



Strata Conversion Policy

Council Meeting Monday Oct 28, 2024

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Purpose

- To recommend that Council approve the proposed amendments to the 2003 Council Policy on Approval of Strata Conversions (Attachment A).
- This would provide a pathway for strata conversion of Small-Scale Multi-Unit Housing (SSMUH), while continuing to ensure that other multi-unit rental buildings are protected from stratification when the vacancy rate indicates a shortage of rental housing.

Background

- Any proposed strata plan which includes previously occupied dwellings is considered a “strata conversion”, and local government approval is required.
- Council has delegated the approving authority of all strata conversion applications to the Director of Planning, except for apartments.
- Current Council Policy on the Approval of Strata Conversion establishes that:
 - Conversion of 3 or more residential units will not be considered when the CMHC rental vacancy rate in Saanich is below 4%.
 - Duplex applications will be considered independently of vacancy rate.
 - A restrictive Covenant should be registered on title to prevent eviction of current tenants.
- Aligns with *Strata Property Act* which states that the approving authority must consider, among other factors:
 - the priority of rental accommodation over privately owned housing in the area, and
 - any proposals for the relocation of persons occupying a residential building.

Discussion

- Saanich rental vacancy rate has long remained below 4% (1.5% in 2023), and as a result, all applications considered have concerned strata titling of duplexes.
- Current Policy written prior to the June 2024 Zoning Bylaw amendments, which permit SSMUH in all zones previously limited to single-detached dwellings and duplexes.
- SSMUH consists of up to 2 buildings, of which one must be houseplex (includes duplex).
- Property owners may add units to an existing building and/or build a second building on the lot, up to a total of 3, 4 or 6 units.
- The current Policy would prevent strata conversion applications of such developments from being considered, under current vacancy rates.

Proposed Policy amendments

- Proposed amendments to the Council Policy:
 - establish that the District of Saanich will consider applications for strata conversion of SSMUH units;
 - maintains that strata conversion of other buildings with 3 or more units are not to be considered, unless the rental vacancy rate in the District of Saanich is 4% or higher; and
 - maintains that current tenants should be protected from eviction resulting from the strata conversion.
- Providing an opportunity for strata conversion of SSMUH is in line with recommendations from the Province, which notes that these building forms can have slim financial viability and therefore encourages local governments to be permissive with regards to strata titling.
- Director of Planning (as the approving authority) would maintain the ability to deny approval of applications on a case-by-case basis, e.g., due to loss of rental stock.

Recommendation

1. That Council approve the proposed amendments to the 2003 Council Policy on Approval of Strata Conversions (Attachment A).