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To: ["Direct to Mayor and Council"](#)
Date: 4/9/2025 5:43:00 PM
Subject: Council Prep Package: 1125 Granville Street - SRA Conversion Permit (ACCS)

Good afternoon Mayor & Council,

The [Council Agenda](#) for April 15 is live on Vancouver.ca. In preparation for the item [1125 Granville Street - SRA Conversion Permit \(ACCS\)](#) staff have prepared a brief package with key messages, key facts and relevant Q&As that may be helpful to you in media interviews or conversations with stakeholders and constituents.

Item in brief

The Clifton Hotel at 1125 Granville Street is a 100-year-old SRA-designated building listed on the Vancouver Heritage Register. The current owner is seeking approval of an SRA Conversion Permit to convert the 74 SRA-designated rooms into a 67-room hotel with commercial uses at and below grade. After years of neglect by the previous owner, the building was ordered closed by the Chief Building Official in 2015 and has been vacant ever since. Approval of the SRA Conversion Permit is subject to the owner providing a \$1.1M contribution to the SRA Reserve Fund to encourage the supply of low-cost accommodation.

The SRA By-law was enacted in 2003 to manage the loss of low-income housing and the displacement of tenants in the Downtown Core. The SRA By-law regulates the alteration, conversion and demolition of SRA-designated rooms. Under the SRA By-law, owners wanting to alter, convert or demolish SRA-designated rooms must apply for and obtain an SRA Conversion or Demolition Permit. Council must evaluate each application on its own merits and may refuse the permit, approve the permit outright, or approve the permit with conditions.

Conditions attached to the approval of an SRA Conversion or Demolition Permit can include agreement to enter into a Housing Agreement, a Heritage Revitalization Agreement, payment of a specified amount to be used for the replacement of any room removed from the SRA By-law, or other conditions as outlined in the Vancouver Charter.

Communications approach in brief

We will be taking a reactive approach to media inquiries. Where appropriate, spokesperson Celine Mauboules, Managing Director of Housing and Homelessness Services, will be available for a statement or interview.

Key messages

- Converting 1125 Granville Street (Clifton Hotel) into a hotel with commercial space supports Council's direction to re-establish Granville Street as a vibrant entertainment and cultural district while preserving the area's unique heritage character.
- The City remains committed to addressing the housing needs of low-income residents and the urgent need to upgrade and replace existing ageing SROs. If Council approves the SRA By-law Conversion Permit and the development moves ahead, the owner has committed to the payment of a \$1.1M cash contribution to the SRA replacement reserve fund to support the supply of low-cost accommodation.
- As outlined in the Granville Street Plan area, expected to go to Council in June 2025, the Clifton Hotel is located within the Core Entertainment Area, where redevelopment to residential uses will not be permitted. Allowing the Clifton Hotel to operate as a 67-room hotel with preserved heritage and the provision of commercial space will help meet the objectives of the Plan, including the additional of hotel rooms.

Key Facts

- This proposal is coming ahead of the Granville Street Plan, but is consistent with the emerging direction of the plan to prioritize commercial, hotel and cultural uses, while removing new residential uses.
- While existing residential sites (including SROs) would be permitted to continue as legal non-conforming, re-opening the Clifton as low-income housing would require significant investment, rendering the project unviable without external subsidies.

Questions & Answers

Why did the building sit empty for so long? Will the City charge Empty Homes Tax?

The Clifton Hotel has been empty since 2015 due to poor building maintenance under previous ownership. The building was not subject to the Empty Homes Tax as the building is split class (commercial/residential). The directions of the Granville Street Plan that prioritize commercial and entertainment provided the basis for the owner to submit an SRA Permit application to convert the building to a hotel.

Why is the City letting the owner do this, given the building's complicated history where tenants were evicted?

The City's Tenant Relocation Policy and SRA By-Law protect tenants during renovations and redevelopments. In this case, the illegal evictions by the previous owner were outside of the City's jurisdiction and were a matter under the Residential Tenancy Act. The City condemns illegal evictions and continues to support non-profit advocacy efforts to educate tenants about their rights and engage the Provincial Residential Tenancy Enforcement Branch as needed.

The Clifton is located in the proposed entertainment core area of Granville Street that would remove residential uses. If the Plan is approved, on-site replacement with housing through redevelopment would not be permitted, and the building would likely continue to sit empty for the foreseeable future.

This application is proceeding before the approval of the Granville Plan. Why is this being considered?

The owners have indicated that they are not interested in pursuing development options under the forthcoming rezoning policy and instead are proceeding with their proposal as-is under existing zoning. If Council approves the recommended SRA Conversion Permit, and the owner does not proceed with the proposed hotel conversion that is the subject of this permit, this SRA Conversion Permit would no longer be valid and a new SRA Conversion or Demolition permit would be required for any future development.

How many SROs are within the Granville Plan area (Robson to Drake)?

There are a total of eight SROs within the Granville Plan area, five privately owned and three government owned (two BCH, one CoV). There are also four non-market housing sites within the plan area including the Lugaat which is not SRA designated.

What protections are in place for existing tenants in other SROs, specifically the three other privately owned SROs in the Core Entertainment Area?

The City's SRA By-Law and Tenant Relocation Policy are designed to protect all existing tenants in private and publicly owned SROs. There are no proposals underway to convert the other SROs in this area. Furthermore, through the Granville Plan staff are exploring policy options to increase protections for residents of private SRO buildings.

Why is the SRA replacement fee lower than the \$300,000/door identified in the SRA By-law as the potential fee?

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specified amount to be used for the replacement of any room removed from the SRA By-law or other conditions as outlined in the Vancouver Charter.

When the By-law was approved in 2003, the amount was \$5,000/door and served as a deterrent to owners converting or demolishing a designated room. Over time, the amount has increased to reflect the replacement cost for a self-contained social housing unit and, as of 2023, is set at \$300,000/door. The last time the fee was charged as part of an SRA Conversion or Demolition Permit condition was in 2015.

The contribution of \$1.1M was determined to be reasonable through pro forma analysis by the City's real estate department, as a higher fee would render the project unviable.

What is the City's approach to ensuring SROs are maintained to prevent deteriorating buildings, including others like 500 Dunsmuir?

Property owners have a responsibility to maintain their buildings, and allowing a property to fall into disrepair and become a hazard to public safety is unacceptable. The City is exploring stronger measures to prevent the neglect of vacant buildings by private owners. City staff monitor current SRO buildings closely and facilitate compliance through annual inspections and by responding to complaints. Should a violation be noted during an inspection, enforcement action is taken to bring the property into compliance.

The annual inspection process involves a room-to-room inspection of the property, this also includes common areas such as hallways and shared bathrooms. Through the annual inspection, inspectors identify life safety and non-life safety issues for follow up.

The City's longstanding policy is to replace SRO rooms with safe, secure and self-contained units that are affordable to low-income singles. The City is working with senior government on the Intergovernmental SRO Investment Strategy to replace SROs with self-contained social housing.

When is this expected to complete?

Questions on timing should be deferred to the applicant.

Related links

Past news stories regarding the Clifton Hotel:

- 2021 [article in Vancouver is Awesome](#) noting Clifton Hotel closure leaving less SRO options.
- 2020 [article in The Tyee](#), author notes that Clifton Hotel has sat empty since 2014 after evictions.
- 2015 [Global News coverage](#) noting Clifton evictions under previous management.
- [Global News article](#) highlighting tenant evictions 2014.
- [Georgia Straight article](#) regarding 2014 evictions.

Given that this messaging is being shared in preparation for media activity, we will provide a follow-up note if context or messaging requires updates. If you have any questions, please reach out to Maria at maria.pontikis@vancouver.ca. You are welcome to direct any media inquiries to media@vancouver.ca.

Best,

Paul

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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations.