



# City of Port Moody

## Report/Recommendation to Council

Date: January 10, 2020  
Submitted by: Planning and Development Department – Development Planning Division  
Subject: Housing Agreement Bylaw No. 3202 – 3227-3239 St. Johns Street

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### Purpose

To present Housing Agreement Bylaw No. 3202 related to the provision of rental housing units in a proposed mixed-use commercial/residential project at 3227-3239 St. Johns Street. This Bylaw is associated with Zoning Amendment Bylaw No. 3201, which rezones the subject properties to Comprehensive Development Zone 76.

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### Recommended Resolution(s)

**THAT City of Port Moody Housing Agreement Bylaw, 2020, No. 3202 (3227-3239 St. Johns Street) be read a first time as recommended in the report dated January 10, 2020 from the Planning and Development Department – Development Planning Division regarding Housing Agreement Bylaw No. 3202 – 3227-3239 St. Johns Street (Porte Development Corporation).**

**THAT Bylaw No. 3202 be read a second time.**

**THAT Bylaw No. 3202 be read a third time.**

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### Background

This Housing Agreement Bylaw is related to a development application submitted by Porte Communities for a rezoning and development permit in order to allow for the development of a mixed-use commercial/residential project containing 117 apartment units and 995m<sup>2</sup> (10,707ft<sup>2</sup>) of commercial floor area. Ten of the units are proposed as rental units.

Council gave first and second readings to Bylaw No. 3201 rezoning the site to Comprehensive Development Zone 76 (CD76) on June 25, 2019 and held a Public Hearing on July 23, 2019.

With respect to affordable housing, the applicant had initially indicated to CPAC that six units would be rental units. In response to a comment from CPAC, that number was increased to ten units: nine market rent units and one below market unit, complemented by other provisions including a “locals-first” marketing program and a 3% discount on the purchase price of units purchased by Community Workers. Prior to the Public Hearing, the program was further

amended by reducing the number of market rent units from nine to eight which would be secured for ten years, and increasing the number of below-market rental units from one to two which would be secured for 20 years. The developer also incorporated a flexible deposit structure to allow first-time buyers to build up the 5% down payment over the course of construction. Council gave the rezoning bylaw third reading on July 23, 2019 and provided no further direction to staff on the provisions of the affordable housing approach.

In addition to rezoning, implementation of the project requires the issuance of a development permit to regulate the form and character of the building and, adoption of a Housing Agreement Bylaw to establish the provisions relating to the proposed rental units.

## Discussion

Following further discussions between staff and the developer on the affordable housing approach for the project, a housing agreement has been prepared which, along with Bylaw No. 3202 authorizing Council to enter into the Housing Agreement in accordance with section 483 of the *Local Government Act*, is included as **Attachment 1**.

The Housing Agreement stipulates that:

- a total of ten units (8.5%) will be rental units;
- eight of the ten units will be maintained as rental units for a period of ten years at market rents;
- the remaining two units will be maintained as below market rent units for a period of 20 years;
- the units can be sold to any individual or group;
- City Residents (as defined in the Agreement) will have an opportunity to purchase a unit in the project in advance of the general public;
- a 3% discount off the purchase price will be offered to Community Workers (as defined in the Agreement);
- a minimum of ten purchasers will be afforded the opportunity enter into a flexible deposit structure in which a purchaser may pay the 5% down payment in monthly instalments over the course of the construction of the project; and
- the strata council may not enact rules or regulations prohibiting an owner from renting their unit.

The proposed rental units consist of studio and one-bedroom units and are identified on the plans included as Schedule "A" to the Housing Agreement.

Following a review of the proposed Housing Agreement, staff identified several concerns with some of the provisions:

- the proposed ten-year rental period for the eight market rental units is less than the 20-year term supported on other projects;
- the inclusion of City employees in the definition of 'Community Worker' may represent a conflict of interest by the City and the opportunity should be open to any worker in Port Moody;

- the absence of a mechanism to establish market rents, which should be based on an appraisal at the time of occupancy; and
- the absence of a provision to address the selection of rental occupants which could, as an example, be tied to BC Housing's housing income limits for different size units.

The developer has not made any further changes to the Agreement assuming that the lack of specific direction from Council at the time of Public Hearing and 3<sup>rd</sup> reading constituted Council's support for the proposal exactly as presented.

## Other Option

That the Housing Agreement be amended to address the staff concerns as outlined in the report dated January 10, 2020 from the Planning and Development Department – Development Planning Division regarding Housing Agreement Bylaw No. 3202 – 3227-3239 St. Johns Street (Porte Communities).

## Financial Implications

There are no immediate financial implications associated with the proposed implementation of the Housing Agreement, but there may be some financial costs associated with the administration of the Agreement over the longer term which are unknown at this time.

## Communications and Civic Engagement Initiatives

There are no additional notification or consultation requirements associated with this Housing Agreement Bylaw. It is noted that the project was considered at a Community Information Meeting and the Rezoning Bylaw was the subject of a Public hearing in accordance with the City's Development Approval Procedures Bylaw and the *Local Government Act*.

## Council Strategic Plan Objectives

This report aligns with the Council Strategic Objective of Community Evolution, to plan and develop for future generations a vibrant, connected, and livable city, with distinctive places and spaces, where growth is managed in strategic balance with quality of life.

## Attachment

1. Draft City of Port Moody Housing Agreement Bylaw, 2020, No. 3202 (3227-3239 St. Johns Street).

## Report Author

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## Report Approval Details

Document Title:	Housing Agreement Bylaw No. 3202 - 3227-3239 St. Johns Street (Porte Communities).docx
Attachments:	- Attachment 1 - Draft City of Port Moody Housing Agreement Bylaw, 2020, No. 3202.pdf
Final Approval Date:	Jan 21, 2020

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

Dorothy Shermer, Corporate Officer - Jan 17, 2020 - 4:13 PM

Rosemary Lodge, Manager of Communications and Engagement - Jan 20, 2020 - 1:14 PM

Paul Rockwood, General Manager of Finance and Technology - Jan 20, 2020 - 4:26 PM

André Boel, General Manager of Planning and Development - Jan 20, 2020 - 4:57 PM

Tim Savoie, City Manager - Jan 21, 2020 - 11:06 AM