and Section 7.11.ii) where the proposed conversion will not reduce the rental vacancy rate for the City to below 2.0%. The data showed that in 2008 the vacancy rate for the City was 1.5%. A report was prepared and brought forward to the Economic Development and Planning Committee on June 16, 2010, but was deferred at the request of the applicant pending the release of the 2010 Rental Market Report by the CMHC. This staff report provides updated analysis using 2009 and 2010 CMHC Rental Market Reports (see Comment 2, Pages 9-11).

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Chronology:

- July 16, 2009: Application is deemed complete.
- January 13, 2011: Received estimated selling price for individual units.
- June 16, 2010: Staff report brought forward to Economic Development and Planning Committee, request by the applicant to defer the report was granted by Committee.
- December, 2010: 2010 CMHC Rental Market Report released to the general public.
- February 2, 2011: Revised comments received indicating that the application conforms to the "Housing" Policies of the City of Hamilton Official Plan.
- April 7, 2011: Circulation of Notice of Public Meeting to all residents of the subject building.

Details of Submitted Application

Location: 47-61 Lilacside Drive (Hamilton)

Owner/Applicant: Paratus Investors Group

Agent: IBI Group (George Zajac)

Property Description: Lot Area: 0.289 hectares

Lot Frontage: 26.0 metres

Lot Depth: 40.7 metres

EXISTING LAND USES AND ZONING:

	<u>Existing Land Use</u>	<u>Existing Zoning</u>
<u>Subject Lands:</u>	Townhouse Units	“D” (Urban Protected Residential - One and Two Family Dwellings, etc.) District
<u>Surrounding Land Uses:</u>		
North	Rental Apartments	“E” (Multiple Dwellings, Lodges, Clubs, etc.) District
West	Semi-Detached Dwellings	“D” (Urban Protected Residential - One and Two Family Dwellings, etc.) District
South	Semi-Detached Dwellings; and, Single-Detached Dwellings	“D/S-1050” (Urban Protected Residential - One and Two Family Dwellings, etc.) District, Modified; “D” (Urban Protected Residential - One and Two Family Dwellings, etc.) District
East	Single-Detached Dwellings; and, Automobile Service Station/Convenience Retail Store, Take-Out Restaurant	“D” (Urban Protected Residential - One and Two Family Dwellings, etc.) District; “H” (Community Shopping and Commercial, etc.) District

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 that 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. 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 Planning Act with respect to providing adequate housing types.

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Finally, 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. A condition of Draft Plan of Condominium Conversion approval has been added requiring that a noise warning clause be added to all Development Agreements and Offers of 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 2.2.2.1)h) 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 Planning Act with 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 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 townhouse units into a plan of condominium, the proposal conforms to the Hamilton-Wentworth Official Plan.

The 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.

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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 preceding twenty-four months; Section C.7.11.ii), that the proposed conversion will not reduce the rental vacancy rate by dwelling/structure to below 2.0% for the City and respected 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 respected local housing market zone. A detailed analysis of Official Plan conformity is found on Page 9, Comment 2, in the Analysis/Rationale section of this Report.

Based on the foregoing, the proposal conforms to the policies of the City Of Hamilton Official Plan, and the application can be supported.

New Urban Hamilton Official Plan (Council Adopted)

The New Urban Hamilton Official Plan was adopted by Council on July 9, 2009, and approved by the Minister of Municipal Affairs and Housing with modifications, on March 16, 2011. The last date of appeal is April 5, 2011. 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 of rental apartment or townhouse buildings, or groups of buildings comprised of six or more units, should be permitted if any one of the three general criteria are met, as outlined in a), b), and c) below:

"3.2.5.1a) All of the following criteria are 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 foregoing criteria are being met, the application conforms to the Urban Hamilton Official Plan, and the application can be supported.

RELEVANT CONSULTATION

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

- Taxation Division, Corporate Services Department.
- Environmental Planning Section, Capital Planning and Implementation Division.
- Hamilton Municipal Parking System, Parking and By-Law Services.
- Horizon Utilities.
- Hydro One.
- Union Gas.
- Canada Post.

Housing Division, Community Services Department:

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

1. 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;
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.

The 2009 and 2010, CMHC Rental Market Reports were used by the Housing Division as part of their comments for this application. The Zone 1 (Hamilton Mountain) local housing market zone was used in their analysis. Data showed that the vacancy rates within the local market zone decreased from 2.9% in 2009 to 2.6% in 2010 for three-bedroom townhouse dwellings, and decreased from 4.5% in 2009 to 2.6% in 2010 for the City of Hamilton (see Comment 2, Pages 9-11).

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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 the loss of stock from the proposed Condominium Conversion will not negatively affect rental vacancy rates.

The CMHC Rental Market Reports showed that the average rents for the townhouse dwellings increased slightly from 2009 to 2010. For the local market zone, the average rent increased from \$943 in 2009 to \$965 in 2010. Similarly, the average rent for the City increased from \$918 in 2009 to \$933 in 2010 (see Comment 2, Pages 9-11). The rent roll information that was provided by the applicant showed that rents are not significantly below the average market rent for three-bedroom units for the City and the local housing market zone. Based on the analysis, the application conforms to all of the criteria of the Official Plan requirements, and staff supports the Condominium Conversion application.

ANALYSIS / RATIONALE FOR RECOMMENDATION

1. The proposal can be supported for the following reasons:
 - (i) It is consistent with the Provincial Policy Statement, and conforms to Places to Grow and the Hamilton-Wentworth Official Plan.
 - (ii) It conforms to the Residential Condominium Conversion policies of the City of Hamilton Official Plan and the Ministerially approved Urban Official Plan; and,
 - (iii) The conversion of the units will not reduce the number of overall affordable rental units for townhouse dwellings within the City Of Hamilton.

2. 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 rental vacancy rate by dwelling/structure type for the City and the respective local housing market zone has been at or above 2.0% for the preceding twenty-four months;
 - (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 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 local housing market data that is specifically-ordered from CMHC (see Tables 1 and 2).

Table 1: Vacancy Rate and Average Market Rents for Three-Bedroom Townhouse Units in the City of Hamilton

Unit Type	Vacancy Rate (2009)	Average Rent (2009)	Vacancy Rate (2010)	Average Rent (2010)
Three-Bedroom	4.5%	\$918	2.6%	\$933

Source: CMHC (2009)

Table 2: Vacancy Rate and Average Market Rent for Three-Bedroom Townhouse Units in CMHC Zone 6 - Hamilton Mountain

Unit Type	Vacancy Rate (2009)	Average Rent (2009)	Vacancy Rate (2010)	Average Rent (2010)
Three-Bedroom	2.9%	\$943	2.6%	\$965

Source: CMHC (2009)

The subject property is located in the Hamilton Mountain (Zone 6) local market zone. Revised comments from the City’s Housing Division used the Fall 2009 and the Fall 2010 Rental Market Reports as the sources of data for the analysis of Official Plan conformity. As outlined in the above table, the vacancy rate for the City Of Hamilton for three-bedroom townhouse dwelling types decreased from 4.5% in 2009 to 2.6% in 2010. The vacancy rates for Zone 6 for three-bedroom townhouse dwelling types decreased from 2.9% in 2009 to 2.6% in 2010. The data demonstrated that Section C.7.11.i) of the Hamilton Official Plan that requires the rental vacancy rate to be at or above 2.0% for the preceding 24 months for the City and the respective local housing market has been met.

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Staff reviewed the application against the Fall 2009 and Fall 2010 Rental Market Reports, which showed that the vacancy rate for three-bedroom townhouse dwellings decreased from 4.5% in 2009 to 2.6% in 2010 for the City of Hamilton, and the vacancy rate for the local housing market decreased from 2.9% in 2009 to 2.6% in 2010. The data suggests that the vacancy rate has been consistently above the minimum required 2.0% for the preceding twenty-four months, and that the conversion of the 8 three-bedroom dwelling units will not reduce the 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 8 townhouse units will not result in the rental vacancy rate to decrease below 2.0%.

The information that was provided by the applicant showed that the average monthly rent for three-bedroom townhouse dwelling units ranges from \$942 per month to \$1,017 per month, as of January 2011. Comparing with the 2010 Rental Market Report, rents are not significantly below the average market rent for three-bedroom townhouse units for the City of Hamilton and the local housing market zone. Average rent for three-bedroom townhouses increased from \$918 per month in 2009 to \$933 per month in 2010, and \$943 per month in 2009 to \$965 per month in 2010 for the respective local market zone. The data shows that 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 they 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 rental vacancy rate by dwelling/structure type for the City and the respective local housing market zone has been at or above 2.0% for the preceding twenty-four months;
- (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.

In addition, the application conforms to the New Urban Hamilton Official Plan, as all three criteria are met with respect to vacancy rates for the City of Hamilton and the local housing market in the preceding twenty-four months, and that the rents charged are not significantly below the average market rent levels for the City and the local housing market zone.

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3. Based on the Fall 2009 and Fall 2010 CMHC Rental Market Report, the Condominium Conversion application can be supported. A Report to deny the application was brought forward to the June 16, 2010, Economic Development and Planning Committee, however, the applicant requested to defer the Report until the Fall 2010 CMHC Rental Market Report was released and staff had reviewed the data. This Report provides an update to the application based on the Fall 2009 and Fall 2010 CMHC Rental Market Reports.

Staff relied on the Fall 2008 and Fall 2009 CMHC Rental Market Reports as part of the initial analysis of the Condominium Conversion application. At the time of preparation of the first staff report, the rental vacancy rate for the City for three-bedroom townhouse units in 2008 was 1.5%, which was below the minimum required 2.0%. For the respective housing market zone, the vacancy rate was consistently above 2.0% in 2008 and 2009. The application did not conform to the Residential Condominium Conversion policies of the Hamilton Official Plan with respect to Section C.7.11.i) where the rental vacancy rate by dwelling/structure type for the City has been at or above 2.0% for the preceding twenty-four months, and Section C.7.11.ii) where the proposed conversion will not reduce the rental vacancy rate by dwelling/structure type to below 2.0% for the City.

The first staff report noted that the application conformed to the Residential Condominium Conversion policies with respect to the C.7.11.iii) where the existing market rent levels for the units proposed to be converted were not significantly below the average market levels for the City and the respective local housing market zone for rental units of a similar dwelling/structure type.

4. The owner of the subject lands is proposing to offer homeownership to existing tenants and other low-income residents in the community and, as a result, achieve City policy as it relates to housing affordability. Homeownership is a goal for many families; however, many low-income families are unable to purchase a home due to the lack of funds to pay for the down-payment. The owner of the rental apartment is proposing to sell individual units, at an affordable price, to allow tenants and other low-income households to achieve homeownership. It has been proposed by the applicant that the price for each three-bedroom townhouse dwelling unit will be between \$115,000 and \$120,000. The estimated selling prices for the proposed condominium units would be affordable to households with incomes at approximately the 20th percentile of the income distribution in Hamilton.

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5. An “Information Meeting” was held by the applicant on June 15, 2009, and all tenants, staff, and the local Ward Councillor were invited. A total of 9 residents were in attendance from all 8 townhouse units on the subject property. 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 the condominium conversion process to the tenants, the tenant’s rights under the Residential Tenancies Act, and provided an 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).
6. The owner of the subject property also owns the adjoining property immediately to the north. Previously, the property was a separate parcel but has since merged in title as they are now both under identical ownership. Through the Condominium Conversion application, the property will be severed by default due to the registering of the Draft Plan of Condominium of the subject property. The application only affects the townhouse units that front onto Lilacside Drive, and does not affect the property that contains a mid-rise apartment building that fronts onto Mohawk Road West.
7. In accordance with Section 9(4) of the Condominium Act, 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 as Recommendation (b)(iii).
8. The subject property is zoned “D” (Urban Protected Residential - One and Two Family Dwellings, etc.) District, and permits the existing townhouse use. Townhouse units are a permitted use subject to the “RT-10” (Townhouse) District zoning provisions provided that the townhouse units were constructed prior to 1993. Staff reviewed the application, and several zoning provisions with respect to the existing parking lot do not comply. Clarification must be provided by the applicant with respect to the date of the construction of the parking lot to determine if the parking lot is legal non-conforming. The following zoning provisions do not comply, and may require variances or redesign of the parking lot in order to comply with the Hamilton Zoning By-law.
 - The minimum parking requirement for a townhouse dwelling is 1.5 parking spaces. The Draft Plan of condominium shows that 10 parking spaces are provided, whereas 12 are required.

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- The Draft Plan of Condominium shows that the parking stalls are 2.83 metres by 5.91 metres, whereas the minimum required dimensions for each parking stall are 2.7 metres by 6.0 metres.
- A minimum manoeuvring space aisle width of 6.0 metres is required. No dimensions were provided in the Draft Plan of Condominium; however, comments from Traffic Engineering identified the width to be from 3 metres to 5 metres.
- Planting strips and visual barriers are required for parking lots with more than 5 parking spaces. The parking area is 0 metres from the south lot line, whereas a 1.5 metre planting strip along the adjoining residential district is required. In addition, a 1.5 metre required planting strip is not shown along the east or south lot lines.
- No visual barriers have been shown on the Draft Plan of Condominium, whereas a 1.2 metre to 2.0 metre visual barrier shall be provided along the boundary of the entire lot which adjoins a residential district.
- No part of the required parking area shall be within the required 6.0 metres front yard, whereas one of the parking spaces is located 5.2 metres from the front lot line.
- The access driveway is required to be located not less than 3.0 metres from the residential district, whereas the access driveway is 0.0 metres from the residential district to the south of the subject property.

As the variances are to recognize an existing situation that has existed since 1965, and no changes to the parking areas are proposed as a result of the proposed conversion, the proposed variances can be supported.

9. The existing townhouses on the subject property are serviced by the public watermain and the combined storm and sanitary sewers on Lilacside Drive.

There are currently no plans for future widening of the road allowance for Lilacside Drive. However, in accordance with the new Urban Official Plan, the ultimate road width for Mohawk Road East is approximately 45.7 metres, whereas the current road allowance is 30.5 metres. Any future development or redevelopment of 518 Mohawk Road East will require road dedication of 7.62 metres across the entire frontage of the subject lands into Mohawk Road East.

ALTERNATIVES FOR CONSIDERATION

If the Condominium Conversion application is not approved, the existing townhouse dwellings will remain as rental tenure.

CORPORATE STRATEGIC PLAN

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

Financial Sustainability

- ◆ Generate assessment growth/non-tax revenues.

Social Development

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

Healthy Community

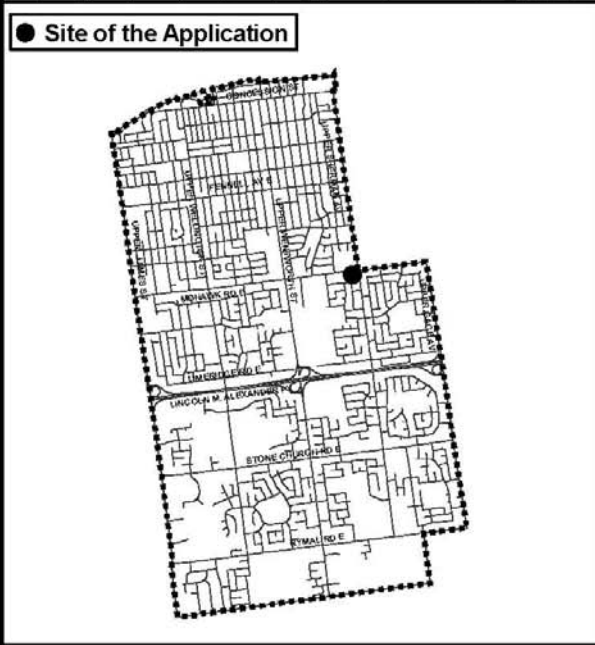
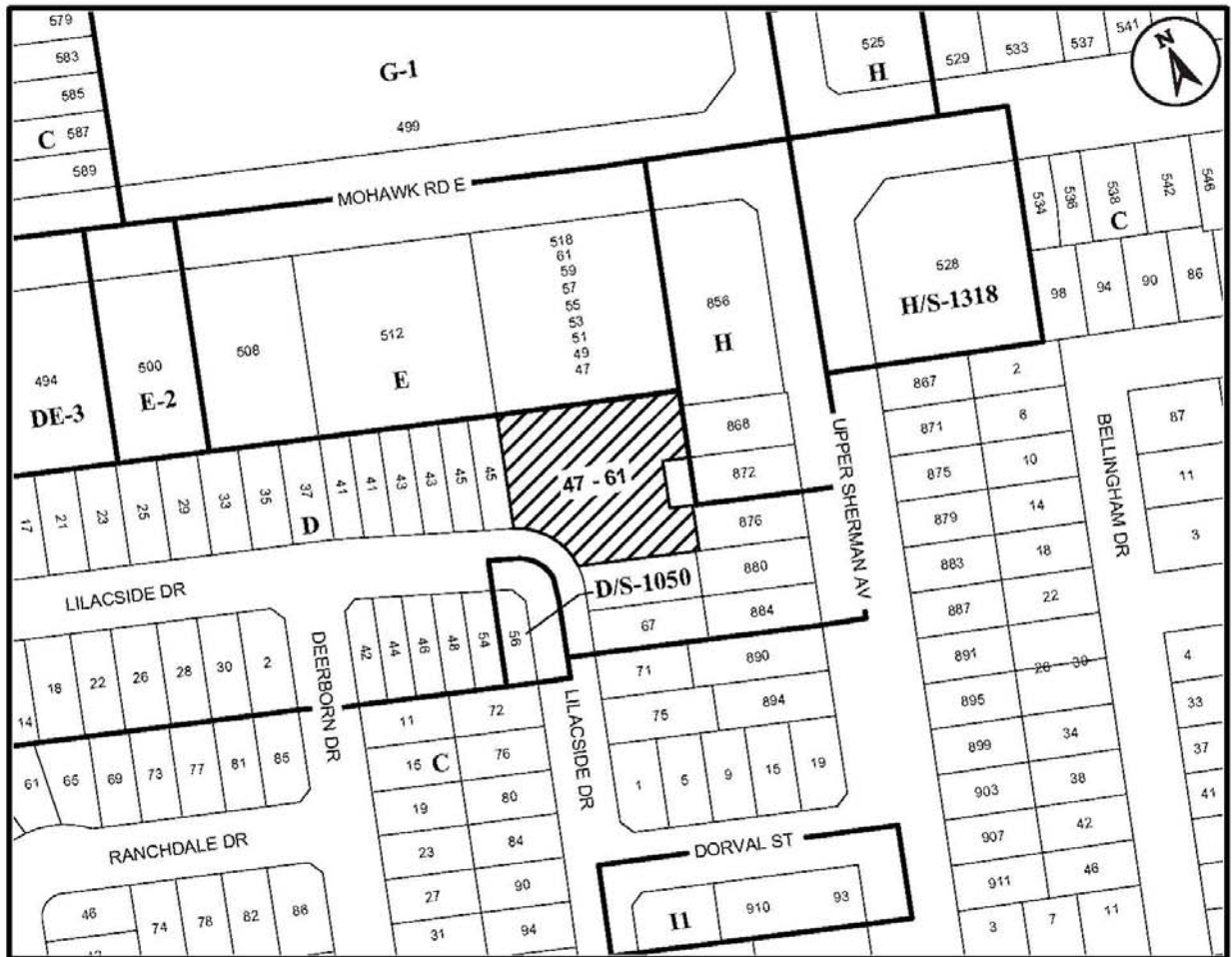
- ◆ Plan and manage the built environment.
- ◆ Adequate access to food, water, shelter and income, safety, work, recreation and support for all (Human Services).

APPENDICES / SCHEDULES

- Appendix "A": Location Map
- Appendix "B": Draft Plan of Condominium
- Appendix "C": Minutes of the Tenant Information Meeting on June 15, 2009

:TL

Attachs. (3)



Ward 7 Key Map N.T.S.

Location Map

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

File Name/Number:
CDM-CONV-09-04

Date:
January 19, 2010

Appendix "A"

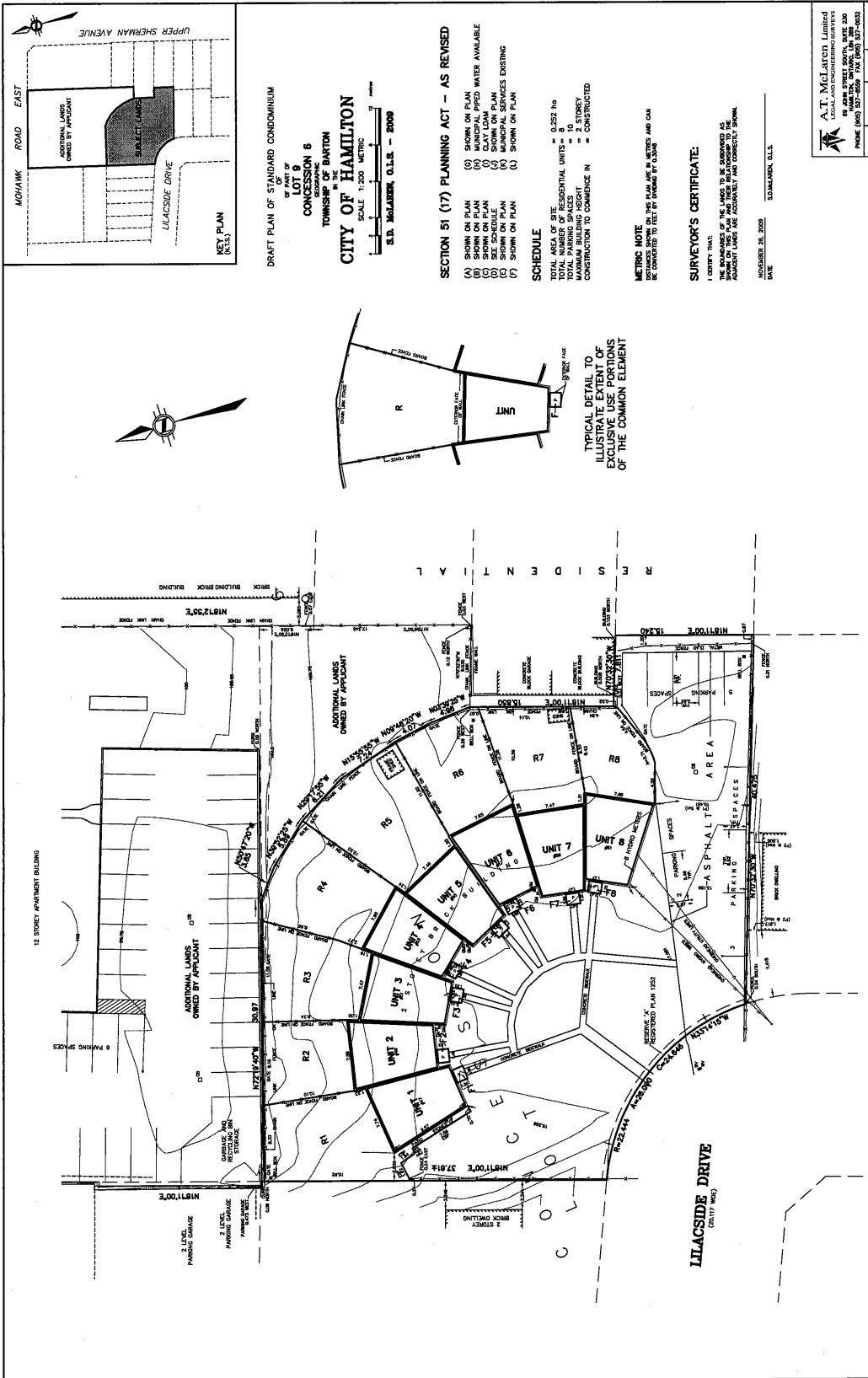
Scale:
N.T.S.

Planner/Technician:
TL/IF

Subject Property

47-61 Lilacside Drive





A.T. McLaren Limited
LEGAL AND ENGINEERING SURVEYS
200 RIVERVIEW AVENUE
SUITE 200
WILMINGTON, ONTARIO
L9M 1S1
PHONE (905) 527-5557 FAX (905) 527-0022
Page 28 | Document 55 | Date 1/26/2010



IBI Group
200 East Wing-360 James Street North
Hamilton ON L8L 1H5 Canada
tel 905 546 1010
fax 905 546 1011

Minutes

To/Attention Jason Thompson, City of Hamilton **Date of Meeting** June 15, 2009

From IBI Group (Hamilton) c/o George Zajac **Project No** 25303

Subject Condominium Conversion
Tenant Information Meeting
6:30 – 7:25pm; June 15, 2009.

Location Mountain Church of the Nazarene
910 Upper Sherman Ave, City of Hamilton

Present:

IBI Group:

Mr. George Zajac (Agent on behalf of the Owner)
Mr. Fernando Puga (Agent on behalf of the Owner)

Clients:

David Horwood - Paratus Investors Group
Rich Johnston – Superintendent for subject property
Sandra Tipping – Property Manager

City of Hamilton Councillor:

Scott Duvall (Ward 7)

City of Hamilton Staff:

Mr. Timothy Lee (Planner)

Residents:

Judith Mutton – 55 Lilacside Drive
Andrew Friedrich – 47 Lilacside Drive
Carol Moote – 61 Lilacside Drive
Amber and Travis Vanderwal – 53 Lilacside Drive
Kris and Shelia Sigurdson – 57 Lilacside Drive
Neighbour on behalf of P. Raudpaul - 45 Lilacside Drive.
Ken Laird present on behalf of Vanderwals.

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Tenant Information Meeting
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Speaker

Meeting is called to commence by Mr. Zajac; 6:30pm

- **Administrative Issues are addressed;**
All attendees are asked to sign the sign-in sheet,
Information Packages are offered to attendees,
Notice to Residents sheets are asked to be submitted.
- **Introductions are made in respect to;**
Mr. G. Zajac
Mr. F. Puga
Mr. D. Horwood
Councillor S. Duvall
Mr. T. Lee

Mr. G. Zajac

Introduction from Mr. G. Zajac to Residents begins at approximately 6:35pm

- Mr. Zajac addresses why the meeting has been called and explains that it is the intent of the Owner to submit to the City of Hamilton an application for Condominium Conversion.
- An explanation that this is a change in tenure/ownership.
- Mr. Zajac asked the residents if they need clarification on what a Condominium or "Condo" is. The Residents acknowledge the need for clarification.
- An explanation of condominium is given;
It is a form of ownership,
That the current units could be sold on an individual basis,
That areas of the subject property would remain "common element,"
That monthly "condo" fees would be created in order to pay for maintenance, repairs etc.
- Mr. Zajac referred to the information handout with respect to the section pertaining to "Secure of Tenure" from the *Ontario Residential Tenancies Act* ("RTA").
- After reading the "Secure of Tenure" section, he proceeded to give a synopsis explaining in non-technical terms what this means to the residents of the subject property.

Mr. G. Zajac



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Q1. Councillor Duvall asks for clarification on the "most circumstances" clause within the "Security of Tenure."

- Mr. D. Harwood offered clarification on the issue, by stating that it is not the intent of the owner to create a situation where the current residents are displaced or become homeless.
- He noted that this "Security of Tenure" protects the current residents from any such practices of the current or future owners of the subject units.
- He also noted that until approximately ten (10) years ago, there was no such guarantees.
- In regards to the control of rent, Mr. Harwood assured the residents that under this conversion that their rent would remain under the protection of the RTA.
- Under the RTA, increases in rent are set by the Province.
- Increases in rent can also come as a result of an "Above Guideline" request made by the owner of the rental property.

**Mr. D.
Horwood**

Q2. Will there be inspections of the units? (Ken Laird)

- Mr. G. Zajac indicated that as part of the application for the condominium conversion, an inspection is required as a condition of Draft Plan Approval.
- Inspections and concerns will be noted with the Engineering Report which will need to be submitted to the City of Hamilton.

Mr. G. Zajac

Q3. Will there be Public Notices and Resident Input? (Ken Laird)

- Under the *Planning Act*, residents of the property will be informed of the subject Condominium Conversion application.

Mr. G. Zajac

Q3. When were the units built? (Ken Laird)

- Mr. Horwood indicated that the units were constructed approximately in 1964.

**Mr. D.
Horwood**

Q3. Will the conversion cause the entire Building to be subject to the present Building Code?

- Mr. Horwood indicated that concerns will be included within the Engineers report.
- That inspections will be necessary as part of the building/renovation phase.
- That legal non-conforming status will be applied to certain aspects of the existing dwelling.

**Mr. D.
Horwood**

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Q4. How will the problems with utilities such as electricity be addressed?

How will the utilities be split? (Carol Moote)

Expressed concerns with the current state of the building

- Deficiencies will again be addressed in the Engineering Report which need to be submitted to the City as part of the condominium conversion.
- If possible, each unit will receive its own utility metres and billing. This would potentially make each unit exclusive of each other in terms of utilities
- That potential will be addressed within the Engineering Report.
- Mr. Horwood suggested that as a whole the current state of rental housing in the City of Hamilton is pretty good compared to other municipalities.
- Mr. G. Zajac indicated that this process will help to create affordable home ownership, which would help to address the current and future state of the building.

Mr. D.
Horwood

Mr. G.
Zajac

Q5. How will the property tax be split? (Ken Laird)

- The property tax will be split proportional to the value of the individual units.

Mr. D.
Horwood

Clarification on the sale of the proposed condominium units.

- Mr. G. Zajac clarified to the residents that they would have the right of first refusal, for the purchase of the proposed condominium units.
- If the units were purchased by a "Third Party," and the resident were to remain as tenant, if the units were made available for purchase again, the tenant would still retain the right of first refusal.
- Mr. G. Zajac again clarified that this proposed conversion would create the opportunity for more affordable home ownership.
- Mr. D. Horwood, notified the residents that they would still have security of tenure regardless of how many times the units were sold.

Mr. G.
Zajac

Mr. D.
Horwood

Q6. In the case of a Third Party purchase of the condominium unit, would the rent be affected? (Ken Laird)

- Existing tenants are protected from rent increases by the RTA.
- Any increases would be limited by the rate set by the province or through an above board rental increase.

Mr. D.
Horwood

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Formation of a Condominium Board

- At first, Paratus would be the sole owner, until the sale of the units occurred. Once sale of the units commenced, the Condominium Board would be formed. Paratus would remain on the Condominium Board until they no longer had an interest in the property. They are mandated, however to remain on the Board for at least 1 year.
- The residents were also notified that the Condominium Board would have the ability to hire an external property management company.

**Mr. D.
Horwood**

Mr. and Mrs. Sigurdson (57 Lilacside) enters meeting.

- Mr. G. Zajac summarized what has occurred prior to there attendance.

Mr. G. Zajac

Q7. How long is the process going to take? (Kris Sigurdson)

- Mr. G. Zajac estimated that the process is going to take approximately 1.5 to 2 years to complete fully.
- Completion of the Engineers report will impact the estimated time for completion.
- Mr. D. Horwood, indicated that the process will take at a minimum of 12 months.

**Mr. D.
Horwood**

**Q8. How will any upgrades be handled (as part of the application)?
(Ken Laird)**

- These concerns would be addressed within the Engineers Report.

**Mr. D.
Horwood**

Q9. Rental Property Vacancy rates within the City of Hamilton.

- Mr. G. Zajac advises the residents that condominium conversion is directly related to the availability of rental properties in the City of Hamilton.
- It was noted, that the result of a condominium conversion can not cause the rental property vacancy rate to fall below 2.0%.
- Mr. D. Horwood indicates that the conversion will not affect the vacancy rate and that the current tenants could remain renters for as long as they choose.
- In an alternative situation, the demolition of the units would adversely impact the rental vacancy rate.
- It's the intent of the client to provide the existing tenants the ability to deepen their roots within the community, by having the ability to purchase a unit.

Mr. G. Zajac

**Mr. D.
Horwood**

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Q10. What will happen to the residents during the upgrade/construction phase? (Ken Laird)

- Mr. D. Horwood, assured the residents that the upgrades would try to be limited to 1 day interruptions.
- Mr. G. Zajac, indicated that the potential interruptions would be better understood once the Engineering Report was completed.

Mr. D.
Horwood

Mr. G. Zajac

Q11. Will the residents be displaced during the upgrades? If we are, we will receive any monies? (Ken Laird)

- Mr. D. Horwood indicated that the amount of renovations, upgrades is unknown at this time. If for example, the plumbing needs to be completely replaced, then it may be a possibility.

Mr. D.
Horwood

Q12. Is it Effort Trust's position or plan to make major changes in order to increase the value of the property, or is it a basic changes scenario? (Councillor Duvall)

- It is really unknown at this time.
- As it stands, the basic upgrades are a necessary part of the condominium process.
- Mr. D. Horwood, stated that major upgrades are not anticipated at this time.

Mr. D.
Horwood

Q14. Resident expressed concern with existing condition as is. Why do I have to wait 2 years? (Mr. Sigurdson)

- Mr. G. Zajac advised the resident that the application process will require a certain amount of time.
- Mr. Sigurdson leaves the Tenant Information Meeting

Mr. G. Zajac

Q15. What will be the order of upgrades, and the potential for displacement? What will the change in the assessed value of the property and increases to rent? (Councillor Duvall)

- Mr. D. Horwood acknowledged that there may be an impact on property values. However property value increases would be limited.
- Increases in property values and taxes would have not impact on the tenants.
- Potential rent increases would be protected by the RTA, any increases would be in keeping with the Act.

Mr. D.
Horwood

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Q16. The City has a 1.1% rental vacancy rate for townhome units. There is a 2.1% vacancy rate in general? Are there comparable townhome units available? How will the upgrades and renovations affect people that work from home? (Judith Mutton)

- Mr. D. Horwood likened the renovation process to the every day renovation that occurs in homes.
- He did acknowledge that there could be potential inconveniences, but they would try to limit them as best as possible.
- Mr. G. Zajac, again stated that the proposed condominium conversion could not bring the vacancy rate for the City below 2.0%

Mr. D.
Horwood

Mr. G. Zajac

Neighbour expresses interest in see the condominium conversion.

- The neighbour expressed her opinion that she would support the application.
- That she believed that many of the existing issues would be resolved if the conversion was successful.
- She also stated that the potential upgrades and renovations are need.
- Mr. D. Horwood, expressed that this meeting was being conducted to hear concerns.

Mr. D.
Horwood

Q17. How and will the potential interruptions affect the Tenants with children?

- Mr. G. Zajac expressed the opinion that any interruptions would be as limited as possible.
- He also acknowledged that we are just at the beginning phase and that it is too early to determine the extent of interruptions.

Mr. G. Zajac

Q18. What is the square footage of the units? Are they the same size?

- Mr. G. Zajac noted that all the units are equal in square footage.
- There are differences in the rear yard areas.

Mr. G. Zajac

Q19. Will there be notifications of the process? (Amber Vanderwal)

- It is the intent of the client/applicant to submit within the next few days.
- The City will review the application and then decided if it can be deemed complete.
- Once it has been deemed complete, it will be public record.
- Mr. G. Zajac extended an invitation to all the residents to contact him, if there are any concerns.

Mr. G. Zajac

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Conclusion of meeting; 7:25pm;

- Mr. G. Zajac concluded the meeting and extends his appreciation to the residents, City staff, and Councillor Duvall.

Mr. G. Zajac