



City of Port Moody

Report/Recommendation to Council

Date: February 14, 2023
Submitted by: Community Development Department – Development Planning Division
Subject: Amendments to the Woodland Park Development Agreement

Purpose

To seek Council's approval for recommended amendments to the Woodland Park Development Agreement previously endorsed by Council on December 7, 2021.

Recommended Resolutions

THAT Council endorse the proposed amendments to the Woodland Park Development Agreement as recommended in the report dated February 14, 2023 from the Community Development Department – Development Planning Division, regarding Amendments to the Woodland Park Development Agreement.

AND

THAT the Mayor and Clerk be authorized to execute the Amended Development Agreement.

Background

Woodland Park comprises five 'neighbourhoods' which are intended to be developed in phases under the land use policies, design guidelines and zoning regulations as established in OCP Amendment Bylaw No. 3305 and the related Zoning Bylaw No. 3306 (**Attachments 1 and 2**) adopted by Council on December 7, 2021. The Development Phasing Plan is included as **Attachment 3**. On October 11, 2022, Council authorized the issuance of development permits for the Phase 2 strata residential, and Phase 3 mixed use (market rental, childcare, and commercial) projects. A development permit application for the Phase 1 site is presently under review. The full project build-out is estimated to be in 2036.

Given the complexity of the project and the deliverables linked to each phase, Council endorsed a Term Sheet. On June 22, 2021. Following third reading of the OCP amendment and Zoning Bylaws, a formal Development Agreement was endorsed by Council on December 7, 2021.

Discussion

Development Agreement

The current Development Agreement (**Attachment 4**) formalizes the developer's land use, development, amenity, site servicing, financial security obligations and commitments. In conjunction with the OCP design guidelines and the CD83 zoning regulations, the Agreement governs the development of Woodland Park through individual development permit processes for each phase.

Proposed Amendments to Development Agreement

Under the Development Agreement, Woodland Park is to be developed as an integrated package with by one developer, 1030 Cecile Drive Holdings Ltd., excluding Phase 1 which will be developed by the Provincial Rental Housing Corporation (BC Housing). The potential for future subdivision was considered, but the development agreement did not contemplate subdivision at this point in the process.

The developer has approached staff with a request to subdivide Phases 2 and 3 into separate legal parcels for financing reasons. Subdivision into parcels would also allow for either or both parcels to be sold to another party. There is not indication this is the intent. In principle, staff are agreeable to this request upon two primary conditions being met. First, the Hub Park in Phase 3 is to be created as an air space parcel and conveyed to the City rather than it being managed by the City under a statutory right-of-way. Second, the developer is to provide financial security to ensure that the environmentally sensitive area improvements to be undertaken to Melrose Creek and its associated riparian areas are implemented. To allow for consideration of the subdivision and address the City's issues, amendments to the Development Agreement are required. The City's solicitor has prepared an Amended Development Agreement (**Attachment 5**) which includes the following new provisions:

1. Subdivision

Section 9 of the Development Agreement is amended by deleting the words "INTENTIONALLY DELETED" and by inserting new sections 9.1 – 9.4. The new sections are summarized as follows:

- Section 9.1 allows the Phase 2 and 3 sites to be subdivided and sold to a third party who then assumes the developer's obligations;
- Section 9.2 prohibits subdivision to create separate legal parcels for Phases 2 and 3 until the developer provides refundable security for the total costs associated with the Melrose Creek ESA improvements and non-refundable monitoring and inspection fees;
- Section 9.3 prohibits the further subdivision of Lot B to create separate legal parcels for Phases 4 and 5 unless the Development Agreement is amended; and
- Section 9.4 requires that the Developer include in a disclosure statement, a statement that no building or dwelling unit constructed on the Phase 4 and 5 lands may be occupied until occupancy permits have been issued for the market rental units, the requirements respecting the child care space and retail floor area have been complied with and the Collector Road has been

substantially completed required under Sections 62 and 63 of the Development Agreement.

2. Hub Park Air Space Parcel

The Development Agreement specifies that ownership of the Hub Park will remain with the developer, and the City being responsible for the Park's management and maintenance under a statutory right-of-way. The developer has agreed to transfer ownership of the Hub Park to the City through an air space parcel subdivision process which will provide the City with clearer and stronger rights and abilities over this planned park space via property ownership. To facilitate that subdivision, the Development Agreement is amended by:

- amending Section 17(d)(i) by adding the words “and Hub Park (as an air space parcel)” after the words “Cecile Bend Park” in the second line and deleting the words “and Hub Park” in the last line;
- adding a new Section 17(f) which requires that the ESA improvements to Melrose Creek and the associated RPEA and RTA improvements be implemented before any occupancy permit is issued for the Phase 2 site; and
- adding a new subsection 17(g) to clarify that the maintenance period for the various ESA improvements will begin only when all required works on the Phase 2 site and Lot A (the Phase 1 site) are completed to the City's satisfaction. The developer may not request the return of any refundable security until that time.

3. Consequential Amendments

In addition to the above amendments, other consequential amendments are proposed for clarity as follows:

- in Section 2 by adding “Schedule K – ESA Sketch Plan between Lot A and Lot B” in order to clearly establish where the ESA works are to be undertaken;
- in Section 18(d) by adding the words “Other than the Subdivision permitted under Section 9.1” at the beginning of the section;
- in Section 19(a) by deleting the words “(save and except there will be no public art in Phase 1)” as it is now intended that a portion of the public art funds will be directed to Phase 1;
- in Section 19(b) by deleting the references to Phase 1;
- in Section 47(c) by replacing the words “Areas within the Lands” in the second line with “Phase 1 - Phase 5” and replacing ‘other Areas of the Land’ in the fifth line with “Phase 3. This will clarify that any existing tenants who do not wish to relocate to a Phase 1 unit, will have the opportunity to relocate to a rental unit in Phase 3 with a reduced starting rent or may be eligible for other compensation under the Tenant Assistance Plan;

- in Section 58, to acknowledge that the Hub Park will be transferred to the City via an air space parcel subdivision; and
- in Part 7 by inserting the appropriate plan as Schedule K.

Development agreements define responsibilities for each party as well as requirements for various project components. They are created during the planning and entitlement phase of a project therefore it is common practice that development agreements are amended as the project progresses. Key considerations in amendment requests are that the intent of the agreement is being met and that both parties are agreeable to the proposed changes. The proposed agreement changes included with this amendment request are relate to the subdivision request from the developer to which the City is amendable, and the City's desire to obtain ownership of the Hub Park as an air space parcel to which the developer is agreeable. The recommended amendments will protect the City's interests and ensure compliance with the developer's obligations.

Other Options

Council may consider the following option:

THAT the proposed amendments to the Woodland Park Development Agreement not be endorsed for the reason(s) that:

<list reasons>

Financial Implications

There are no financial implications associated with the recommended amendments to the Development Agreement.

Communications and Civic Engagement Initiatives

There are no communication or civic engagement requirements related to the amendments to the Development Agreement.

Council Strategic Plan Objectives

The proposed amendments to the Development Agreement respond to Council's Community Evolution priority to plan and develop, for future generations, a vibrant, connected, and livable city, with distinctive places and spaces where growth is managed in strategic balance with quality of life.

Attachment(s)

1. OCP Amending Bylaw No. 3305.
2. Rezoning Bylaw No. 3306.
3. Development Phasing Plan.
4. Current Development Agreement.
5. Amended Development Agreement.

Report Author

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Report Approval Details

Document Title:	Amendments to Woodland Park Development Agreement.docx
Attachments:	<ul style="list-style-type: none">- Attachment 1 - Official Community Plan Amendment Bylaw No. 3305.pdf- Attachment 2 - Zoning Amendment Bylaw No. 3306.pdf- Attachment 3 - Development Phasing Plan.pdf- Attachment 4 - Current Development Agreement.pdf- Attachment 5 - Amended Development Agreement.pdf
Final Approval Date:	Feb 21, 2023

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

Kate Zanon, General Manager of Community Development - Feb 15, 2023 - 5:34 PM

Stephanie Lam, City Clerk and Manager of Legislative Services - Feb 15, 2023 - 5:34 PM

Natasha Vander Wal, Acting Manager of Communications and Engagement - Feb 16, 2023 - 9:31 AM

Tyson Ganske for Paul Rockwood, General Manager of Finance and Technology - Feb 17, 2023 - 10:14 AM

Tim Savoie, City Manager - Feb 21, 2023 - 10:39 AM