



City of Port Moody

Report/Recommendation to Council

Date: July 11, 2023
Submitted by: Community Development Department – Development Planning Division
Subject: Housing Agreement Bylaw – 2312 St. Johns Street (Catalyst)

Purpose

To present for Council consideration a new Housing Agreement Bylaw associated with the property at 2312 St. Johns Street to facilitate the transfer of ownership of 10 of the existing 55 below-market rental units in the development to BC Housing/Provincial Rental Housing Corporation (PRHC). Should the new Housing Agreement ultimately be adopted, the original Housing Agreement, previously adopted by Bylaw on October 9, 2018, would be discharged from the property's legal title, and replaced with the new Housing Agreement.

Recommended Resolution(s)

THAT City of Port Moody Housing Agreement Bylaw, 2023, No. 3414 (2312 St. Johns Street) be read a first, second, and third time as recommended in the report dated July 11, 2023, from the Community Development Department – Development Planning Division regarding Housing Agreement Bylaw – 2312 St. Johns Street (Catalyst).

Background

At a Regular Council Meeting on October 9, 2018, Council approved the development permit application and adopted a series of bylaws (Official Community Plan Amendment Bylaw, Rezoning Bylaw, and Housing Agreement Bylaw) for a mixed-use development at 2312 St. Johns Street (previously 2318 St. Johns Street) by Catalyst Community Developments Society, in partnership with St. Andrews Port Moody Housing Society, at 2318 St. Johns Street. The project, which was completed and received occupancy on December 21, 2021, includes the following components:

- a four-storey building(s), with a total floor area of approximately 6,750m² (72,656ft²) with an overall Floor Area Ratio (FAR) of 2.38;
- 55 affordable rental housing units;
- approximately 2,200m² (23,680ft²) of office space, with existing tenants including Kinsight and SHARE Family and Community Services; and
- a new 540m² (5,812.5ft²) church building.

Discussion

As part of the operation of the below-market housing units and in order to maintain the levels of affordability of the units, Catalyst Community Developments Society and St. Andrews Port Moody Housing Society, have sought and received additional funding from BC Housing. In connection with this funding, BC Housing/PRHC is requesting ownership of ten of the units as individual strata lots. As the original Housing Agreement, does not allow for the further subdivision of the blocks of below-market units into additional strata lots, it will be required to amend/replace the existing Housing Agreement.

Housing Agreement

A new Housing Agreement Bylaw, that would allow for the creation of an additional 10 individual strata lots, is included here as **Attachment 1**. It is noted that no other changes to the provision and operation of the below-market units are proposed. The 55 below-market rental units will continue to be operated by Catalyst, even though ownership of the rental units would be split, with a 30-unit block owned by Catalyst, a 15-unit block owned by St. Andrews Port Moody Housing Society and the other 10 individual residential strata lots/units owned by PRHC. The development will continue to operate as one cohesive community together with St. Andrews United Church, Kinsight and SHARE.

Strata Conversion

In addition to the need to update the Housing Agreement Bylaw, as the building now has occupancy, in order to create additional residential strata lots, a strata conversion is necessary. The approval of a strata conversion requires Council approval. It is noted that the City does have a Corporate Policy: Strata Conversion Policy that states the following:

It is acknowledged, as set out under section 242 of the *Strata Property Act*, that a property owner has the right to apply for a strata conversion of their property. However, given that section 242(6)(a) of the *Strata Property Act* states that Council must consider the priority of rental accommodation over privately-owned housing in the area, and that as Council seeks to prioritize the preservation of rental accommodation over privately-owned housing, should an application be received to convert an existing rental building of three (3) units or more to strata title, Council would not in all likelihood approve the application.

Given that the approval of the strata conversion does not have any impact on the provision of below-market rental housing units, other than ensuring that the affordability of rents are able to be maintained, staff recommend that the strata conversion be approved.

Approval Process

Should the new Housing Agreement Bylaw receive three readings, as recommended by staff, at the July 11, 2023, Regular Council Meeting, the Housing Agreement Bylaw will be brought forward for adoption at the following July 25, 2023, Regular Council Meeting. At that time, the Strata Conversion application will also be brought forward for approval. As part of the process, the old Housing Agreement would be discharged from the subject property's title and replaced with the new Housing Agreement.

Concluding Comment

Staff support the draft Housing Agreement Bylaw and subsequent strata conversion to create 10 individual residential strata lots for PRHC, in order to ensure the continuing affordability of the below market rental units. Since the building received occupancy in December 2021, it has provided a significant amenity to the community with the provision of 55 affordable housing units, office space and a children's centre for Kinsight, office space for SHARE, and a new St. Andrews United Church.

Other Option(s)

That Council provide alternate direction.

Financial Implications

There are no 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 the new Housing Agreement Bylaw.

Council Strategic Plan Objectives

The proposal is consistent with the strategic priority of Healthy Community Development in the 2023-2026 Council Strategic Plan as it seeks the provision of diverse and equitable housing options.

Attachment(s)

1. Draft Housing Agreement Bylaw, No. 3414.

Report Author

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Report Approval Details

Document Title:	Housing Agreement Bylaw – 2312 St. Johns Street (Catalyst).docx
Attachments:	- Attachment 1 - Draft Housing Agreement Bylaw, No. 3414.pdf
Final Approval Date:	Jun 29, 2023

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

Kate Zanon, General Manager of Community Development - Jun 28, 2023 - 8:35 AM

Tracey Takahashi, Deputy Corporate Officer, for Stephanie Lam, City Clerk and Manager of Legislative Services - Jun 28, 2023 - 12:49 PM

Lindsay Todd, Manager of Communications and Engagement - Jun 28, 2023 - 1:39 PM

Paul Rockwood, General Manager of Finance and Technology - Jun 28, 2023 - 3:52 PM

Anna Mathewson, General Manager of Community Services, for Tim Savoie, City Manager - Jun 29, 2023 - 3:57 PM