



City of Port Moody

Report/Recommendation to Council

Date: August 9, 2021
Submitted by: Community Development Department – Policy Planning Division
Subject: City of Port Moody Housing Needs Report

Purpose

To present the City of Port Moody Housing Needs Report to Council for endorsement.

Recommended Resolution(s)

THAT the City of Port Moody Housing Needs Report be received as recommended in the report dated August 9, 2021 from the Community Development Department – Policy Planning Division regarding City of Port Moody Housing Needs Report;

AND THAT staff be directed to report back with a scope of work, budget, and timeline to complete a Housing Action Plan informed by the results of the Housing Needs Report.

Background

In April 2019, the Ministry of Municipal Affairs and Housing introduced new legislation under Part 14 of the *Local Government Act*. The new regulations require local governments to complete Housing Needs Reports by 2022 and thereafter every five years.

The purpose of the legislation is to:

- enable the provincial government to gain an understanding of recent changes in demographics and housing and provide important context to plan for future housing needs;
- enable municipalities to better understand their current and future housing needs; and
- assist local governments in implementing policies and bylaws that respond to current and projected housing needs.

As a result of this provincial requirement, on December 3, 2019, Council passed the following resolution:

RC19/531

THAT staff be directed to apply for funding to undertake a Housing Needs Report as recommended in the report dated September 30, 2019 from the Planning and Development Department – Policy Planning regarding Market-Rental Policy and Inclusionary Zoning Policy: Proposed Work Plan;

AND THAT the City provide overall grant management as required by the UBCM Housing Needs Report Program.

In early 2020, Port Moody received confirmation from the Union of British Columbia Municipalities (UBCM) that its Housing Needs Report Program application for \$30,000 was successful. Subsequently, staff procured CitySpaces Consulting Ltd. to lead the public engagement process, analyze housing data, and complete the report (**Attachment 1**).

Discussion

Data Collection

The provincial legislation that enacted the Housing Needs Report requires local governments to collect approximately 50 distinct kinds of data regarding:

- current and projected population;
- household income;
- significant economic sectors; and
- currently available and anticipated housing units.

This quantitative data was prepared by planning staff at Metro Vancouver (Appendix A of the Housing Needs Report) and aligns with the requirements outlined in the Ministry of Municipal Affairs and Housing's Guide to Requirements for Housing Needs Reports. This data was then analyzed by the City's consultant to highlight the areas of need within the community.

Engagement

As outlined in the Housing Needs Report engagement strategy, the City collected feedback using three methods:

- Survey: The purpose of the survey was to gather information from a wide audience of residents and stakeholders on Port Moody's affordable housing challenges and gaps, as well as to identify specific housing concerns for vulnerable population groups. The City received surveys from 125 residents.
- Virtual Stakeholder Focus Groups: The purpose of the virtual stakeholder workshops was to engage with multiple stakeholders at the same time in a way that allows for thoughtful discussion, creative brainstorming, and individual contribution. The focus groups collected Port Moody-specific insights into affordable housing challenges, gaps, priorities, and solutions. Three workshops were held with City staff, non-profits and service providers, and housing developers.

- Key Informant Interviews: Key informants were those stakeholders who were not able to participate in the focus groups but have an important role in Port Moody's housing. These key informants were targeted for interviews.

Analysis

Utilizing data provided by Metro Vancouver, and supplemented by information collected through the survey, focus group sessions, and key informant interviews, several key findings were identified in the Housing Needs Report:

1. 1,340 (10.9%) of all Port Moody households are considered to be in core housing need. Renters are disproportionately represented, with 670 (22.3%) of all renter households experiencing core housing need compared to 665 (7.1%) of homeowners. A household is considered to be in core housing need if the housing conditions are not acceptable (suitable, adequate, and affordable) and if a household cannot afford the median housing prices in their community at 30% or less of before-tax income. Port Moody also has 675 (5.5%) of its households in extreme core need, where 50% or more of a household's before tax income goes to housing costs. This is an increase from 375 (3.9%) of total Port Moody households in 2006 experiencing extreme core housing needs.
2. The City has a diverse collection of housing types, with 70% of the total housing stock as some version of multi-unit development: 23% low and mid-rise apartments, 20% row houses, 15% high rise apartments, and 12% duplexes. The remainder (30%) is categorized as single detached housing. Bedroom mix is also balanced nearly three-ways between two-, three-, and four-bedroom units. One-bedroom units comprise 10% of the housing stock but will likely increase when new multi-family housing stock is completed.
3. Much of the existing housing stock is unaffordable. Affordable homeownership opportunities have decreased from 37.2% of all sales in 2013 being considered affordable for households earning median income, to 3.2% in 2018. For a household to afford the median cost of a condominium (\$656,300) in 2020, the household would need to earn at least \$127,000 to afford the purchase.
4. Renter households are also experiencing significant increases in their housing costs. Median rents for all unit types have increased from \$1,100 in 2008 to \$1,600 in 2018, and rents in newer buildings typically start at \$1,800 for a one-bedroom unit. Vacancy rates in Port Moody have tightened significantly, and, in the past 5 years, have consistently hovered between 0.5% and 1.9%. This would likely be more acutely felt by the 4,000+ households making less than \$65,000 annually.
5. The City is currently on track to meet its Metro Vancouver Regional Growth Strategy (RGS) 2015 housing projections. The 2015 RGS dwelling unit projections expect that the City will deliver 2,975 housing units between 2016 and 2026. As of 2020, construction of 1,800 housing units has started in Port Moody – achieving approximately 60% of the housing unit projections once completed. Updated housing projections are anticipated in 2022.

6. Through an analysis of the City's current OCP land use, Port Moody has enough residentially designated land to accommodate the current projected housing need in the years to come. As part of the Housing Needs Report, CitySpaces undertook a high-level spatial analysis to understand the potential capacity of land near transit to absorb new housing units in the future. Calculations show that current OCP designations could support between 9,755 and 15,635 units, depending on several factors listed in the report. It should be noted that having these potential units become actual units will take considerable time and will contribute towards the City meeting its future RGS housing projections.
7. An area of opportunity for Port Moody is to revisit housing mix and tenure: more family-friendly units in multi-unit residential projects, and more rental, low-end of market rental, and non-market housing options. Most of the units created since 2016 have been at the market side of the housing spectrum. Looking forward, the City can be more selective in creating units that serve populations discussed in the Key Areas of Local Need section of this report.

Key Areas of Local Need

Per the legislative requirements, the following summary statements describe the current and anticipated needs for specific housing and population groups of special interest to the Province:

- Affordable housing: Housing prices in Port Moody are higher than the regional average. Compared to income, housing sale prices have become less affordable for local households to purchase compared to their incomes. For example, affordable sale prices for apartment condominiums decreased from 69.4% to 5.9% between 2013 and 2018. The increasing housing sale prices have led to fewer households being able to enter the homeownership market in Port Moody. This includes moderate-income households, such as dual income households earning professional level income as illustrated in the affordability snapshots in the Housing Need Report. There is a need for more affordable homeownership options in Port Moody.
- Rental housing: With a greater number of moderate-income households priced out of the homeownership market, more households are demanding rental units to meet their needs. This includes low- and moderate-income families. A key challenge in Port Moody is the increasing rental prices, which are not affordable to low-income households; and the limited availability of suitable housing units, such as 3+ bedroom units for families. There is a need for family-friendly rental units, secured market rental housing, low end of market rental housing, and secured non-market housing in Port Moody.
- Special Needs Housing: Special needs housing, particularly accessible housing units, is needed in Port Moody. This includes wheelchair accessible units, units that can accommodate mobility aids, and adaptable units.
- Seniors Housing: With the growing number of seniors in Port Moody, there is a need for more seniors-oriented housing that is accessible.
- Family Housing: Low- and moderate-income families are challenged to afford the traditional single-family detached home and are further challenged to find a rental unit with enough bedrooms to accommodate all members of their household. With vacancy rates for 3+ bedrooms at 0% for the Tri-Cities, there are limited options for renter families in Port Moody.

- **Shelters and Housing for People At-Risk of Homelessness:** Currently, there is little evidence to support the need for an emergency shelter in Port Moody. However, increasing affordability constraints and a growing population in Port Moody are the key ingredients for creating an environment of more vulnerable and at-risk populations. The number of people experiencing homelessness in Port Moody has the potential to rise in the coming years. While a shelter may not be needed, there is an opportunity to implement homelessness prevention strategies and a rapid re-housing program before homelessness becomes an unmanageable situation.

Next Steps

Through the creation of its Housing Needs Report, the City of Port Moody has acquired detailed information on the housing ecology in the municipality. While the City is meeting its RGS projections, the housing units created by the market are not serving all residents.

Currently, staff are working on several policies that will result in the creation and protection of affordable housing units (**Attachment 2**). While the City has an [Affordable Housing Strategy](#)¹, the document was created in 2009, and needs to be updated to address the current housing environment. At this time, staff is requesting Council's direction to provide a scope, budget, and potential timeline to complete a Housing Action Plan informed by the results of the Housing Needs Study.

Other Option(s)

That the City of Port Moody's Housing Needs Report be amended as directed by Council.

Financial Implications

There are no financial implications associated with this report. Costs associated with the Housing Needs Report were covered by the \$30,000 grant received from UBCM.

Communications and Civic Engagement Initiatives

The Housing Needs Report – Engagement Strategy was approved by Council on October 6, 2020. In accordance with the strategy, staff held stakeholder focus groups, conducted key informant interviews, and launched a survey to gather information from a wide audience of residents and stakeholders on Port Moody's affordable housing challenges and gaps, as well as to identify specific housing concerns for vulnerable population groups. The engagement activities took place between October 2020 and December 2020.

The City of Port Moody Housing Needs Report, which includes a summary of public engagement results, will be posted to the project page on Engage Port Moody, the City's online public engagement platform.

¹ <https://www.portmoody.ca/en/business-and-development/resources/Documents/PortMoodyAffordableHousingStrategy.pdf>

Council Strategic Plan Objectives

The recommendation in this report aligns with the following Council Strategic Objectives:

- plan for a variety of housing types to meet community needs; and
- ensure future community growth is carefully considered and strategically managed consistent with the targets approved in our Official Community Plan.

Attachment(s)

1. City of Port Moody Housing Needs Report.
2. Update on the Affordable Housing Task Force Recommendations.

Report Author

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Report Approval Details

Document Title:	City of Port Moody's Housing Needs Report.docx
Attachments:	- Attachment 1 - City of Port Moody Housing Needs Report.pdf - Attachment 2 - Affordable Housing Task Force Recommendations - Implementation Status.pdf
Final Approval Date:	Sep 10, 2021

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

Mary De Paoli, Manager of Policy Planning - Sep 3, 2021 - 7:08 AM

Kate Zanon, General Manager of Community Development - Sep 3, 2021 - 10:57 AM

Dorothy Shermer, Corporate Officer - Sep 8, 2021 - 4:49 PM

Natasha Vander Wal for Rosemary Lodge, Manager of Communications and Engagement -
Sep 9, 2021 - 8:07 AM

Paul Rockwood, General Manager of Finance and Technology - Sep 9, 2021 - 9:21 AM

Tim Savoie, City Manager - Sep 10, 2021 - 1:36 PM