



City of Port Moody

Report/Recommendation to Council

Date: April 6, 2021
Submitted by: Community Development Department – Development Planning Division
Subject: Housing Agreement Bylaw – Lots 17-20 Henry Street (Ankenman Marchand)

Purpose

To present for Council consideration a Housing Agreement Bylaw associated with the proposed 173 multi-family apartment units at Lots 17-20 Henry Street.

Recommended Resolution(s)

THAT City of Port Moody Housing Agreement Bylaw, 2021, No. 3279 (Lots 17-20 Henry Street) be read a first time as recommended in the report dated April 6, 2021 from the Community Development Department – Development Planning Division regarding Housing Agreement Bylaw – Lots 17-20 Henry Street (Ankenman Marchand);

AND THAT Bylaw No. 3279 be read a second time;

AND THAT Bylaw No. 3279 be read a third time.

Background

OCP amendment Bylaw No. 3258 and Rezoning Bylaw No. 3259, related to the development proposal for 173 multi-family apartment units at Lots 17-20 Henry Street were given first and second readings at the June 2, 2020 Special Council Meeting, and third reading at the Special Council meeting held on July 28, 2020 following a Public Hearing. Details of the proponent's housing component were provided in previous reports to Council, prior to the Public Hearing, including the report dated May 4, 2020, considered at the Special Council meeting held on June 2, 2020 (**Attachment 1**), and also a Memo to Council considered at a Public Hearing held on July 28, 2020 (**Attachment 2**).

The proponent requested that Council consider the waiving of the affordable housing component of the Community Amenity Contribution (CAC), which represents \$344,000 of the total \$1,032,000 CAC amount, in order that it can be put towards the provision of the affordable housing unit. At the November 24, 2020, Regular Council Meeting, Council considered the proponent's request to waive the affordable housing component of the CAC, in line with the related Corporate Policy, and passed the following resolution:

RC20/444

THAT the housing proposal for Lots 17-20 Henry Street be endorsed, and a Community Amenity Contribution fee waiver in the amount of \$344,000 be approved to facilitate the purchase of a unit by Kinsight as recommended in the report dated October 26, 2020 from the Community Development Department - Development Planning Division regarding Housing Agreement - Lots 17-20 Henry Street (Ankenman Marchand).

Discussion

It is noted that this application was in stream prior to Council's adoption of the Interim Affordable Housing Guidelines, and that the housing component within this project has been reviewed with that in mind. The proposal as set out in the Housing Agreement, which forms part of the Draft Housing Agreement Bylaw (**Attachment 3**) will be registered by covenant on title of the property. The key elements of the housing component include:

- 148.6m² (1,600ft²) of residential floor area to be sold to Kinsight, a non-profit affordable housing operator;
- 17 units offered as rent-to-own to local buyers; and
- six units with lock-off suites.

The estimated design and construction cost of delivering the affordable housing unit is approximately \$800,000 (costs associated with land, financing, and municipal charges are not included as part of the proposed funding arrangement). A partnership funding arrangement, between the project proponent and Kinsight, the non-profit housing provider, is proposed and includes:

- the proponent providing an additional \$200,000 on top of the \$344,000 CAC portion allocated towards the provision of the unit;
- the non-profit (Kinsight) paying the outstanding cost of the unit, which would be \$256,000; and
- any additional cost overruns over the total \$800,000 being covered by the proponent to ensure the non-profit's financial commitment is not exceeded.

Kinsight Affordable Housing Unit

The applicant is proposing to provide a minimum of 148.6m² (1,600ft²) of residential floor area via a partnership with a non-profit affordable housing operator, and has a tentative agreement with Kinsight as the potential non-profit to which the strata unit would be allocated. Kinsight works with families, youth, and adults with developmental delays or disabilities to support growth, development, and personal well-being. From a housing provision perspective, Kinsight's focus is on inclusive models of housing that are more reflective of the general population, that are designed to help people to establish relationships in their neighbourhoods, and allow people to age in their homes, enjoy varied levels of independence and support, and minimize long-term disruption.

Key details related to the provision of the Kinsight unit include the following:

- The unit, which could house up to six persons, will consist of a two-bedroom, one-bathroom suite with full kitchen and laundry facilities, with two 'lock off' studios, each of which would have their own basic food preparation area, living/sleeping area, and bathroom/shower.
- The unit will be entitled to two parking stalls and access to and use of common amenity space. The large unit with lock-off suites is intended to allow for greater flexibility to allow for support services and broader housing affordability.
- It is proposed that the unit be provided at a rental rate not in excess of BC Housing Income Limits (HILs) rates, (which, based on 2019 rates, would result in a maximum rent of \$2,087.50 for a four bedroom unit). However, Kinsight's intent in housing individuals with developmental disabilities is to apply shelter rates, which, based on current monthly rates, is \$375 per person.
- The applicant is also proposing, as part of the rent-to-own program, to give Kinsight priority, should they wish, to purchase up to two of the rent-to-own units.

It is noted that there is a need for some flexibility built into the agreement to address circumstances in which Kinsight, as the identified non-profit, is for some reason not be able to complete the purchase/transfer and ultimate operation of the unit. To help facilitate this, the proponent is proposing a two-year period to complete the purchase/transfer of the unit, beginning once the building receives occupancy, allowing Kinsight additional time to complete the purchase/transfer of the unit. In the unlikely event that Kinsight is unable to complete the transaction, there is also flexibility to allow for another non-profit operator to take up the option on the unit, or if this is not possible, the City would retain the security provided by the proponent, in the amount of \$546,000, which would be allocated to the Affordable Housing Reserve Fund, with the unit then free to be sold as a strata unit.

Additional Housing Program Elements

Though not considered affordable housing elements, the rent-to-own component and lock-off suites do provide opportunities for entry into the housing market.

Rent-to-Own Program:

Seventeen units will be offered as rent-to-own to local first-time buyers, as discounted forms of housing tenure, where a small deposit and, upon occupancy, rent payments over two years would then be applied to the developer-financed purchase price. Unit mixes, sizes, and rents will be as follows:

- Six studios (average 475 ft², \$1,200/month rent);
- Two one-bedroom (average 575 ft², \$1,500/month rent);
- Six one-bedroom plus den units (average 675 ft², \$1,800/month rent); and
- Three two-bedroom (average 875 ft², \$2,200/month rent).

Lock-Off Suites:

Six of the larger three-bedroom units are to include the ability to have a lock-off studio suite, which would incorporate one of the bedrooms, an option not widely available in the market. Such units allow for both flexibility of use, including the ability to rent out separately to assist financially with mortgage payment and provide additional rental units within the City. Key elements of the lock-off studio suites include:

- suites will be a minimum size of 20m² (215ft²) and a maximum size of 28m² (300ft²);
- suites will be physically separated from the remainder of the unit by partitions and a door to ensure privacy and to isolate noise and odours;
- suites will be equipped with separate bathroom facilities to include a wash-basin, water closet, and a shower or bath;
- suites will have private kitchen facilities to include counter space, a cooking heat source, and refrigerator;
- suites will either have its own clothes washer and dryer, or be shared through access to the unit entry;
- suites will have adequate ventilation and access to natural light; and
- suites will allow for both long-term and short-term rentals (subject to strata bylaws) to allow for flexibility of use.

Flexibility is built into the agreement that will allow for additional lock-off suites to be provided in the final layout and also for their provision in smaller unit types.

Housing Agreement

The provision of the affordable housing unit and other housing elements will be secured through a Housing Agreement which would ultimately be registered on title via covenant. The Housing Agreement and Bylaw have been drafted and are included as **Attachment 3**.

Other Option(s)

That Council provide alternate direction.

Financial Implications

There are no immediate financial implications associated with the proposed implementation of the Housing Agreement.

Communications and Civic Engagement Initiatives

There are no additional notification or consultation requirements associated with Housing Agreement Bylaw. It is noted that the OCP amendment and Rezoning Bylaws associated with this development proposal went through notification and public input and Public Hearing processes in accordance with the City's Development Approval Procedures Bylaw and the *Local Government Act*.

Council Strategic Plan Objectives

The proposal is consistent with the strategic priority of Community Evolution in the 2019-2022 Council Strategic Plan as it relates to the objective of ensuring that future community growth is carefully considered and strategically managed, consistent with the City's Official Community Plan.

Attachment(s)

1. Report Considered at the Special Council Meeting of June 2, 2020.
2. Memo to Council: Public Hearing, July 28, 2020.
3. Draft Housing Agreement Bylaw No. 3279.

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Report Approval Details

Document Title:	Housing Agreement Bylaw – Lots 17-20 Henry Street (Ankenman Marchand).docx
Attachments:	- Attachment 1 - Report Considered at the Special Council Meeting of June 2, 2020.pdf - Attachment 2 - Memo to Council - Public Hearing, July 28, 2020.pdf - Attachment 3 - Draft Housing Agreement Bylaw ,No. 3279.pdf
Final Approval Date:	Apr 19, 2021

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

Kate Zanon, General Manager of Community Development - Apr 12, 2021 - 1:17 PM

Dorothy Shermer, Corporate Officer - Apr 12, 2021 - 4:04 PM

Rosemary Lodge, Manager of Communications and Engagement - Apr 13, 2021 - 10:15 AM

Paul Rockwood, General Manager of Finance and Technology - Apr 14, 2021 - 10:29 AM

Tim Savoie, City Manager - Apr 19, 2021 - 8:01 AM