

Memorandum

Date: July 11, 2023
Submitted by: Community Development Department – Policy Planning Division
Subject: Staff Response to 2023 Housing Motions

At the City Initiatives and Planning Committee on February 21, 2023, and the Regular Council Meeting on May 23, 2023, Council passed motions relating to housing. Staff's responses are summarized below:

February 21, 2023 - City Initiatives and Planning Committee

CIPC23/009-010

THAT staff be directed to investigate if amendments to the family-friendly zoning policy are needed to meet our 2+ bedroom targets in the Port Moody Housing Needs Report and to evaluate our current bedroom distribution percentages for all multi-family projects;

On April 19, 2022, Council endorsed the City's [Family Friendly Units Policy](#), which sets out the expectations for the provision of two-bedroom and three-bedroom units in all new multi-residential and mixed-use residential development applications where 20 or more dwelling units are created. Depending on the type of housing tenure a project is proposing, there are separate thresholds for market-rental projects and strata apartment projects:

Market-Rental Projects

Number of Bedrooms	Share of Units
Studios	75% max
1-Bedroom	
2-Bedroom	20% min
3-Bedroom or more	5% min

Strata Apartment Projects

Number of Bedrooms	Share of Units
Studios	70% max
1-Bedroom	
2-Bedroom	20% min
3-Bedroom or more	10% min

These targets were directed by Council, to which staff procured Coriolis Consulting to undertake research into the feasibility of development applications increasing the provision of two-bedroom and three-bedroom units in strata apartment and market-rental projects. Through its analysis of 45 strata projects and 15 market rental projects, Coriolis noted that the real estate market could support the delivery of the above targets.

The City's [Housing Action Plan](#), endorsed by Council at the Regular Council Meeting on July 19, 2022, developed the City's housing targets from 2021 to 2031 to address the housing deficit and maintain its current income and bedroom mix:

City of Port Moody - Housing Targets (2021 - 2031)					
	1-Bed	2-Bed	3-Bed	4+ Bed	10-Year Targets
Total	1,250	1,480	890	1,195	4,815
Share of Units	26%	31%	18%	25%	

The Housing Action Plan targets for 2+ bedroom units do not align with the unit mix required through the Family Friendly Unit Policy which is limited to new multi-residential projects ≥20 units. It is expected that other types of housing projects, such as townhouse, triplex, quadplex, and other lower-density housing typologies will assist the City in meeting these targets. In April 2023, the Province announced its [Homes for People action plan](#), which includes specific actions on creating more small-scale housing types in single family neighbourhoods across BC. This legislation will likely be passed before the end of 2023.

As part of the 2023 workplan, staff will scope the development of a missing middle housing policy with accompanying zoning amendments and design guidelines, with work on the policy taking place throughout 2024. This work, which will examine suitable locations and design types for lower density multi-family housing types, will take into consideration the number of two- to four-bedroom units that can be produced annually.

Staff are also working on a [Housing Accelerator Fund Application](#) and intend to include the missing middle policy work as part of this funding request.

In order to determine the potential development impacts associated with an increase in the proportion of 2+ bedroom units to match the bedroom targets of the Housing Action Plan, a feasibility study is recommended. As a result of preliminary enquiries with consultants, it is expected that such a project cost would be quite costly due to the complexity of building out variable development scenarios.

AND THAT staff report back on a policy for minimum unit sizes for multi-family buildings that takes into account best practices on livability and positive mental health.

The Family-Friendly Units Policy currently recommends that bedrooms are designed to meet [BC Housing General Design Guidelines and Construction Standards](#) on minimum areas and dimensions (p.27). This was intended as a preliminary step in establishing minimum unit sizes. Currently in the Housing Action Plan, “Enhance Family Friendly Units Policy outcomes and develop accompanying Design Guidelines” is listed as a low priority item, to be completed in 2028 or later. If Council wishes, staff could prioritize this item as part of their 2024 work plan.

May 23, 2023, Regular Council Meeting Motion

RC23/126

THAT staff report back on the status of rental replacement, renter protection/displacement, and rental only zoning policies and bylaws laid out in the 2022 Affordable Housing Action Plan and the 2020 Affordable Housing Task Force Report for consideration of strengthening and supporting progress;

Staff are currently working with CitySpaces Consulting and Coriolis Consulting on the Secured Market Rental Housing Policy. The project objectives include:

- Create a Secure Market Rental Housing policy to encourage purpose-built rental apartment development, with a tiered and flexible incentive package in exchange for secured long-term tenure.

- Undertake market analysis to calculate the level of incentives required to achieve policy goals. Include recommended policy incentives to ensure viability and ways to monitor incentive effectiveness over time.
- Align policies with senior government financing programs to encourage inclusion of low end of market rental homes.
- Explore the use of Residential Rental Tenure Zoning with incentives, such as bonus density and height to encourage the creation of up to six storey wood-frame rental apartments throughout the Frequent Transit Network walkshed.
- Create an incentive framework to encourage the renewal of existing rentals without displacing current residents.

The rental replacement, renter protection/displacement, and rental only zoning policies are either being addressed directly through this project or require that this project be completed in order to initiate next steps. The Secured Market Rental Housing Policy work is expected to be completed by December 2023.

AND THAT staff be directed to reach to our MP and MLAs offices and non-profit housing providers to identify and preserve existing rental stock.

Staff are aware of all market-rental buildings in the City and have been in conversations with Housing Central partners regarding the BC Rental Protection Fund. The incentive framework to encourage the renewal of existing rentals without displacing current residents that is created as part of the Secured Market Rental Housing Policy will incorporate this fund when it becomes available.

AND THAT staff reach out to City of Richmond and City of New Westminster staff to learn about their experiences with rental only zoning and report back to Council.

The City of New Westminster has utilized Residential Rental Tenure Zoning to protect stratified buildings that have operated as market-rental buildings. As Residential Rental Tenure Zoning is the only municipal tool that can protect the rental tenure of stratified rental buildings, New Westminster used it in 2018 to protect the renters in a stratified building that was for sale. Staff are not aware of any market rental buildings in Port Moody that are stratified.

In 2022, the City of Richmond used Residential Rental Tenure Zoning to rezone 60 sites to rental only. Richmond's concern was the lack of protection for market rental buildings when redeveloped under existing zoning. In situations where redevelopment only needs a development permit, a city could not require a site to continue to provide rental housing.

In 2018, Port Moody explored using Residential Rental Tenure Zoning in a manner similar to Richmond. On September 25, 2018, Council passed the following resolution:

RC18/475

THAT staff be directed to initiate a rezoning of 3370 Dewdney Trunk Road (PC Urban), 125 Moray Street (Moray Place), 3131-3137 St. Johns Street (Woodbridge), and 1030 Cecile Drive (Woodlands) to Rental Only Zoning.

On February 26, 2019, Council received the report, [Consultation Regarding Rental Multi-Residential Zoning](#), that considered the consultation feedback from the owners of 3370 Dewdney Trunk Road (PC Urban), 125 Moray Street (Metro Vancouver Housing

Corporation), 3131-3137 St. Johns Street (Woodbridge Homes), and 1030 Cecile Drive (Edgar Development), regarding the potential rezoning of these properties to Rental Multi-Residential Zoning.

Rental units are already protected from redevelopment by the following three policies:

- [Rental Protection Policy](#): outlines the City's expectations that should a proposal be received with the intent to redevelop existing rental units, the City expects a minimum of 1:1 replacement of the rental units of the same form and character as the original rental units replaced;
- [Strata Conversion Policy](#): states that Council will prioritize the preservation of rental accommodation over privately-owned housing should an application be received to convert an existing rental building of three units or more to strata title; and,
- [Tenant Relocation Policy](#): outlines the City's expectations that should a rental property be redeveloped, existing tenants are accommodated with replacement homes if they were to be displaced. The policy includes tenant relocation plans and assistance, equivalent housing provisions, financial compensation, and a right of first refusal on new units at project completion.

In response, Council passed the following resolution:

RC19/090

THAT Rental Multi-Residential Zoning for 3370 Dewdney Trunk Road (PC Urban), 125 Moray Street (Metro Vancouver Housing Corporation), 3131-3137 St. Johns Street (Woodbridge Homes), and 1030 Cecile Drive (Edgar Development) not be pursued at this time.

While there is a small possibility that a market rental property could apply for a development permit to build a stratified multi-residential building under the current zoning, the value of the existing market-rental building would likely be greater than undertaking redevelopment of the site, making any change financially infeasible.

Currently, the Social Planner chairs the Metro Vancouver Housing Subcommittee. As part of the monthly meetings, member municipalities share new housing policies including innovative applications of Residential Rental Tenure Zoning. Use of rental zoning to incentivize the development of new market rental buildings will be further examined in the Secured Market Rental Housing Policy project. As the financial impacts of applying rental zoning to existing market rental properties is unknown at this time, this kind of rezoning is not recommended unless a property is likely to be redeveloped solely through a development permit. Staff will continue to monitor the City's rental stock in case such a situation arises.

Recommendation:

THAT the memo dated July 11, 2023, from the Community Development Department – Policy Planning Division regarding Staff Response to 2023 Housing Motions be received for information.

Report Approval Details

Document Title:	Staff Response to 2023 Housing Motions.docx
Attachments:	
Final Approval Date:	Jun 30, 2023

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

Mary De Paoli, Manager of Policy Planning - Jun 28, 2023 - 1:35 PM

Kate Zanon, General Manager of Community Development - Jun 28, 2023 - 3:21 PM

Tracey Takahashi, Deputy Corporate Officer, for Stephanie Lam, City Clerk and Manager of Legislative Services - Jun 28, 2023 - 4:11 PM

Lindsay Todd, Manager of Communications and Engagement - Jun 28, 2023 - 5:02 PM

Paul Rockwood, General Manager of Finance and Technology - Jun 29, 2023 - 9:06 AM

Anna Mathewson, General Manager of Community Services, for Tim Savoie, City Manager - Jun 30, 2023 - 1:40 PM