

January 13, 2020

Mayor and Council
City of Port Moody
100 Newport Dr, Port Moody, BC V3H 5C3

Via email and mail

Re: Application for OCP Amendment and Rezoning - 2002-2014 St. George Street and 2003-2009 St. John Street

Dear Mayor and Members of Council,

On the December 3rd, 2019 Council meeting, our development proposal, in which we partnered with BC housing, regarding an OCP Amendment and Rezoning of the subject site on 2002-2014 St. George Street and 2003-2009 St. John, with the intention to provide affordable home ownership under the AHOP program, was denied by City Council at 1st reading. We are deeply disappointed with this result. We have been working closely with City staff, members of Council and the community over the last three years to bring the project to this stage.

There are several major topics and concerns that we heard from Council discussion, which are focused on our Affordable Home Ownership Program. The program is based on the aggregate savings from all three stakeholders of development: Municipal, Developer and BC Housing. We understand that this affordable home ownership project will not be possible without partnership with City of Port Moody and your acceptance of concessions.

We heard from council that deferring fees to participate in the program was not a favorable decision. In the last few weeks, we have worked closely with BC Housing together to further adapt the program mechanics for the proposed development. It was our initial proposal to ask for the City to defer 100% of the fees to make the program work financially. There may be a solution to adjust the project such that the Developer pays the city fees and levies in full while committing to the original land exchange of St Andrew's Street for the Clarke Rd / St Johns Street widening. This solution will require no loss in collection of fees to the City while not burdening the development with additional costs that hamper affordability.

The developer/applicant Bold Properties would contribute in fees and conduct work by the items list in below:

<i>Bold's Contribution items</i>	<i>Description</i>	<i>Value (round numbers)</i>
Pay for city Development Cost Charge	basing on the rate of \$3,660/unit, less a credit for the existing homes	\$570,000
Pay for Greater Vancouver Sewer and Drainage District Development Cost Charge	applied at rate of \$1,082/unit less a credit for the existing homes	\$168,000
Pay for CAC	Based on a current gross residential floor area at \$6.00/sf.ft	\$900,000
Pay for School Site Acquisition Charge	\$421/unit on the number of units per gross hectare	\$68,000
Pay for Public Art Reserve Fund	Based on 0.5% of a construction cost estimate	\$200,000
Pay for other application fees, permit fees, inspection fees and city levies	Estimate	\$100,000

Land Swap: Acquire the portion of St Andrew Street & Dedicate land along Clarke Rd to enable road improvements and the construction of a multi-use pathway Pay the terms of the exchange on the net area	572.1 sq.m. of land area currently owned by the applicant (worth \$1,535,000) will be dedicated; 766.8 sq.m. of St Andrew St will be acquired (worth \$2,000,000) Results in a net payment of \$465,000	\$465,000
Conduct off-site servicing work including roadworks on Clarke Rd, St George St, Utilities upgrades	The value of the work is an estimate according to current engineering requirement for off-site work	\$1,100,000
Upgrade the trail from Port Moody Secondary to St George St.	Public amenity upgrade to provide more safety to the students who use the trail. The value of the work is an allowance	\$100,000
Subtotal		\$3,671,000
Additional item – Developer's profit loss	By voluntarily participating in this affordable housing program with BC Housing, Bold is accepting to take a profit loss to meet the required price reduction set by BC Housing	\$4,000,000

Most of the above fees are an estimate from the city fees bylaws and the accurate payable numbers would be established at the building permit stage once the final numbers of the units are known at the rates in effect.

Any development proposal will always have room for improvement, and we had hoped to work with staff in this regard as part of the process. We are respectful of and within the guidelines and have been following the correct process. We are willing to hear and make necessary modifications to fine tune this project. However, Council's decision on December 3rd, 2019 to reject first reading amounted to a complete rejection of the application. Under the Development Applications Review Procedures Bylaw City staff would be required to close the file and Council would not be able to consider the same proposal for 6 months. It is our understanding that Council may, however, have anticipated the process proceeding with further discussion and possible changes to the proposal coming back for further consideration.

We do sincerely hope that the City Council at the January Council meeting, will re-consider our development, overturn the 1st reading motion to reject, and reconsider 1st reading with the provision that we be instructed to work with staff to prepare a modified proposal in an attempt to address Councils' concerns prior to being presented for 2nd reading.

Once the new proposal is considered and approved, City of Port Moody would set up a great positive example to municipalities in Metro Vancouver to deliver affordability in the housing sector. Thanks so much for your time and we look forward to finding a way to finish this journey together with City of Port Moody.

Sincerely,



TOMMY HE, MSc
President
BOLD PROPERTIES

Deliver to Mayor and Council via email and mail.

CC to Tim Savoie, City Manager; Andre Boel, General Manager of Planning and Development