

# A10



## CITY OF VANCOUVER

### ADMINISTRATIVE REPORT

Report Date: May 12, 2009  
Contact: Liza Jimenez/  
Jill Davidson  
Contact No.: 604.873.7975  
RTS No.: 8105  
VanRIMS No.: 08-2000-20  
Meeting Date: June 2, 2009

TO: Vancouver City Council  
FROM: Managing Director of Social Development  
SUBJECT: SRA Exemption Application for 1025 Granville St. (Royal Hotel)

#### ***RECOMMENDATION***

THAT Council grant an exemption from the Single Room Accommodation By-law of all 76 units at 1025 Granville Street (Royal Hotel).

#### ***GENERAL MANAGER'S COMMENTS***

The General Manager of Community Services RECOMMENDS approval of the foregoing.

#### ***COUNCIL POLICY***

On October 21, 2003, Council enacted the Single Room Accommodation By-law ("SRA By-law") to regulate the conversion and demolition of single room accommodation. Under the By-law, owners of designated rooms may apply for an exemption. If the applicant satisfies Council that the requirements and conditions of exemption are met, Council must grant the exemption.

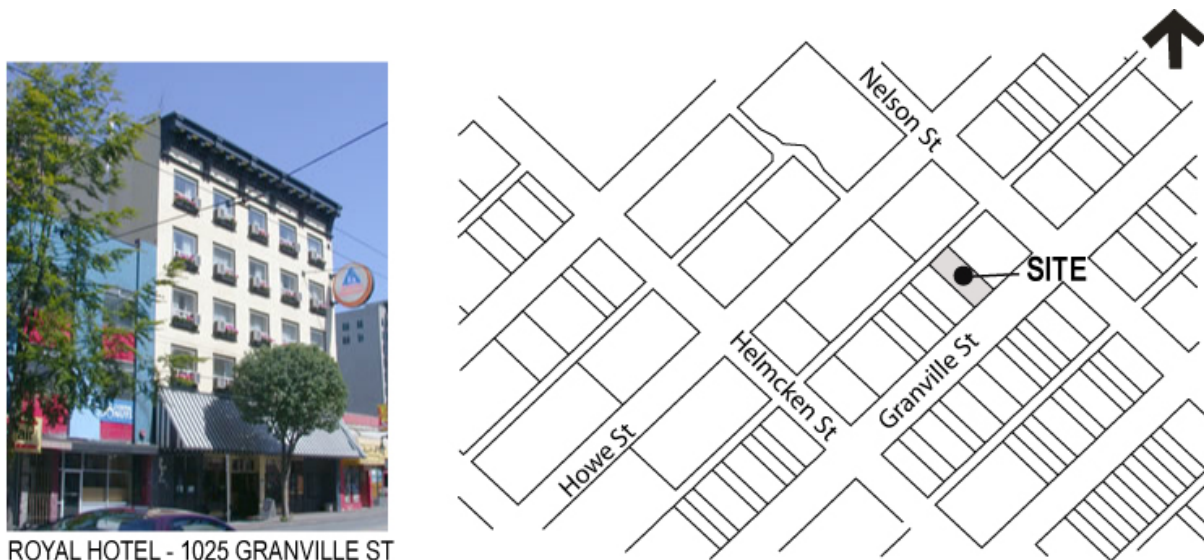
#### ***SUMMARY AND PURPOSE***

This report recommends that Council approve an application to exempt all 76 designated rooms at 1025 Granville Street (Royal Hotel) as the evidence shows that these rooms meet the exemption conditions as set out in Section 3.2 of the SRA By-law.

## **BACKGROUND**

The SRA By-law is a tool that allows Council to manage the rate of change in the stock of low-income housing by considering each conversion or demolition on a case-by-case basis. The SRA By-law was approved by Council in response to concerns about the loss of low-cost housing stock in the Downtown Core.

The Hostelling International Vancouver Central, previously known as Royal Hotel, is located at 1025 Granville Street and is a 5-storey building with 76 units. It is on the west side of Granville between Helmcken and Nelson Streets, and in the area zoned Downtown District (DD), see Figure 1 below. This property is on the heritage registry as a category "C". There is an existing club on the ground floor that holds 259 liquor seats. Canadian Hostelling Association (BC Region) purchased the building in 2002 and has operated the hostel as part of the non-profit organization of Hostelling International Canada. The residential hotel converted to a hostel by the time of the 1998 Survey of Low-Income Housing in the Downtown Core.



ROYAL HOTEL - 1025 GRANVILLE ST

Figure 1: 1025 Granville Street, Royal Hotel

## **DISCUSSION**

### **Application for Exemption**

An owner of a building containing SRA-designated rooms may apply to exempt these rooms from the By-law provided that evidence is submitted, satisfactory to Council, that the designated rooms meet the exemption conditions that:

- a) the classification for the hotel under the Assessment Act and its regulations is 100% Class 6 - commercial/retail;
- b) the hotel is subject to and pays hotel room tax under the Hotel Room Tax Act and its regulations; and
- c) on the By-law enactment date and since then, permanent residents, as defined in the By-law, have not occupied or customarily occupied rooms in the hotel as living accommodation.

Council must grant the exemption if it is satisfied that the designated rooms meet the exemption conditions.

The owner, Canadian Hostelling Association - British Columbia Region, has applied to exempt all 76 units at Royal Hotel located at 1025 Granville Street. The Royal Hotel was purchased by the current owner in 2002 and has been operating as a hotel since the late 1990s. The hotel was captured in the bi-annual Survey of Low Income Housing in the Downtown Core as a residential hotel until 1998, at which time it was recorded as having converted to tourist. The SRA By-law is based on the 2003 Survey of Low Income Housing in the Downtown Core, which again recorded the hotel as having converted to tourist use.

The owner has provided the necessary evidence to support the application for exemption of all 76 rooms at Royal Hotel, see Appendix A. Under the SRA By-law, one of the conditions of exemption is that the rooms must not be in a building or portion of a building classified under the Assessment Act and its regulations as Class 1 - residential. Records from the BC Assessment Authority show that the Royal Hotel has been classified under the Act and its regulations as 100% Class 6 - commercial/retail both before and after the enactment of the SRA By-law.

Another condition of exemption is that the rooms must be in a building or portion of a building in respect of which the owner has an obligation to pay or remit hotel room tax under the Hotel Room Tax Act and its regulations. The owner has been remitting Hotel Room Tax since taking ownership in 2002.

The last condition of exemption set out in the By-law requires that the rooms are not occupied or customarily occupied by a permanent resident as living accommodation. The owners have provided a sworn affidavit and guest ledgers for the necessary time periods. The evidence submitted shows that since the By-law enactment date, permanent residents as defined in the By-law, have not occupied or customarily occupied the 76 rooms as living accommodation.

A comprehensive report on the status of the SRA By-law is under preparation. The report will address issues such as exemptions, 10% nightly rentals, and other provisions that would improve the effectiveness of and promote compliance with the By-law.

### *CONCLUSION*

This report recommends that Council approve an application for exemption with respect to all 76 designated rooms at 1025 Granville Street (Royal Hotel) as the evidence shows that these rooms meet the exemption conditions as set out in the SRA By-law.

\* \* \* \* \*

**APPLICATION TO EXEMPT DESIGNATED ROOMS FROM  
SCHEDULE A OF SINGLE ROOM ACCOMMODATION BY-LAW**

To: **Hosting Centre Director**  
Vancouver City Hall  
454 West 12<sup>th</sup> Avenue  
Vancouver, BC V6Y 1V4



The undersigned applies to Council to exempt the following property or specific rooms therein from Schedule A of the Single Room Accommodation By-Law.

- Civic Address: 1025 Granville Street  
Legal Description: Lot 21 Subdivision \_\_\_\_\_ Block 83 District Lot 541 Plan 210  
Building Name: Royal Hotel
- Total number of rooms in the above building: 76. Proposed # of rooms to be exempt: 76.  
Floor level # of rooms on this floor Proposed Room Nos. to be exempt (Attach separate sheet if more space required):  

Floor Level	# of rooms on this floor	Proposed Rooms No. to be Exempt
Second	23	All 23 rooms
Third	21	All 21 rooms
Fourth	21	All 21 rooms
Fifth	21	All 21 rooms
- The following documents are attached and form part of this Application (see Required Information for Application to Exempt Designated Rooms from Schedule A of SRA by-law on the reverse side of this form):
  - Affidavit sworn by Jon Azpiri;
  - Registration certificate under the Hotel Room Tax Act;
  - Hotel room tax return statements under the Hotel Room Tax Act from July 2002 to December 2005;
  - BC Assessment property assessment notices for years 2003 to 2008; and
  - Guest ledgers for 2 weeks in August 2002, December, 2002; July 2003, December 2004 and July 2005.  
(Please note that any information and documents provided with this SRA exemption application will be attached to the report to Council and as such, be made available to the public.)
- Please print names and addresses of owner(s). If owner is a corporation, you must provide Incorporation Certificate and names and addresses of all directors and associates (Attach separate sheet if more space required).  
Canadian Hostelling Association - British Columbia Region  
Suite 402-131 Abbott Street  
Vancouver, BC  
V6B 2K4
- I am the:  Property Owner  Property Building Manager  Agent for owner  Other: Lawyer for the applicant
- I file this application with the full consent of the owner(s).
- I declare that the statements contained in this application and all attached documents and plans are true and correct.  
Name of Applicant (Please print): Scott Sakob  
Name of Company (if applicable): Bull Houser & Tupper LLP  
Mailing Address: 3000 Royal Centre, 1055 West Georgia Street City: Vancouver Postal Code: V6R 3R3  
Telephone: (604) 641-4805 Cell Phone: \_\_\_\_\_ Fax: (604) 646-2682

Signature of Applicant: [Signature] Date: August 29, 2008

Office Use:

Application No. SA 400016 Date Received: \_\_\_\_\_

To Council: \_\_\_\_\_ Decision: \_\_\_\_\_