

Report to Council



Date: December 10, 2018
File: 0710-40
To: City Manager
From: Ross Soward, Planner Specialist
Subject: 726 Clement – Rental Housing Grant Extension

Recommendation:

THAT Council receives the report from the Planner Specialist, dated December 10, 2018 regarding a rental housing grant extension;

AND THAT Council approves the final extension on the Rental Housing Grant for PC Urban rental project at 726 Clement Ave as identified in the report from the Planner Specialist, dated December 10, 2018;

AND THAT Council approves a budget amendment to the 2019 Financial Plan for funding of \$53,063 from the Housing Opportunities Reserve for the deferred rental housing grant.

Purpose:

To consider the extension of a 2017 rental housing grant for the PC Urban purpose-built rental project at 726 Clement Ave due to delays.

Background:

On January 30, 2017 Council approved eleven rental housing projects for the 2017 Rental Housing Grants intake. One of the projects that was approved was a 164-unit purpose-built rental project at 726 Clement Ave. The project received council approval for a rental housing grant of \$53,063 to offset the anticipated \$2.4 million in Development Cost Charges (DCCs) for the project. The project had applied for the funding very early in the development application process and subsequently ran into delays in securing the rezoning and OCP amendments required to move forward with purpose-built rental housing on the site.

The project applied for and received a one-year extension for 2018. However, based on the delays associated with the road dedication, a further extension has been requested. Given the importance of adding new purpose-built rental housing in Kelowna, staff are recommending the rental housing grant be extended for a final time to April 5, 2019. Should the grant not be used in that time, it will remain in the Housing Opportunities Reserve Fund and will become available to fund other affordable housing priorities.

Internal Circulation:

Divisional Director, Community Planning and Real Estate
Manager, Long Range Policy Planning
Manager, Urban Planning
Department Manager, Policy & Planning
Budget Supervisor

Legal/Statutory Authority:

Local Government Act, Section 563

Legal/Statutory Procedural Requirements:

Housing Opportunities Reserve Fund By-law No. 8593

Existing Policy:

2030 Official Community Plan

Objective 10.3 Support the creation of affordable and safe rental, non-market and /or special needs housing

Council Policy no. 355 – Rental Housing Grants

Financial/Budgetary Considerations:

2019 Budget Amendment

The Housing Opportunities Reserve will fund the deferred Rental Housing grant. A Budget Amendment must be processed within work order 1070-16 for the value of \$53,063. The proponent will redeem the grant at the time of Development Cost Charge payment.

Approved for inclusion:



James Moore, Manager of Long Range Policy Planning

Submitted by: R. Soward, Planner Specialist