

Considered at the May 14, 2024, Regular Council meeting

331



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

Considered at the May 14, 2024, Regular Council meeting

332

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

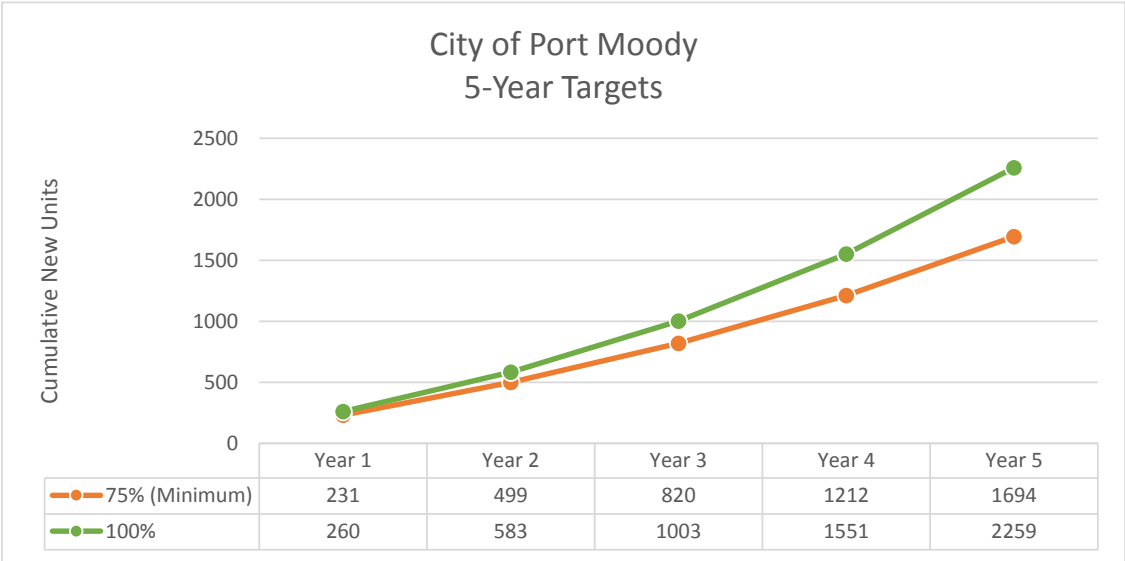
City of Port Moody - 5-Year Housing Targets (Draft)			
	Unit Category	Provincial Estimate of Need (100%)	Minimum Housing Target (75%)
Total Units		2,259	1,694
Units by Size	Studio & 1-Bed	1,204 (488 1-bed Minimum)	903 (366 1-bed Minimum)
	2-Bed	438	328
	3 or more Bed	616	462
Units by Tenure	Rental	939	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.

Considered at the May 14, 2024, Regular Council meeting

333

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.

Considered at the May 14, 2024, Regular Council meeting

334

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 of 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.

Considered at the May 14, 2024, Regular Council meeting

335

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.

Considered at the May 14, 2024, Regular Council meeting

336

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.

Report Author

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Social Planner II

Considered at the May 14, 2024, Regular Council meeting

337

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

Considered at the May 14, 2024, Regular Council meeting



HOUSING TARGET PROGRESS REPORT FORM

Housing Targets Branch
BC Ministry of Housing

PURPOSE

This reporting template presents the required and supplemental information that a municipality needs to provide to the Province under the [Housing Supply Act](#) (Act).

BACKGROUND

The objectives of the Act are to increase the supply of housing in communities with the greatest housing need and deliver more housing options for individuals and families in B.C. The Act allows the Province to set housing targets, establish progress reporting requirements, and undertake compliance measures for specified municipalities in the [Housing Supply Regulation](#).

Part 3 – Section 4 of the Act states that municipalities which have been issued a Housing Target Order (HTO) must prepare a housing target progress report, in the form required by the minister, for each period specified in the order. The housing target progress report must contain information about the progress and actions taken by the specified municipality toward meeting each housing target established in the HTO. Completing and submitting this progress report satisfies that requirement.

REPORT REQUIREMENTS

Part 3 – Section 4 of the Act and Section 5 of the Regulation requires that the progress report must be received in a meeting that is open to the public and by Council resolution 45 days after the end of the reporting period to which the report applies. If a municipality has not met the housing target for the reporting period, it must provide information about any actions that it intends to take toward meeting the housing target within the 2-year period with the progress report.

Please submit this report to the minister and post it to your municipal website as soon as practicable after Council receives it.

ASSESSMENT

Part 3 – Section 5 of the Act requires the Minister of Housing to review the progress report to assess if housing targets have been met and, if not, whether the municipality has made satisfactory progress toward meeting the housing targets.

Progress reports will be evaluated against the performance indicators described in Schedule B of the HTO. If satisfactory progress has not been made, compliance action may be taken in accordance with Part 4 of the Act.

INSTRUCTIONS

Please complete the attached housing target progress report for your municipality and ensure it is received by Council resolution within 45 days of the end of the reporting period and submit to the Minister of Housing Housing.Targets@gov.bc.ca

Considered at the May 14, 2024, Regular Council meeting



HOUSING TARGET PROGRESS REPORT FORM

Housing Targets Branch
BC Ministry of Housing

Section 1: MUNICIPAL INFORMATION	
Municipality:	City of Port Moody
Housing Target Order Date:	September 23, 2024
Reporting Period:	October 1, 2023 – March 31, 2024
Date Received by Council Resolution:	May 14, 2024
Date Submitted to Ministry:	May 15, 2024
Municipal Website of Published Report:	https://www.portmoody.ca/en/business-and-development/development-growth-projections.aspx
Report Prepared By:	<input checked="" type="checkbox"/> Municipal Staff <input type="checkbox"/> Contractor/External
Municipal Contact Info:	<i>Liam McLellan, Social Planner II,</i> lmclellan@portmoody.ca , 604-469-4640
Contractor Contact Info	<input checked="" type="checkbox"/> N/A (<i>name, position/title, email, phone</i>)

Section 2: NET NEW UNITS				
This is a count of net new units during the reporting period, and cumulatively since the effective date of the HTO. Net new units are calculated as completions (occupancy permits issued) minus demolitions. Legalizing existing unpermitted housing units does not count towards completions.				
	Completions (Reporting Period)	Demolitions (Reporting Period)	Net New Units (Reporting Period)	Net New Units (Since HTO Effective Date)
Total	255	47	208	208

Section 3: UNIT BREAKDOWN (Supplemental Information as per Interim Guidelines)				
Refer to the definitions provided at the end of the report and specify information below for the reporting period and cumulatively since the effective date of the HTO.				
	Completions (Reporting Period)	Demolitions (Reporting Period)	Net New Units (Reporting Period)	Net New Units (Since Effective HTO Date)
Units by Size (See note 1)				
Studio	-	See note 2	See note 2	See note 2
One Bedroom	63	-	-	-
Two Bedroom	137	-	-	-
Three Bedroom	41	-	-	-
Four or More Bedroom ¹	7	-	-	-

Considered at the May 14, 2024, Regular Council meeting



HOUSING TARGET PROGRESS REPORT FORM

Housing Targets Branch
BC Ministry of Housing

Units by Tenure				
Rental Units ² – Total	0	-	-	-
Rental – Purpose Built	0	-	-	-
Rental – Secondary Suite	See note 3	See note 3	See note 3	See note 3
Rental – Accessory Dwelling	See note 3	See note 3	See note 3	See note 3
Rental – Co-op	0	-	-	-
Owned Units	255 (See note 1)	47	208	208
Units by Rental Affordability				
Market	0	-	-	-
Below Market ³	0	-	-	-
Below Market Rental Units with On-Site Supports ⁴	0	-	-	-

Section 4: ACTIONS TAKEN BY MUNICIPALITY

Describe actions in the last 12 months that have been taken to achieve housing targets. This may include updated Official Community Plan bylaws, land use zoning, Housing Needs Report, new housing policies and initiatives, and/or partnerships (e.g., BC Housing, CMHC, First Nations and private and non-profit housing organizations). Each entry should include a description of how the action aligns with achieving the housing target, the date of completion, and links to any publicly available information.

Ministerial Order M283 has only been in effect for six months. During this period planning staff have focused on implementing the Province’s Zoning Bylaw Requirements as part of Bills 44 and 47 and have needed to stop other planning actions related to housing. This has resulted in staff pausing work on its OCP, Secured Market Rental Housing Strategy, Missing Middle Housing, and updating the Family-Friendly Units Policy.

Considered at the May 14, 2024, Regular Council meeting



HOUSING TARGET PROGRESS REPORT FORM

Housing Targets Branch
BC Ministry of Housing

Section 5: APPROVED DEVELOPMENT APPLICATIONS

Provide the information below to establish the quantity of new housing currently proposed based on completed development applications. For each housing project in progress, please report on the most recent development approval which has been issued since the effective date of your Housing Target Order. Each housing project should only be captured once through the **most current** development application type, and units which have received occupancy permits should not be included (*see Section 2 above for occupancy permits*).

	Rezoning	Development Permit	Building Permit	Total
Applications	3	6	8	17
New Units	1,558 (see note 4)	739	1,450	3,747
Unit Breakdown (Supplemental Information as per Guidelines)				
Units by Size (See note 5)				
Studio	*	*	*	*
One Bedroom	114	373	461	948
Two Bedroom	37	284	774	1,095
Three Bedroom	31	82	215	328
Four or More Bedroom ¹	See note 6	See note 6	See note 6	See note 6
Units by Tenure				
Rental Units ² – Total ²	79	37	584	700
Rental – Purpose Built	79	37	584	700
Rental – Secondary Suite	See note 3	See note 3	See note 3	See note 3
Rental – Accessory Dwelling	See note 3	See note 3	See note 3	See note 3
Rental – Co-op	0	0	0	0
Owned Units	1,479	702	866	3,047
Units by Rental Affordability				
Market	79	20	184	283
Below Market ³³	0	7	400	407

Considered at the May 14, 2024, Regular Council meeting



HOUSING TARGET PROGRESS REPORT FORM

Housing Targets Branch
BC Ministry of Housing

Below Market Rental Units with On-Site Supports ⁴⁴	0	10	0	0
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Section 6: WITHDRAWN OR NOT APPROVED DEVELOPMENT APPLICATIONS

A) Indicate the number of applications (and associated proposed units) that have been withdrawn by applicants, and the same information for applications not approved by staff or Council during this reporting period. Please capture rezoning applications, development permits, and building permits.

	Applications Withdrawn	Applications Not Approved
Applications	1	0
Proposed Units	190	0

B) For each project that was withdrawn or not approved, provide a summary of relevant project information, including application type and reasons why each project was withdrawn or not approved. Please capture rezoning applications, development permits, and building permits.

1865-1895 Charles Street was a 190-unit multi-family strata application. This application was withdrawn due to unknown environmentally sensitive areas affecting several of the assembled lots. They have since re-applied with a new 110-unit rezoning application.

Section 7: OTHER INFORMATION

Provide any other information not presented above that may be relevant to your municipality’s effort and progress toward achieving the housing target.

- Note 1: The City does not collect bedroom data for single family homes at time of occupancy. The City will try to rectify this for the annual report due in November 2024.
- Note 2: The City does not collect bedroom information when issuing demolition permits.
- Note 3: The City did not receive the Interim Progress Report Form until March 27, 2024, and was unaware of the requirement to collect tenure data for secondary suites and accessory dwelling units. The City will try to rectify this for the annual report due in November 2024.
- Note 4: 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 units.
- Note 5: For Portwood Phases 4 and 5, the project has rezoning approval, but not a development permit. As such, the City only has information regarding the number of units (1,376) and the tenure of the units (strata apartments) but does not have a unit breakdown by bedrooms.
- Note 6: The unit guidelines provided in the September 26, 2023, target order requested the City collect information for 3 or more bedrooms. The City will try to rectify this for the annual report due in November 2024.

Considered at the May 14, 2024, Regular Council meeting

343

Attachment 1



HOUSING TARGET PROGRESS REPORT FORM

Housing Targets Branch
BC Ministry of Housing

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- ¹ If needed due to data gaps, you may report "Three Bedroom" and "Four or More Bedroom" as one figure in the "Three Bedroom" row.
 - ² **Rental Units** include purpose built rental and secondary rental (e.g., secondary suites, accessory dwellings, etc.).
 - ³ **Below Market Units** are units rented at or below 30% of the local Housing Income Limits (HIL) per unit size.
 - ⁴ **Below Market Rental Units with On-Site Supports** are units rented at the Income Assistance Shelter rate providing permanent housing and on-site supports for people to transition out of homelessness.

Considered at the May 14, 2024, Regular Council meeting

344

Attachment 2

Municipality Selection Index Indicators

The Province selected the first cohort of municipalities for housing targets using processes developed based on work with economists and experts in the field that relied on the following measures:

Dimension	Measure	Description	Weighted
Availability of right housing supply	Dwelling to population ratio	Measures available housing stock in relation to population growth.	10%
	Dwellings per residential land area	Assesses how residential structure density had changed over the last 10 years (2011-2021), relative to the available residential land size.	10%
	Density to reach affordability	Assesses land in relation to the realized number of housing units per land unit to determine the unrealized potential for more homes.	10%
	Ground-oriented to multi-storey housing ratio	Captures the ratio of ground-oriented and multi-storey housing in a municipality to track the trend of structure types built over time.	5%
	Renter to ownership ratio	Captures the amount of owned and rented homes in a municipality.	5%
	Housing for Workers and Families	Calculates the rental affordability of a municipality for essential workers and families (i.e., a family of four with a teacher's and firefighter's income to live in a two- or three-bedroom rental apartment).	15%
	Proximity to Amenities	Measures the distance to and availability of commonly used amenities (health care, child care, recreation, etc.) to prioritize municipalities that have amenities to support growth	15%
Urgent housing needs	Homelessness count	Assesses whether there is enough housing or shelter for people experiencing homelessness in relation to its overall population size	10%
	Social housing Waitlist	Assesses whether there is enough social housing in relation to overall population size	10%
Location	Rural/urban community	Classifies rural and urban municipalities based on Statistics Canada's definition to prioritize urban municipalities	10%