



**The Corporation of the City of St. Catharines
CITY COUNCIL AGENDA
Regular, Monday, November 13, 2017
Council Chambers, City Hall, 6:30 PM**

His Worship Mayor Walter Sendzik takes the Chair and opens the meeting

Page

- 1. Mayor's Report**
- 2. Adoption of the Agendas**
- 3. Adoption of the Minutes (Council and General Committee)**
 - 3.1 [Regular Meeting of Council, Minutes of October 30, 2017](#)
 - 3.2 [General Committee, Minutes of October 30, 2017](#)
 - 3.3 Budget Standing Committee, Minutes of [September 18, 2017](#), [October 2, 2017](#) and [November 1, 2017](#)
- 4. Declarations of Interest**
- 5. Public Meetings Pursuant to Planning Act and Notice By-law**
 - 5.1 **Public Meeting Pursuant to Planning Act**

Planning Act Statutory Public Meeting - Information Report:
City Initiated Official Plan Amendment to Revise Existing Policy regarding Conversion of Rental Accommodation to Condominium and Other Forms of Housing Ownership
(Report contains link to Housing Action Plan Report Number PBS-134-2017)
- 6. Presentations**
 - 6.1 Leon Stambolich, Director, Corridor Infrastructure – Lakeshore West, Metrolinx and Erin Moroz, Director, Communications and Community Relations
Re: Metrolinx Expansion to St. Catharines/Niagara and Alignment with Local Efforts
- 7. Delegations**
 - 7.1 Tami Lyons, Representative for Pro-active Resident Advisory Group
Re: Metrolinx Expansion

4 - 12

8. Call for Notices of Motion

9. Motions

9.1 Municipal Alcohol Policy Amendment - Include Hannelore Headley Chess Park

The following motion to be presented by Councillor Siscoe at the meeting of November 13, 2017:

That staff be directed to amend the Municipal Alcohol Policy to include Hannelore Headley Chess Park in the list of eligible parks designated as suitable for Special Occasion Permit functions.

9.2 Objection to Charges Dropped Against Dr. Rekhi

The following motion to be presented by Councillor Garcia at the meeting of November 13, 2017:

WHEREAS the College of Veterinarians of Ontario previously launched an investigation into St. Catharines veterinarian Dr. Mahavir Rekhi after four former employees filed a complaint about Rekhi's treatment of animals in his care, and they submitted a dozen surveillance videos as evidence of the animal abuse; and

WHEREAS in August 2016, the college suspended Rekhi for 10 months for professional misconduct and ordered him to pay the college \$10,000 and be retrained on how to properly restrain animals, but the college subsequently reduced his suspension to six months; and

WHEREAS in September 2016, Kevin Strooband, an investigator with the OSPCA and executive director of the Lincoln County Humane Society, launched an investigation on behalf of the OSPCA and charged Dr. Rekhi with eight counts of causing unnecessary pain or suffering to an animal and eight counts of failing to provide suitable and adequate care for an animal; and

WHEREAS on November 4, 2017, the Crown dropped all charges against Dr. Rekhi, and this has led to outrage throughout the community;

THEREFORE BE IT RESOLVED that Council, like the community, wishes to add its voice in objecting to these charges being dropped and will communicate our objection to the charges being withdrawn to the Provincial Ministry of the Attorney General; and

BE IT FURTHER RESOLVED that our concerns also be communicated to our MPP, Jim Bradley. FORTHWITH

Page

10. Resolve into General Committee

11. Motion Arising from In-Camera Session

12. Motion to Ratify Forthwith Recommendations

13. By-laws

13 - 14

13.1 Reading of By-laws

14. Agencies, Boards, Committee Reports

14.1 Minutes to Receive:

- Environmental Sustainability Committee, [October 10, 2017 - Draft](#)
- Social Sustainability Committee, [October 19, 2017 - Draft](#)
- Welland Canal Fallen Workers Memorial Task Force, [September 27, 2017 - Draft](#)
- Joint meeting of Heritage Advisory Committee and Heritage Permit Advisory Committee, [September 21, 2017](#)
- Arts and Culture Advisory Committee, [October 3, 2017](#)
- Accessibility Advisory Committee, [May 24, 2017](#), [June 26, 2017](#), and [September 27, 2017](#)

15. Adjournment



CITY OF
ST. CATHARINES

Corporate Report

Report from Planning and Building Services, Planning Services

Date of Report: October 19, 2017

Date of Meeting: November 13, 2017

Report Number: PBS-284-2017

File: 60.30.333

Subject: *Planning Act Statutory Public Meeting – Information Report:*
City Initiated Official Plan Amendment to Revise Existing Policy regarding
Conversion of Rental Accommodation to Condominium and Other Forms of
Housing Ownership

Recommendation

That Council receive this report for information purposes; and

That Council consider a Recommendation Report regarding an amendment to the Official Plan (Garden City Plan) to revise existing policy (Part D, Section 7.8 iv)) respecting conversion of rental accommodation to condominium or other forms of housing ownership; and

That this report be brought back to Council at a future date, following the required statutory public meeting to receive input on the amendment to be held before Council on November 13, 2017. FORTHWITH

Summary

This information report is to provide Council and the public with background information, and details of a City initiated proposal to amend Part D, Section 7.8 iv) of the Official Plan (Garden City Plan). The purpose of the amendment is to clarify and strengthen existing policy respecting conversion of rental accommodation to condominium ownership or other forms of housing ownership, and to protect for the provision of rental accommodation and affordable housing in the City.

The proposed amendment to the Official Plan is the subject of a statutory public meeting to be hosted by Council on November 13, 2017, for the express purpose of receiving formal public input and comment on the proposed amendment. A Recommendation Report on the proposed amendment will be considered by Council at a subsequent Council meeting to be determined.

Background

The City is initiating a proposed Official Plan amendment to revise and strengthen existing policy (Part D, Section 7.8 iv) regarding conversion of rental accommodation to condominium ownership or other forms of housing ownership. As adopted by Council on

June 12, 2017, the review of the conversion policy to better support the provision of rental accommodation and affordable housing was identified as one of eight priority action components of the municipal [Housing Action Plan](#) (linked here and available upon request). The priority action components are as follows:

- Official Plan condominium conversion policy amendment;
- Zoning By-law amendment addressing accessory apartments;
- Zoning by-law amendment incorporating the possibility of inclusionary zoning;
- Development Application changes to streamline affordable housing approvals;
- Community Improvement Plan amendment to include an affordable housing program;
- Regional development charges review and comments;
- Devising an Advocacy program whereby local politicians and senior staff would advocate for the development of affordable housing projects and related funding programs;
- Devising a Collaboration/Education plan so that all citizens understand the need for inclusion of affordable housing in the city.

The other seven priority action items are under review and evaluation by staff and will be brought before Council for consideration at a later date upon review completion.

The existing conversion policy was also the subject of a recent Ontario Municipal Board (OMB) decision (Case Number PL16103 and PL161304, decision date June 13, 2017) which did not support Council's denial of applications for the conversion of rental housing to condominium ownership at 80 Rockwood Avenue and 100 Woodrow Street. The OMB decision, in part, suggested that the existing conversion policy could benefit from greater clarity and strength of policy in order to protect for the provision of rental accommodation and affordable housing in the City.

The proposed amendment clarifies and expands criteria set out in the existing policy to address applications for conversion of rental accommodation to condominium and other forms of housing ownership. The proposed revisions strengthen the original intent of the policy to support a balance of housing tenure and the provision of rental accommodation and affordable housing within the City.

Report

Legislative Context

Pursuant to Provincial legislation, local municipal Official Plan policy must be consistent with Provincial land use policy and plans and the upper tier municipal Region of Niagara Official Plan.

Provincial Land Use Policy

The Provincial Policy Statement (PPS) and Places to Grow: The Growth Plan for the Greater Golden Horseshoe (P2G) both contain policies requiring the provision for an appropriate range, diversity, mix, and choice of housing types and densities, a balance of housing tenure, and the provision of affordable housing and all forms of housing

required to meet the social, health and well-being requirements of current and future residents.

The PPS and P2G define 'affordable' housing as follows:

	St. Catharines (based on 2016 CMHC Report)
Ownership - the least expensive of:	
purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households	\$1,746/month – approximately \$270,000 <i>*this estimate is based on interest rate, property tax and utility cost assumptions.</i>
housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area	\$243,000
Rental – least expensive of:	
rent does not exceed 30 percent of gross annual household income for low and moderate income households	Approximately \$938 per month
rent is at or below the average market rent of a unit in the regional market area.	Equal to or less than \$906 (St. Catharines-Niagara – CMA)

The PPS defines low and moderate income as follows:

- a) in the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution for the regional market area; or
- b) in the case of rental housing, households with incomes in the lowest 60 percent of the income distribution for renter households for the regional market area.

Municipal Act

Section 99.1(1) of the Municipal Act is the enabling legislation that allows local municipalities to establish policies to prohibit or regulate the conversion of residential rental properties for other purposes including condominium or other forms of housing ownership.

Section 99.1(2) of the Act only allows municipalities to establish regulations for conversion of residential rental properties containing 6 or more dwelling units.

Region of Niagara Official Plan

The Region of Niagara Official Plan (Policy 11.A.5) requires local area municipalities to adopt policies that discourage the demolition or conversion of rental housing to condominium ownership in situations where the vacancy rate is less than 3% and the ownership housing to be created (i.e. condominium units) are not considered affordable.

City Official Plan

Consistent with Provincial and Region of Niagara land use planning policy, the City's Official Plan land use plan and policy framework provides for a range, diversity, mix, and choice of housing types and densities, a balance of housing tenure, the provision of affordable housing, and all forms of housing required to meet the social, health and well-being requirements of current and future residents.

Part D, Section 7.8 iv) of the Official Plan contains specific policy regarding conversion of rental accommodation to condominium or other forms of housing ownership, as follows:

- “iv) The Plan will seek a balance of housing tenure. In an effort to protect the loss of affordable housing, conversion of rental accommodation to condominium and other forms of ownership shall be discouraged where the annual rental vacancy rate by dwelling/structure type, as defined and reported through the Canada Mortgage and Housing Corporation Rental Market Survey, is less than 3% within the municipality, and the ownership housing to be created is not considered to be affordable.”

As per the above policy, staff refers to the Canada Mortgage and Housing Corporation (CMHC) Rental Market Reports as the best available data for rental supply.

The latest Rental Market Report for the St. Catharines-Niagara Census Metropolitan Area (CMA) (Fall 2016) indicates there were 7,928 rental units (apartment units only) in St. Catharines in 2016. The 2016 rental unit vacancy rate is 2.4%, which is below the 3% threshold established by the Official Plan policy. This represents a continued downward trend in vacancy rate over the last few years (2013 vacancy rate = 4.2%, 2014 = 3.6%, 2015 = 3.1%, 2016 = 2.4%).

The definition of ‘affordability’ and ‘low and moderate income’ in the PPS and P2G is utilized to determine ‘affordability’ in the implementation of Policy 7.8 iv), and is based on CMHC reporting (Housing Now Tables - St. Catharines-Niagara CMA) to identify the average purchase price of a resale unit. As identified in the previous chart, units marketed 10% below the 2016 average purchase price of a resale unit (\$270,000 -10 % = \$243,000) or less, are considered affordable.

Proposed Official Plan Amendment/Rationale for Policy Revisions

Proposed Amendment

The proposed amendment revises Official Plan Policy Part D, Section 7.8 iv) to read as follows:

- “ iv) Conversion of Rental Accommodation

The Plan will seek a balance of housing tenure to achieve the following outcomes:

- a) To protect against the loss of affordable housing, conversion of affordable rental accommodation, as defined pursuant to the Provincial Policy Statement (PPS), to condominium or other forms of housing ownership shall only be permitted where both of the following two criteria are met:
 - i) the rental vacancy rate by dwelling/structure type, as defined and reported through the Canada Mortgage and Housing Corporation Rental Market Survey, has been at or above 3.0 % within the municipality over each of the preceding two consecutive annual surveys; and
 - ii) the ownership housing to be created after conversion is affordable as defined pursuant to the Provincial Policy Statement (PPS).
- b) It is recognized that conversion of higher priced rental accommodation (units not considered affordable housing pursuant to the Provincial Policy Statement (PPS) definition) to condominium or other forms of housing ownership may not affect the supply of affordable rental housing since the rent charged for existing units proposed for conversion is already higher than that considered affordable as defined pursuant to the Provincial Policy Statement (PPS).

In this case, consideration for the conversion of higher priced rental accommodation (units not considered affordable housing pursuant to the Provincial Policy Statement (PPS) definition) to condominium or other forms of housing ownership shall only be subject to satisfying Section 7.8 iv) a) i).

- c) Any request for extension of draft plan of condominium approval for conversion of rental accommodation to condominium ownership, or extension of draft approval granted for conversion of rental accommodation to other forms of housing ownership, shall be subject to the applicable criteria set out in a) or b) above.
- d) Policy 7.8 iv) does not apply to conversion of residential rental properties of five dwelling units or less."

Rationale for Policy Revisions

The draft amendment makes seven revisions to the existing conversion policy Part D, Section 7.8 iv) of the Official Plan. Rationale for these changes are as follows:

1. The policy, as originally constituted, reads 'to protect the loss of affordable housing' which may, in fact, be construed to read as supporting the loss of affordable housing, and counter to the policy intent.

Revised wording of the policy provides clarity of conviction to the original intent of policy to protect 'against' the loss of affordable housing.

2. The policy, as originally constituted, reads to 'discourage' the conversion of rental housing, which in of itself, does not lend strength of conviction to the original intent of policy to only consider conversion of rental housing subject to satisfying certain criteria.

Revised policy wording replaces the term 'discourage' with the words 'shall only be permitted' subject to satisfying applicable criteria.

3. The existing policy establishes two criteria to be considered in addressing conversion of rental property to condominium or other forms of housing ownership, that is: the rental vacancy rate is 3% or greater; and, that the housing ownership to be created is considered affordable. There was considerable debate through the OMB decision for 80 Rockwood Avenue and 100 Woodrow Street whether the two criteria or 'tests' for conversion established in the policy are to be considered conjunctively or disjunctively, that is, whether only one or both criteria need to be satisfied to support conversion.

The original intent, and the interpretation the municipality has always taken in implementing the policy, is that both the criteria established in the policy need to be satisfied in order to support conversion of rental property to housing ownership.

The proposed amendment revises existing wording to clearly state that both criteria need to be satisfied to permit supporting conversion of rental housing.

4. The proposed amendment expands upon the criteria with respect to maintaining a 3% or greater rental vacancy rate to support conversion of rental accommodation.

The City's current practice has been to utilize the preceding one year annual rental vacancy rate as reported by the CMHC. The proposed amendment revises this criterion to reflect an expanded two year reporting time frame, where the rental vacancy rate has been at or above 3% within the municipality over each of the preceding two consecutive annual CMHC surveys.

The current implications of expanding the annual rental vacancy rate reporting period to two consecutive years is that, with a reported 2016 rental vacancy rate of 2.4%, that any future applications for conversion could not be supported until at least 2019, and only if both the 2107 and 2018 reported rental vacancy rate was 3% or greater.

In the review of other municipal conversion policies, maintaining a 3% annual vacancy rate, although with some variation, is a standard benchmark for assessing conversion applications, and is considered an industry norm in

maintaining an appropriate range of rental accommodation availability. Many municipalities, however, base their conversion policies on maintaining a 3% or greater annual rental vacancy rate over a two year reporting time period, and in some cases, a greater time period.

An extended reporting time period on annual rental vacancy rates may provide a more accurate reflection of market trends in rental vacancy, better account for fluctuations in rental vacancy rates from year to year, and balance gaps in CMHC data collection.

CMHC reports do not represent an exhaustive survey of all rental unit types. They do not consider dwellings with less than three units (detached dwellings, semi-detached units, duplexes, accessory apartment units or apartment units within mixed use buildings). CMHC data for the preceding year also does not typically capture rental units that have been registered as condominium units in that given year, or rental units that have received draft approval for conversion to condominium units but have not yet been registered. Additionally, Council should also be aware that conversion to condominium tenure is routinely a financial strategy by applicants to leverage funds through traditional financial institutions. In many instances, the units continue to be rented, notwithstanding that they are condominium units. CMHC current rental statistics do not recognize this scenario.

5. The Official Plan conversion policy is intended to support the appropriate provision of rental accommodation, and protect against the loss of affordable housing for low and moderate income households. However, application may be made for the conversion of higher priced rental accommodation to condominium or other forms of housing ownership which does not affect the supply of affordable rental housing for low and moderate incomes, as the rent charged for existing units proposed for conversion is already higher than that considered affordable as defined pursuant to the Provincial Policy Statement (PPS).

It is important to maintain an appropriate supply of rental housing, but in these instances, it is not prudent to establish criteria to ensure that the ownership housing to be created is considered affordable as the subject rental accommodation was not considered affordable at time of application.

The proposed amendment adds criteria to reflect the above scenario, establishing policy that conversion of higher priced rental accommodation only need to satisfy criteria to support an appropriate supply of rental accommodation throughout the municipality, and as such, these types of applications only need to satisfy the criteria that the annual rental vacancy rate for each of the preceding two consecutive reporting years is 3% or greater.

6. The existing policy is silent on criteria to be used in evaluating requests for extension of draft plan of condominium approval previously granted for conversion of rental accommodation to condominium or other forms of housing

ownership. Draft approval is given for up to three years in order to allow applicants time to satisfy any conditions of approval.

The rental vacancy rates and affordability benchmark that were considered in granting draft approval at that time may be different than at the time of a request for extension of that approval. Current municipal practice evaluates requests for extension of draft approval for conversion utilizing the same criteria as if they were new applications. To confirm and clarify current practice, the proposed amendment establishes policy requiring requests for extension of draft approval for conversion of rental accommodation to condominium or other forms of housing ownership to be subject to the same criteria as if it were a new application.

7. Pursuant to Section 99.1(2) of the Municipal Act, the municipality may only regulate or prohibit the conversion of residential rental properties containing 6 or more dwelling units. The existing policy is silent on this criteria, and is revised through the proposed amendment to clarify this benchmark established by the Municipal Act.

Circulation of Application

The proposed amendment was circulated to all relevant departments and agencies in accordance with the Planning Act. To date no comments have been received.

Public Information Session

A public information session was hosted by the Planning and Building Services Department on October 17, 2017. The purpose of the public information session was to present the draft amendment and afford an opportunity for attendees to ask questions and provide comment on the proposed amendment.

One member of the public, representing a property management company with several residential property interests, attended the meeting.

A fulsome discussion of the proposed amendment occurred, particularly regarding matters respecting applications for conversion of higher priced rental conversion which do not fall within the affordability criteria established within the policy, and also, the applicability of an extended timeframe to evaluate rental vacancy rates from one year to two years.

Subsequent to the public information session, revisions have been made to the original draft of the amendment to include policy related to the two components identified above, as well as to clarify that the policy shall also apply to requests for extension of draft approval granted for conversion of rental accommodation to condominium or other forms of housing ownership, and that the conversion policy does not apply to residential rental properties of five or less dwelling units pursuant to the Municipal Act. The revised draft amendment has been circulated to the attendee for further review and comment. To date, further comment from the attendee has not been provided.

Financial Implications

There are no financial implications to the municipality generated by the proposed policy amendment. However, there may be time sensitive financial implications to certain property owners generated by the proposed change in policy to evaluate applications for conversion of rental accommodation based on a 3% or greater rental vacancy rate reported over each of the last two consecutive annual reporting years, versus a one year reporting basis contained in the current policy.

Relationship to Strategic Plan

The proposed Official Plan amendment supports Goal 2 to be an affordable City for young people, families and retired older adults; and, Goal 5 to connect people, places and neighbourhoods.

Conclusion

This report provides the planning context and explains information and the rationale for the proposed amendment to the Official Plan to revise existing policy respecting the conversion of rental accommodation to condominium or forms of housing ownership. This Information Report will be presented at the Public Meeting to be hosted by City Council on November 13, 2017. A Recommendation Report containing planning analysis, addressing any outstanding concerns and issues raised at the Public Meeting, and providing a staff recommendation will be scheduled for consideration by Council at a date to be determined.

Prepared by:

Bruce Bellows, Senior Planner

Submitted by:

Judy Pihach, MCIP, RPP
Manager of Planning Services

Approved by:

James N. Riddell, M.PL., MCIP, RPP
Director of Planning and Building Services

By-laws to be considered Monday, November 13, 2017

- (a) A By-law to amend By-law No. 89-2000 entitled “A By-law regulating traffic and parking on City Roads.” (One reading - with respect to removal of loading zone on Garden Park. Delegation By-law No. 2004-277, as amended.)
- (b) A By-law to deem part of a certain registered plan of subdivision not to be a registered plan of subdivision for the purposes of Section 50, subsection 3 of the Planning Act, R.S.O. 1990. (One reading - with respect to property municipally known as 10 Pleasant Avenue. Delegation By-law No. 2004-277, as amended.)
- (c) A By-law to assume and declare certain lands to be a highway and to be known as Glory Hill Road and Hiltz Court. (One reading - with respect to the Garden Park Plan of Subdivision. Delegation By-law No. 2004-277, as amended.)
- (d) A By-law to authorize a tender award to Metro Freightliner Hamilton Inc. (One reading - with respect to RFT 17-43, Three (3) Tandem Axle Trucks with Snow and Ice Equipment. Delegation By-law No. 2004-277, as amended.)
- (e) A By-law to authorize a contract with Highway Clearing & Guardrail Fencing Limited. (One reading - with respect to 2017 Guiderail Improvement Program, under Project No. P17-085. Delegation By-law No. 2004-277, as amended.)
- (f) A By-law to authorize a contract with Scott Construction Niagara Inc. (One reading - with respect to Lancaster Park Washroom Renovations, under Project No. P17-137. Delegation By-law No. 2004-277, as amended.)
- (g) A By-law to authorize the conveyance of certain lands to 1473941 Ontario Limited o/a Premium Building Group. (One reading - with respect to part of the property municipally known as 101 South Drive. Council, September 11, 2017, Item No. 11.3.)
- (h) A By-law to regulate trees on or affecting City property. (One reading - with respect to regulating City or shared trees. Council, October 30, 2017, Item No. 5.3.)
- (i) A By-law to appoint Shelley Chemnitz as Chief Administrative Officer, and to repeal By-law No. 2017-217. (One reading - with respect to appointment of new Chief Administrative Officer. Council, October 30, 2017, Item No. 11.2.)
- (j) A By-law to amend By-law No. 2004-277 entitled “A By-law to authorize delegation of certain matters to staff.” (One reading - with respect to Noise By-law exemptions for road construction by public authorities. To be considered by General Committee, November 13, 2017.)
- (k) A By-law to provide for the collection of taxes for all property classes and to authorize an interim tax levy for the Year 2018. (One reading - with respect to 2018 property tax due dates and interim billings. To be considered by General Committee, November 13, 2017.)

- (l) A By-law to amend By-law No. 2004-277 entitled “A By-law to authorize delegation of certain matters to staff.” (One reading - with respect to Special Holiday Parking Promotion Programs. To be considered by General Committee, November 13, 2017.)
- (m) A By-law to confirm the proceedings of council at its meeting held on the 13th day of November, 2017. (One reading - with respect to confirming the proceedings of the meeting held on November 13, 2017.)