



City of Port Moody

Report/Recommendation to Council

Date: January 20, 2021
Submitted by: Community Development Department – Development Planning Division
Subject: Mixed Use – OCP, Rezoning – 3101-3103 St. Johns Street,
3104-3112 St. George Street, and 123-129 Buller Street (WA Architects)

Purpose

To present for Council consideration of a proposed land use change, increase in height, and closure of a portion of Andrews Street for a 197 unit mixed-use development including non-market rental housing, market rental housing, and a non-profit daycare.

Recommended Resolution(s)

THAT City of Port Moody Official Community Plan Bylaw, 2014, No. 2955, Amendment Bylaw No. 30, 2021, No. 3293 (St. George Street and Buller Street) and City of Port Moody Zoning Bylaw, 2018, No. 2937, Amendment Bylaw No. 50, 2021, No. 3294 (St. Johns Street, St. George Street, and Buller Street) (CD81) be read a first and second time as recommended in the report dated January 20, 2021 from the Community Development Department – Development Planning Division regarding Mixed Use – OCP, Rezoning, Housing Agreement, Road Closure – 3101-3103 St. Johns Street, 3104-3112 St. George Street, and 123-129 Buller Street (WA Architects);

AND THAT Bylaw No. 3293 and Bylaw No. 3294 be referred to a Public Hearing;

AND THAT City of Port Moody Housing Agreement Bylaw, 2021, No. 3295 (St. Johns Street, St. George Street, and Buller Street – Market Rental Housing) be read a first and second time;

AND THAT City of Port Moody Housing Agreement Bylaw, 2021, No. 3296 (St. Johns Street, St. George Street, and Buller Street – Non-Market Rental Housing) be read a first and second time;

AND THAT City of Port Moody Road Closure Bylaw – Portion of St. Andrews Street, 2021, No. 3297 be read a first and second time;

AND THAT a Community Amenity Contribution fee waiver in the amount of \$276,380 be approved to facilitate the provision of six non-market rental housing units and a non-profit daycare space.

Executive Summary

WA Architects, on behalf of Buffalo Group, has submitted an Official Community Plan (OCP) amendment and rezoning application for six properties located at 3101-3103 St. Johns Street, 3104-3112 St. George Street, and 123-129 Buller Street. The application proposes one six-storey mixed-use commercial and residential building along St. Johns Street and one six-storey multi-family residential apartment building along St. George Street, all over a common underground parking structure. The two buildings together would consist of 197 units containing a mix of unit types and sizes for ownership, market rental, and non-market rental opportunities, and approximately 836m² (8,980ft²) of commercial space, which would include a daycare space dedicated for a non-profit organization. An application fact sheet that summarizes the key components of the project is included (**Attachment 1**).

Key Changes by Applicant

The applicant has made several key changes to the application based on the input provided by the Community Planning Advisory Committee (CPAC), Council, and staff, including the following:

- reduction of overall number of units from 210 to 197;
- addition of a secondary access on St. George Street to the underground parkade to address traffic concerns;
- modification of the affordable housing program to include the provision of six non-market housing units at shelter rates and 44 market rental units;
- increase in the duration of the affordable housing commitments from 20 years to the greater of either 60 years or the useful life of the building;
- increase in the outdoor amenity space associated with the childcare use;
- increase in the duration of the non-profit child care space from ten years to 20 years; and
- addition of two outdoor rooftop amenity spaces totalling 356m² (3,827ft²) in size.

Implementation

In order to permit the development, the following are required:

- adoption of an OCP amendment bylaw to alter the maximum height on the south side of the development site from three storeys to six storeys (**Attachment 2**);
- adoption of a zoning bylaw changing the zoning from Single Detached Residential (RS1), Semi-Detached Residential (RT), and Medium Density Townhouse Residential (RM4) to the Comprehensive Development 81 (CD81) Zone (**Attachment 3**);
- adoption of a housing agreement bylaw to establish the terms and conditions relating to the management of the proposed market rental homes (**Attachment 4**);
- adoption of a housing agreement bylaw to establish the terms and conditions relating to the management of the proposed non-market rental homes (**Attachment 5**);
- adoption of a road closure bylaw to facilitate the closure of St. Andrews Street (**Attachment 6**); and
- issuance of a development permit if the OCP amendment, rezoning, road closure, and housing agreement bylaws proceed.

Background

Council provided early input on this application at the February 18, 2020 Committee of the Whole meeting. Key discussions were had regarding the provision of proposed community benefits in exchange for additional height, and the duration of the affordable housing component and dedicated daycare space.

Discussion

Property Description

The development site is configured in an “L” shape and consists of six properties located east of the Port Moody Public Safety Building on St. Johns Street and St. George Street, and west of Moody Middle School, as shown on the Location Plan (**Attachment 7**). The development site includes a 40m (131ft) portion of St. Andrews Street that the developer has proposed and agreed to purchase from the City at the market value of \$1,567,000 (\$360/ft²).

The total site including the road closure area is approximately 5,471m² (1.35ac) in size and gently slopes from the east to the west. The subject lots are currently occupied with a mix of housing types including single family homes, a duplex, and a four-plex.

Neighbourhood Context

The subject site is adjacent to the Public Safety Building and new or future development to the east and south. Further east is the location of Moody Middle School. A more detailed neighbourhood context is located in the Application Fact Sheet (**Attachment 1**).

The site is approximately 400m to the Moody Centre SkyTrain Station and West Coast Express, and is located just south of the Moody Centre Station Transit-Oriented Development (TOD) area. This equates to approximately a seven-minute walk to the transit hub.

Official Community Plan

The OCP designates the site for two different uses (**Attachment 8**). The OCP designates the north portion of the site as Mixed Use – Moody Centre, which is intended for the development of a variety of retail, service, office, and stand-alone commercial activities, and multi-family residential uses in association with the commercial uses. The OCP designates the south portion of the site as Multi-Family Residential, which is intended to support the development of low- to medium-density attached housing, such as duplexes, townhouses, or apartment structures.

The site is also designated on the Evergreen Line Sub-Areas Map #11 of the Official Community Plan, outlining a transition of height from six storeys along St. Johns Street to three storeys along St. George Street. A recent development approval re-designated a site on St. George Street to the west from three to six storeys.

The proposal would require an amendment to the OCP to change the maximum height on the south portion of the site from three storeys to six storeys and a road closure bylaw to facilitate the closure of a portion of St. Andrews Street.

Zoning

The subject lots are presently zoned for a mix of residential uses including Single Detached Residential (RS1), Semi-Detached Residential (RT), and Medium Density Townhouse Residential (RM4) (**Attachment 9**).

Development Proposal Description

The development proposal consists of a total of 197 residential units in two six-storey buildings, plus 834m² (8,980ft²) of commercial space. The two building components include the following:

1. One six-storey mixed-use building facing St. Johns Street, containing 82 residential units, a 457m² (4,923ft²) non-profit daycare facility, and 377m² (4,057ft²) of commercial space. The proposed building and uses are consistent with the OCP. Of the 82 units in this building, 44 would be for market rental uses and six would be for non-market rental uses at shelter rates (deeply discounted) and would be owned and operated by a non-profit organization.
2. One six-storey multi-family apartment building facing St. George Street and St. Andrews Street, containing 115 strata units. This component requires an OCP amendment to allow an increase in the building height from three to six storeys.

As part of the development, a pedestrian walkway would be provided along the west property line adjacent to the Public Safety Building, which would connect residents of the development and surrounding area with transit and services.

This project requires the purchase of a 40m (131ft) length of the St. Andrews Street right-of-way in order to consolidate the site. On June 11, 2019, Council supported a potential land sale of this portion of St. Andrews Street subject to successful completion of the required land use approvals. Staff have obtained a property appraisal report at the applicant's cost for the proposed purchase area of St. Andrews Street. The appraisal report values the road right-of-way at \$360/ft² for a total of \$1,567,000.

Project and landscape plans are included as **Attachment 10** and **Attachment 11**.

Unit Mix

Overall, the project provides 197 units with the following unit breakdown:

Unit Type	Number of Units	Percentage
One-Bedroom	112	57%
Two-Bedroom	76	39%
Three-Bedroom	9	5%

The 76 two-bedroom units include 14 two-bedroom ground-oriented townhouse units with direct access to St. George Street.

Density

The proposal has a residential density, or floor area ratio (FAR), of 2.69 and an overall FAR of 2.92 including the commercial space.

In this case, a CD Zone is being proposed based on the conventional Six-Storey Mixed Use (CRM2) and Six-Storey Apartment Residential (RM8) Zones, which permit a maximum density of 2.5 and 2.4 FAR, respectively.

Although the proposal exceeds the maximum density found within the CRM2 and RM8 Zones, the Zoning Bylaw allows for bonus density when exchanged for amenities to the City equivalent to 75% of the land value of the additional density above a FAR of 2.5.

Housing Agreement and Non-Profit Child Care Provision

A total of 50 units (25% of the overall number of units) will be dedicated as rental consisting of 44 market rental units and six donated non-market rental units at deeply discounted shelter rates. Moreover, the developer is proposing making a portion of the commercial space available for free for 20 years for a non-profit daycare. These are significant housing and amenity contributions unique to this project.

Non-Market Rental Units

Six units, which includes three one-bedroom units and three two-bedroom units, will be designated for non-market rental housing at shelter rates or rent geared to income. In the case of shelter rates, they could be as low as \$375 per month, which is set by the provincial government. In the case of rent geared to income, rent is based on 30% of the tenant's gross household income. The housing agreement for these units would be secured for a term of 60 years or the useful life of the building, whichever is greater. The non-market rental units are to be sold by the developer, Buffalo Group, to a non-profit housing provider for free at a nominal cost of \$1.00 per unit. At the time of writing this report, a Memorandum of Understanding was being finalized with Bloom Group, a non-profit housing organization, to own and manage the units.

The one-bedroom non-market units are to be approximately 56m² (599ft²) in size, while the two-bedroom non-market units are to be 73m² (782ft²) in size. The units would be interspersed throughout the mixed-use building for better integration in the community.

The value of the non-market housing that the developer is providing is estimated at \$3,450,000 based on a professional appraisal provided by the developer.

Market Rental Units

A total of 44 market rental units are proposed to be individually stratified and sold to individual owners with the commitment that they will serve as rental units for the first 20 years. While the stratification of rental units for a project this size is not a preferred model for market rental units, the applicant has stated that this approach directly supports the provision of the donation of six shelter rate rental units to a non-profit organization and the daycare space, also for a non-profit organization. The market rental units are a means to secure the below-market rental units and the daycare space. Moreover, in terms of management of the temporary market rental condos, a single property management company would simplify future communication between owners and the City. For these two reasons, staff consider this approach as acceptable for the City to gain an amenity contribution that includes the provision of six shelter rate units and the daycare space.

Non-Profit Daycare Space

Dedicated commercial and outdoor amenity spaces are being proposed for a non-profit daycare. The commercial space would be leased for a nominal rate of \$1.00 per year for a period of 20 years. The daycare is proposed to be approximately 457m² (4,923ft²) with combined adjacent outdoor spaces of 294m² (3,167ft²). Based on the sizes of the commercial and the outdoor amenity areas, it is expected that the daycare could have up to 49 spaces. In addition to providing the daycare within the development, the developer is also planning to construct, supply, and install all the tenant improvements and equipment as required by the non-profit operator. At the time of writing this report, a Memorandum of Understanding was being finalized with the YMCA to manage and operate the daycare space.

The projected market rental value of the lease over 20 years is estimated between \$3,320,000 and \$3,470,000, while the construction and outfitting of the daycare space is estimated at \$730,000, based on the appraisal provided by the developer.

Implementation

The project will require bylaws for the OCP amendment, rezoning, road closure, and housing agreements.

Sustainability Report Card

The completed Sustainability Report Card for the development proposal is included as **Attachment 12**, and the following table summarizes the initial scoring. The scoring may be revised throughout the review process of the project.

Sustainability Pillar / Application	Cultural	Economic	Environmental	Social	Overall Total
3101-3103 St. Johns Street, 3104-3112 St. George Street, 123-129 Buller Street	64% (7 out of 11)	54% (7 out of 13)	69% (35 out of 51)	87% (33 out of 38)	73%

Based on the provision of non-market rental housing, market rental housing, non-profit daycare space, and generous amounts of amenity space, the application scores well under the social sustainability section of the report card.

Other Option(s)

If Council determines that substantial changes are needed before the project proceeds to the next steps, staff recommend in that case to give the bylaws first reading only and refer the project back to staff and applicant to consider specific changes.

Financial Implications

Community Amenity Contributions (CACs)

The CAC amount will be established at the development permit stage once the final residential floor area is confirmed and prior to the adoption of the rezoning bylaw. Based on the proposed residential floor area of 13,396m² (144,190ft²) at \$6.00/ft², the contribution would be approximately of \$829,140 after a credit for the existing parent parcels. Of that total, approximately \$276,380 would be directed to the Affordable Housing Reserve Fund and the remaining \$552,760 would go towards general community amenities. As discussed below, the applicant is requesting a partial CAC reduction.

Partial CAC Waiver Request

The CAC Corporate Policy states that Council may, at its discretion, waive some or all of the Community Amenity Contribution as part of a rezoning where affordable housing or another public amenity is being directly provided by the applicant. As the developer is providing significant community benefits with this development, a formal request for a partial waiver has been made for the Affordable Housing Reserve component of the CAC.

In support of their request for waivers, the developer has provided a professional appraisal report to staff for the total contribution of the non-market housing and non-profit daycare space. As these are either being sold for \$1.00 per unit, or leased for \$1.00 per year, the value of the community benefits has been appraised as follows:

Community Amenity Benefits Provided	Valuation
Six non-market housing units (based on market value of the units)	\$3,450,000
Childcare space for 20 years (based on projected market lease rates)	\$3,320,000-\$3,470,000
Tenant improvements for daycare space	\$730,000
TOTAL	\$7,500,000-\$7,650,000

Note that the development would also secure 44 market rental units that are not included in the appraisal. As the partial waiver request of \$276,380 is less than the valuation of the amenity contribution of \$7,500,000 to \$7,650,000, and because a non-profit operator for both the non-market housing and non-profit childcare is being secured, staff are supportive of this request to secure the community amenities proposed in kind by the developer. That said, per the CAC Policy, it is Council's discretion, on a case-by-case basis, to determine whether a waiver is warranted. While granting a partial waiver would reduce the revenue to the Affordable Housing Reserve Fund, the City would benefit by securing non-market units and childcare spaces. For Council's information **Attachment 13** shows examples from other projects and Council's directions at the time.

Public Art Contributions

The applicant has committed to providing a contribution to the Public Art Reserve Fund, which will be based on 0.5% of the cost of construction in accordance with the Public Art Policy. Based on a construction cost estimate of approximately \$42,240,000, the contribution would be \$211,200.

Road Closure

Through the development application process, an appraisal was obtained by the City, at the cost of the applicant, for the portion of St. Andrews Street to be closed. If the development is approved, the developer has committed to purchasing this portion of St. Andrews Street at the market value of \$1,567,000, as assessed by the appraisal report.

Density Bonus

The Zoning Bylaw makes provision for bonus density where a FAR greater than 2.5 is being proposed. In this case, the bylaw stipulates that a financial contribution for community amenities equivalent to 75% of the land value of the additional density above a FAR of 2.5 shall be given. For the purpose of the density bonus calculation, floor areas for commercial and below-market housing shall be excluded. Given that approximately 240m² (2,579ft²) is dedicated to non-market rental housing, the FAR for density bonus works out to 2.65. In this case, a payment of 75% of the land value of an additional 0.15 FAR shall be paid to the City. The exact amount will be determined for payment prior to adoption of the zoning amendment bylaw.

Communications and Civic Engagement Initiatives

Early Engagement - Community Information Meeting #1

In accordance with the City's Public and Stakeholder Consultation for Major Development Projects or Area Plans policy, the applicant held an early Community Information Meeting on November 25, 2019 to engage the public about the proposal and solicit feedback. Comments received were related to:

- support for new housing options and a mix of unit sizes;
- support for the proposed child care facility;
- support for aspects of the proposed design (i.e. setbacks, colour, amenity space);
- concern for the proposed six-storey height on St. George Street;
- suggestion for the provision of more rental units on site; and
- concern for traffic impacts.

In addition to the above comments, canvass teams, on behalf of the applicant, visited 49 businesses on St. Johns Street between Moody Street and James Street. Businesses were given a handout which included proposal details and an invitation to the meeting. Feedback received from businesses included the following:

- support for the proposal's inclusion of childcare and provision of rental housing; and
- support for the proposal's potential to increase foot traffic to their businesses.

Community Planning Advisory Committee (CPAC)

The application was reviewed by CPAC on January 7, 2020, and the committee provided a number of comments for consideration (minutes are included as **Attachment 14**) including but not limited to:

- unit mix;
- shading in the amenity areas;
- traffic impacts along Buller Street;
- turnaround issues for daycare use;
- consideration of expanding the tenure/duration of the non-profit daycare commitment;
- contribution to the City's public art fund; and
- consideration of a rooftop childcare amenity space.

Community Information Meeting #2

The applicant held a second Community Information Meeting, which due to COVID-19, was held online over two one-hour sessions of live questions and answers on September 8 and 9, 2020. Submissions for feedback were received and questions/comments were received during the live questions and answers session.

Public Notification

Two notification signs informing the public of the OCP amendment and rezoning applications have been placed on the subject site in accordance with the City of Port Moody Development Approval Procedures Bylaw, 2011, No. 2918.

Should the OCP amendment and rezoning applications be given first and second readings, the public will have an opportunity to comment at the Public Hearing, which will occur following a mail-out notification to adjacent residents, an advertisement placed in the local newspaper, and a decal of the public hearing time and date placed on the notification sign.

Should the road closure bylaw be given third reading, notice of Council's intention to remove the road dedication and to dispose of the closed road allowance will be provided in accordance with Sections 26(3) and 40 of the *Community Charter*.

Council Strategic Plan Objectives

The proposal is consistent with the goals of Council's 2019-2022 Strategic Plan related to a Healthy City by planning for a variety of housing types to meet community needs.

Attachment(s)

1. Application Fact Sheet.
2. Draft Bylaw No. 3293 (OCP).
3. Draft Bylaw No. 3294 (Zoning).
4. Draft Bylaw No. 3295 (Market Housing Agreement).
5. Draft Bylaw No. 3296 (Non-Market Housing Agreement).
6. Draft Bylaw No. 3297 (Road Closure).
7. Location Map.
8. OCP Map.
9. Zoning Map.
10. Project Plans.
11. Landscape Plans.
12. Sustainability Report Card.
13. Examples of Council Endorsed CAC Waivers
14. CPAC Minutes, January 7, 2020.

Report Author

Wesley Woo, MCIP, RPP
Development Planner

Report Approval Details

Document Title:	Mixed Use – OCP, Rezoning - 3101-3103 St. Johns Street, 3104-3112 St. George Street, 123-129 Buller Street (WA Architects).docx
Attachments:	<ul style="list-style-type: none">- Attachment 1 - Application Fact Sheet.pdf- Attachment 2 - Bylaw No. 3293 (OCP).pdf- Attachment 3 - Bylaw No. 3294 (Zoning).pdf- Attachment 4 - Bylaw No. 3295 (Market Housing Agreement).pdf- Attachment 5 - Bylaw No. 3296 (Non-Market Housing Agreement).pdf- Attachment 6 - Bylaw No. 3297 (Road Closure).pdf- Attachment 7 - Location Map.pdf- Attachment 8 - OCP Map.pdf- Attachment 9 - Zoning Map.pdf- Attachment 10 - Project Plans.pdf- Attachment 11 - Landscape Plans.pdf- Attachment 12 - Sustainability Report Card.pdf- Attachment 13 - Examples of Council Endorsed CAC Waivers.pdf- Attachment 14 - CPAC Minutes, January 7, 2020.pdf
Final Approval Date:	Feb 1, 2021

This report and all of its attachments were approved and signed as outlined below:

André Boel, City Planner - Jan 27, 2021 - 12:10 PM

Kate Zanon, General Manager of Community Development - Jan 27, 2021 - 12:30 PM

Dorothy Shermer, Corporate Officer - Jan 27, 2021 - 5:56 PM

Rosemary Lodge, Manager of Communications and Engagement - Jan 29, 2021 - 10:17 AM

Paul Rockwood, General Manager of Finance and Technology - Jan 30, 2021 - 3:29 PM

Tim Savoie, City Manager - Feb 1, 2021 - 11:48 AM