



City of Port Moody

Report/Recommendation to Council

Date: February 2, 2022
Submitted by: Community Development Department – Policy Planning Division
Subject: Streamlined Application Process for Council-Identified Priority Areas

Purpose

To report back on a streamlined development application process for projects that prioritize affordable housing, the provision of employment space, and reduced embodied emissions in buildings; outline a policy framework; and seek Council direction on next steps.

Recommended Resolution

THAT a streamlined development application policy for projects that prioritize affordable housing units, the provision of employment space, and reduced embodied emissions in buildings be put on hold until Q1 2023 as recommended in the report dated February 2, 2022 from Community Development Department – Policy Planning Division regarding Streamlined Application Process for Council Identified Priority Areas.

Background

Council has identified three areas to consider streamlining or fast-tracking development applications (streamlining) based on the following themes:

1. provision of affordable housing;
2. provision of employment spaces; and
3. reduced embodied emissions in buildings (mass timber construction/Portland Limestone Concrete).

The following resolutions summarize the direction:

At the May 28, 2019, Regular Council Meeting, Council passed the following resolution:

RC19/259-260

THAT staff be directed to develop a streamlined application process for development applications of affordable housing, including:

- non-profit social housing providers or government agencies that propose funding; and
- housing developments that will meet special needs including supportive rental, institutional care, transitional, seniors, and emergency shelter housing,

as recommended in the report dated May 1, 2019 from Councillor Amy Lubik and Councillor Zoë Royer regarding Affordable Housing Prioritization Policy for Port Moody.

At the December 1, 2020, Special Council Meeting, Council passed the following resolution:

CW20/118-120

THAT Council and staff look at ways to fast-track and incentivize applications currently in process that prioritize employment spaces.

At the January 26, 2021 Regular Council Meeting, Council approved the *Incentivising and Fast Tracking Development Applications Creating Employment Spaces* project as a Priority Level 2 and referred a budget request to Finance Committee. The budget was requested in order for the project to proceed at a steady pace as existing staff resources were, and continue to be, limited to take on this type of additional project work. At the March 2, 2021 Finance Committee the budget request was not approved and at the April 27, 2021 Regular Council Meeting, Council approved the re-prioritization of the project as Priority Level 3 to reflect that it would proceed only as resources allow.

At the March 9, 2021, Regular Council Meeting, Council passed the following resolution:

RC21/124a and 125

THAT staff report back to Council with options on how best to:

- a) prioritize and incentivize Mass Timber (Cross Laminated Timber (CLT) construction for buildings over six storeys in height; and
- b) discourage the use of concrete as the main component of buildings over six storeys in height.

At the February 22, 2022, Regular Council Meeting, Council discussed extending the streamlined policy consideration around mass timber construction to also include use of Portland Limestone Cement.

Discussion

Streamlining or fast-tracking development applications is a municipal tool that articulates to the development community municipal priorities and encourages applications that meet these priorities by expediting the application review and consideration of entitlements process. While there is not a direct financial incentive from a streamlining policy, time savings to an application process can result in cost savings to an applicant and expedited delivery on priority area goals.

Past Council resolutions have indicated an interest in considering a streamlining policy for projects that prioritize affordable housing, the provision of employment space, and mass timber construction. A policy establishes the local government commitment if specific criteria can be met. There are several municipalities in the Lower Mainland that have streamlining policies for affordable housing projects. The following municipalities have created processes either by policy, or by established streamlined provisions, to expedite applications that meet affordable housing requirements: City of Burnaby, City of Coquitlam, City of Richmond, City of Surrey, and City of Vancouver.

Affordable Housing

The City's Housing Needs Report (2021) notes that increased complexity, including negotiations, site-specific flexibility, multi-jurisdictional partnerships, and expanding expectation of local government responsibility, has led to unintended issues such as a lengthy approval process. It also creates an environment where staff time to undertake comprehensive review of development opportunities, including internal department coordination, is extended. Thoughtful future growth that enables the delivery of units that address housing gaps and meet the needs of populations identified in the Housing Needs Report may be supported by the implementation of application streamlining for priority areas.

The Housing Needs Report identifies the following priority groups for housing in Port Moody: low-income households, families, new immigrants, seniors, persons with disabilities, and persons experiencing homelessness or at risk of homelessness. Gaps in affordable housing include family-friendly units, secured market-rental housing, low-end-of-market housing, secured non-market housing, and affordable home ownership.

Embodied Emissions

Methods and materials such as mass timber construction and the use of Portland Limestone Concrete have been documented to have the following potential benefits:

- low manufacturing carbon footprint compared to other materials;
- use of a renewable carbon-sequestering resource;
- when sustainably sourced, materials can be harvested and replenished with fewer lasting environmental impacts;
- produces little waste; and
- has strong thermal performance.

Mass timber construction and use of Portland Limestone Cement are techniques that are anticipated to assist the City in achieving its Climate Action targets through a reduction in embodied emissions.

Employment Space and Job Creation

In Q4 2020, Council established jobs-to-population job-creation targets for the community. Job creation and increased employment space will have the following benefits:

- reduce commuter traffic, which would further the goals of the Climate Action Plan and Master Transportation Plan;
- increase the active transportation options that residents can choose from to commute to work, which is more achievable when jobs are close to home;
- ensure a diversified and healthy balance of sources of municipal taxation;
- maintain local access to goods and services, which is particularly important as the city's population ages over the coming years; and
- leverage the private sector working in the fields of technology and sustainability to mitigate natural disasters or climate change impacts, support energy conservation, and help the City innovate.

Policy Framework

The following is a preliminary policy framework that requires further research/analysis and can form the basis for a new Corporate Policy for streamlining applications:

1. Program Scope

- a. Affordable Housing Units
- b. Employment Space and Job Creation
- c. Mass Timber Construction/Preference for Portland Limestone Concrete

2. Definitions

- a) Affordable Housing;
 - supportive rental;
 - institutional care;
 - transitional housing;
 - seniors housing;
 - emergency shelter housing;
- b) Employment Space and Job Creation
- c) Embodied Emissions
 - mass timber construction
 - Portland Limestone Concrete

3. Criteria

The following are potential criteria based on staff research and analysis to determine which development applications would qualify to be streamlined:

a) Potential Affordable Housing Criteria

- exceeds the established guidelines by an amount to be determined;
- must be developed by a Not-For-Profit project proponent, partner, or operator;
- minimum provision of shelter rate units in a project (amount to be determined);
- rental-only buildings with a minimum amount of below market rent units (amount to be determined); and
- rent-to-own program must comprise a minimum amount of the total project units (amount to be determined).

Any affordable rental units are required to be secured for 60 years or the useful life of the building.

b) Potential Employment Space and Job Creation Criteria

- Provide a minimum of 42 jobs per 100 residents with the majority (amount to be determined) in office and/or light industrial spaces from the following priority job types as identified by the City of Port Moody Economic Studies Report (KPMG):
 - Media and Entertainment Production;
 - Digital Development Operations;
 - Back Office Operations (e.g. service centres); and

- Corporate Office;

- Exceeds the established target (i.e. 42 jobs per 100 residents target) by an amount or percentage (to be determined).

Additional criteria being considered:

- a minimum floor area to support job target in priority job types (to be determined).

c) Reduction in Embodied Emissions

Use of methods and materials such as mass timber construction and Portland Limestone Concrete to achieve embodied emissions below 500 kgCO₂e/m²

Additional criteria being considered:

- reduction in total embodied emission of the project by a minimum % (anticipated to be 40% or more)
- reduction in the use of concrete by a minimum % (to be determined);
- building operational emissions achieves zero or negative emissions;
- building achieves highest applicable Energy Step Code level; and
- building must be a minimum of 6 storeys to be eligible.

d) General Criteria

- Overall project must score a minimum amount on the sustainability report card (to be determined).

4. Application Review Commitments

Reduction in processing time/application steps standard to be determined.

5. Applicant Expectations

Examples of applicant commitments:

- commitment to a timeline;
- single point of contact and a commitment to timely communication;
- submission of quality plans and complete information package; and
- assumption of risk if the option to work on some stages of the process is pursued before the requisite approvals have been achieved, etc. (to be determined).

6. City Expectations

Examples of City commitments:

- complete review within a certain time frame;
- limit the number of steps in the planning phase
 - City initiated planning steps that could be removed:
 - Pre-Application (Optional)
 - Land Use Committee
 - Advisory Design Panel
 - Early Council Input;
- take first and second reading and referral to public hearing together;

- review of processes concurrently (e.g. rezoning, Development Permit, Building Permit, subdivision servicing, bylaw variances) (to be determined);
- early authorization for demolition and excavation permits (timing to be determined);
- reduction in Community Amenity contributions;
- additional density; and
- delegating some approval authority to staff (to be determined).

7. Securing Commitments

Anticipated regulatory tools to secure commitments:

- covenants
- housing agreement
- development agreement
- others (to be determined)

Other Considerations

There are several considerations for a streamlined program which may counteract the intent. While speeding up some applications, a streamlined program may slow down other applications by redirecting staff capacity and attention to applications that move to the front of the queue. The integration of other departments and their ability to expedite application reviews is an additional consideration/potential limiter depending on departmental workloads. Similarly, the effectiveness of fast tracking depends on the applicant's ability to provide complete and adequate submissions in an expedited fashion.

From staff research, it does not appear that dedicated or new staff will be required to implement a streamlining policy; however, this is still to be determined.

At this time, staff have not identified a change in application fees to be a component of a streamlining policy for priority areas. This is because additional resources are not anticipated at this time. Should staff consider that fees may need to be increased to offset additional resourcing needs, an option may be to increase the application fee for non-priority area development applications.

Related Projects Underway

A number of projects are underway that will help identify goals, criteria, and targets for a streamlined application process. These projects include the following:

a) Development Process Improvement Project:

The City currently has a development review improvement project underway that includes the following components:

- review and map existing processes related to the full land development cycle;
- identify key land development process metrics and benchmark the City against other relevant municipalities;
- conduct a process improvement review to develop and design new processes;
- optimize existing tools, and recommend new tools to support process improvements; and
- prepare an implementation plan.


The initial results of this project are anticipated in Q2 2022, with the implementation plan to start in Q3 2022.

- b) Housing Action Plan (Council Strategic Plan Priority Level 1) – will set targets for all housing types across the housing spectrum and provide a policy and action framework to support the development of these units. The plan is anticipated to be completed in Q3 2022.
- c) Inclusionary Zoning Policy (Council Strategic Plan Priority Level 1) – will identify requirements for below-market rental units in all multi-family developments seeking additional density. A draft policy will be presented to Council in Q1 2022.
- d) Economic Development Master Plan (Council Strategic Plan Priority Level 1) - will provide the City with a vision and direction for economic development, identify priorities, and offer activities and indicators to deliver and measure impact. The plan is anticipated to be completed in Q1 2022.
- e) Mass Timber Construction Research – has been undertaken by a subcommittee of the Climate Action Committee (CAC). A Councillor-initiated report to consider the findings was presented at the February 22, 2022 Regular Council Meeting.
- f) Climate Ready Homes and Buildings Plan (Council Strategic Plan Priority Level 1) - will outline specific actions the City, residents, and business owners can take to make new and existing homes and buildings in Port Moody climate ready (i.e. meet low carbon and high energy-efficiency standards; and manage risks linked to climate change such as heat-related illness, poor indoor air quality, or damage from flooding or windstorms). The plan is anticipated to be completed in Q2 2022.

Staff Recommendation

In researching a streamlining policy, staff have identified a policy framework as well as some potential requirements for consideration. In the absence of the completion of the projects identified above, establishing specific criteria and targets for a streamlining policy is difficult to determine. Staff do not recommend using interim measures as there are already many projects underway that will inform the standards for this policy.

Before re-commencing the streamlined policy, which is a Priority Level 3 project, staff recommend the completion of Priority Level 1 projects that will both inform the policy, and adhere to the Council determined prioritization of project work. Staff plan to return working on the streamlined policy in 2023 Q1.

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| Development Process Improvement Project | 2022 Q2 – Initial findings 2022 Q3 – Implementation |  |
| Housing Action Plan | 2022 Q3 – plan completed | |
| Inclusionary Zoning Policy | 2022 Q1 – draft policy | |
| Economic Development Master Plan | 2022 Q1 – plan completed | |
| Climate Ready Homes and Buildings Plan | 2022 Q2 – plan completed | |
| Streamlined Policy – 2023 Q1 re-commence work | | |

Other Option

THAT staff be directed to develop an interim streamlining policy for projects that prioritize affordable housing units, job creation, and mass timber/Portland Limestone Concrete construction as outlined in the report dated February 2, 2022, from Community Development Department – Policy Planning Division regarding Streamlined Application Process for Council-Identified Priority Areas.

Financial Implications

Financial implications with respect to staff resources and potential increases to fees to offset these costs are still to be determined.

Communications and Civic Engagement Initiatives

No external communication and civic engagement initiatives are required at this time. Staff anticipate external communication may be required at the time a streamlined policy moves forward.

Council Strategic Plan Objectives

The policy framework aligns with the Council Strategic Plan 2019-2022 objective of Exceptional Service: “Ensure our customers are highly satisfied with the quality of our service.” A streamlined policy also shows the City’s commitments to the strategic priorities of building a Healthy City and Community Evolution.

Report Author

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Report Approval Details

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

Rosemary Lodge, Manager of Communications and Engagement - Feb 24, 2022 - 5:02 PM

Paul Rockwood, General Manager of Finance and Technology - Feb 25, 2022 - 8:08 AM

Tim Savoie, City Manager - Feb 28, 2022 - 1:32 PM