



City of Port Moody

Report/Recommendation to Council

Date: May 14, 2024
Submitted by: Community Development Department – Policy Planning Division
Subject: *Housing Supply Act* – Progress Report

Purpose

To update Council on the *Housing Supply Act's* six-month interim Housing Target Progress Report.

Recommended Resolution(s)

THAT the report dated May 14, 2024, from the Community Development Department – Policy Planning Division regarding *Housing Supply Act* – Progress Report be received for information.

Background

In November 2022, the Provincial government enacted the [Housing Supply Act](#) (the *Act*), legislation designed to address issues associated with the creation of new housing. As part of the *Act*, the Province can establish housing targets for a specified municipality in relation to housing supply, including the availability and affordability of housing. On May 31, 2023, the Province announced the first cohort of municipalities to receive housing targets, which included Port Moody. Port Moody's housing targets were established in September 2023, with October 1, 2024, established as the five year start date. Annual and interim reports are required showing progress towards the housing targets. This report provides a summary of the interim Housing Targets Progress Report (**Attachment 1**).

Discussion

Housing Supply Act

The *Housing Supply Act* allows the Province to impose a number of substantive and procedural requirements upon municipalities in seeking to reach housing targets. As mentioned, municipalities selected as part of the first cohort were provided targets (**Attachment 2**) by the Ministry of Housing. Municipalities were selected utilizing an index consisting of ten indicators across three dimensions of housing need: availability, affordability, and urgent housing needs. A location indicator was also included to prioritize urban communities for targets assessment.

In turn, municipalities are required to provide information and reports to the Province, and where they fail to meet housing targets prescribed, the Province can take several courses of action. This can include the appointment of advisors with broad jurisdiction to review municipal records

and create a report with recommendations for meeting future housing targets. The Province is also able to intervene in a municipality’s bylaw-making and permit-issuing powers.

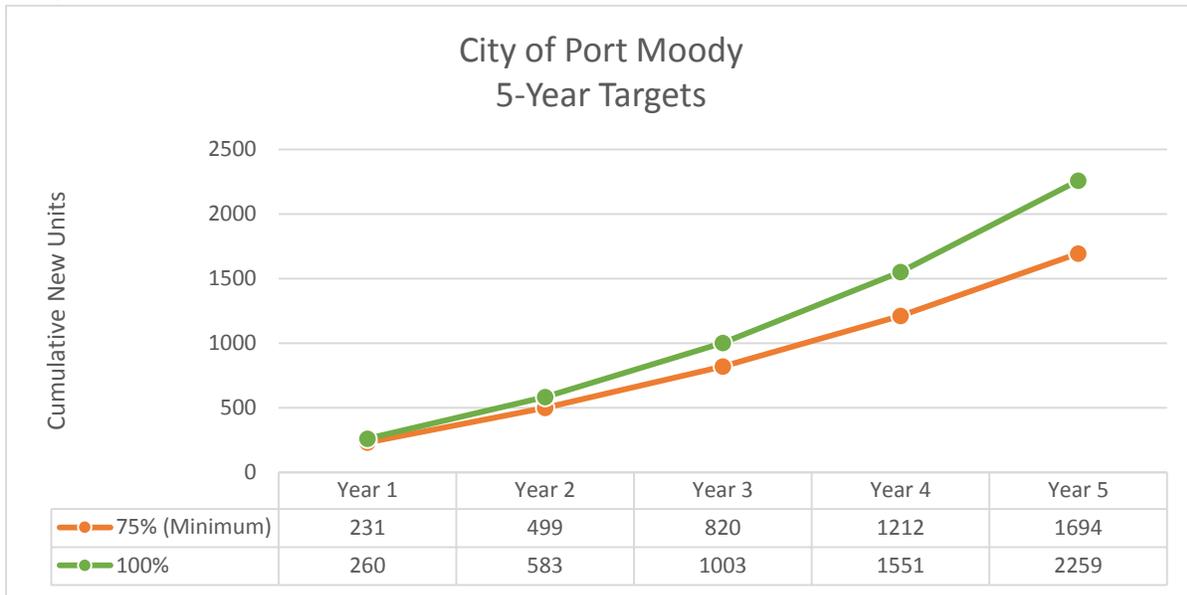
Table 1 lists the 5-year housing targets for Port Moody. It should be noted that the Provincial target for the City is the 75% threshold, with the expectation that the City will complete, at minimum, 1,694 units between October 2023 and September 2028. Currently, it is not mandatory to provide information for the unit mixes by size, tenure, and affordability proposed by the Province.

Table 1: 5-Year Housing Targets for Port Moody

City of Port Moody - 5-Year Housing Targets (Draft)			
	Unit Category	Provincial Estimate of Need (100%)	Minimum Housing Target (75%)
Total Units		2,259	1,694
Units by Size	Studio & 1-Bed	1,204 (488 1-bed Minimum)	903 (366 1-bed Minimum)
	2-Bed	438	328
	3 or more Bed	616	462
Units by Tenure	Rental	939	704
	Owned	1,319	989
Total Rental Units by Affordability	Market	622	466
	Below Market	317	238
Supportive Rental Units	On-Site Supports	40	30

Graph 1 provides the breakdown of net new units that the City will need to meet annually to stay on target. At minimum, the City is expected to create 231 net new units by September 2024, and another 268 units by September 2025 (year 2) totalling 499 units over two years. For a unit to be counted in the reporting it needs to have completed construction and be available for occupancy within the reporting period.

Graph 1



Six Month Progress Report – Net New Targets

Since the Housing Target Order was enacted on October 1, 2023, the City has had two multi-family projects receive occupancy as shown in Table 2:

Table 2

City of Port Moody - Projects Issued Occupancy (October 2023 to March 2024)						
	Studio	1-bed	2-bed	3-bed	4-bed	Total
50 Electronic Ave	0	63	135	17	5	220
50 Seaview Drive	0	0	2	24	2	28
Single Family Housing*	0	0	0	0	0	7
Occupancy Subtotal	0	63	137	41	0	255
Demolitions*	-	-	-	-	-	47
Total	-	-	-	-	-	208

*Bedroom breakdown for Single Family Homes and Demolitions unavailable as of April 25, 2024.

Conversely, there have been 47 units demolished during the 6-month period; primarily the removal of the single-family homes for the Coronation Park development. It is anticipated that Phase I of Bold Properties’ 2002 St. George Street project will complete by summer 2024. This phase will provide the City with another 104 strata units, with a further 58 units to be completed by the end of the year. Depending on the number of units lost and if the 2002 St. George Street project achieves occupancy on time, the City anticipates meeting the Year One housing target.

Six Month Progress Report* – Approved Development Applications

Under Approved Development Applications, the City has 3,747 approved units that have either completed their rezoning with adoption, received a development permit, or building permit as shown in Table 3. It should be noted that Phase II of Westport Village (2120 Vintner Street) only has residential square footage, not unit count, at the time of the progress report. Phase II has a planning entitlement for 120,366ft² for market rental housing.

Table 3

City of Port Moody - Approved Development Applications				
	Adopted Rezoning	Development Permit	Building Permit	Total
Applications	3	6	8	16
New Units	1,558*	739	1,450	3,747

*Phase II of Westport Village (2120 Vintner Street) only has residential square footage, not unit count, at the time of the progress report. Phase II has a planning entitlement for 120,366 sqft for market rental.

All projects with a building permit that have begun preparing the site for construction, at minimum are anticipated to be ready for occupancy in the next four years based on current market conditions. Therefor staff anticipate all 1,450 units that have building permits will be completed within the five-year housing supply target timeline. For projects that have only completed the rezoning process, the timeline for these units to achieve occupancy is less clear. Some of the projects in this category received planning entitlements in 2021 but have not progressed to building permit. Staff are unsure how many of these 2,297 units will be completed during this 5-year housing supply target timeline.

Next Steps

The City is well positioned to meet its Year One housing targets provided units under construction complete by September as anticipated. Similarly, the City should meet its targets for Year Two if 2025 St. Johns Street and 148-154 James Street projects achieve occupancy by September 2025.

It should be noted that as the City only received the reporting requirements from the Province on March 27, 2024. The reporting requirements included categories that were not previously shared with staff. Based on other work commitments and the time needed to gather the new requested data, staff will need until the annual report to backtrack and add the additional data requested. A few od the statistics are anticipated to change between this progress report and the annual report due 45 days after September 31, 2024.

While not a Provincial reporting requirement, the City has several multi-family projects at various stages of rezoning summarized by unit count and tenure in Table 4 and by bedroom composition in Table 5. (Please note that not all development applications have provided units counts, hence the discrepancy in the totals of the two tables.) As these projects are still in the entitlement (planning) phase, staff anticipate that the units counts, and breakdown in Tables 4 and 5 will change. It is expected that units that move forward to construction will not achieve occupancy within the housing targets five-year reporting period. Occupancy of applicable units are anticipated to be over the next 5-20 years.

Table 4

City of Port Moody – Applications in Planning Process – By Size				
	Studio / 1 Bedroom	2 Bedroom	3+ bedroom	Unit Total
#	3,492	1,706	548	5,746
%	60.8%	29.7%	9.5%	100%

Table 5

City of Port Moody – Applications in Planning Process – By Tenure					
	Strata Apartment	Market Rental	Below-Market Rental	Non-Market Rental	Unit Total
#	4,019	1,568	149	75	5,811
%	69.2%	27.0%	2.6%	1.3%	100%

For bedroom breakdowns, the units in the rezoning process match up consistently with the City's Family-Friendly Units Policy. With the number of Market Rental units in the pipeline, which includes a 5% 3-bed requirement in the Family-Friendly Units Policy.

Regarding unit tenure, the share of market rentals has increased significantly beyond what was built over the last 45 years. In terms of the below-market rental units and non-market rental units, the proposed number of units is lower than the parameters in the Inclusionary Zoning – Affordable Rental Units Policy. Following is a summary of potential contributors to this potential gap in delivering below market housing:

- Removal of the affordable housing component in the Coronation Park development, which encompasses 43% of proposed future units. The below market component of this project is anticipated to be reviewed and potentially amended at a future date.
- Some projects fall below the 2.0 residential Floor Area Ratio (FAR) threshold of the Inclusionary Zoning – Affordable Rental Units Policy therefore not requiring inclusionary zoning as a component of these proposed projects.
- Market-rental projects are exempt from providing below-market rental units.

Staff will be working on strategies to close the gap between proposed and needed below-market rental housing.

On April 5, 2024, the Province introduced Bill 16, new legislation intended to create additional tools for local governments. As part of the legislation, Bill 16 establishes a new inclusionary zoning tool that allows local governments to require affordable housing in new development. Once the new legislation ascends to law, staff will review it to see how it could assist the City in acquiring a greater share of below market rental units.

Other Option(s)

This report is for information only; therefore, no other options are being provided.

Financial Implications

There are no financial implications associated with the recommendations in this report.

Communications and Public Engagement Initiatives

As part of the *Housing Supply Act* legislation, the City must publish the report on its website as soon as possible.

Council Strategic Plan Goals

The recommendations in this report align with the following Council Strategic Plan Goal:

- Strategic Goal 3.1 – Create complete and connected communities through balanced growth.

Attachment(s)

1. *Housing Supply Act* – Interim Progress Report Form – City of Port Moody.
2. Municipality Selection Index Indicators.

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Report Approval Details

Document Title:	<i>Housing Supply Act</i> Progress Report.docx
Attachments:	- Attachment 1 - <i>Housing Supply Act</i> - Interim Progress Report Form - City of Port Moody.pdf - Attachment 2 - Municipality Selection Index Indicators.pdf
Final Approval Date:	May 6, 2024

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

Kate Zanon, General Manager of Community Development - May 1, 2024

Stephanie Lam, City Clerk and Manager of Legislative Services - May 2, 2024

Lindsay Todd, Manager of Communications and Engagement - May 2, 2024

Paul Rockwood, General Manager of Finance and Technology - May 3, 2024

Anna Mathewson, City Manager - May 6, 2024