

Report to Council



Date: March 25, 2019
File: 0710-40
To: City Manager
From: Ross Soward, Planner Specialist
Subject: Housing Agreement Bylaws - Spring 2019

Recommendation:

THAT Council, receives, for information, the Report from the Planner Specialist dated March 25, 2019 recommending that Council adopt the following Housing Agreement Bylaws to secure 351 purpose-built rental housing units.

AND THAT Council approves the staff recommendation that affordable rental projects with long-term operating agreements with BC Housing shall not be required to enter into Housing Agreements with the City of Kelowna as described in the Report from the Planner Specialist dated March 25, 2019.

AND THAT Bylaw No. 11776 authorizing a Housing Agreement between the City of Kelowna and Okanagan Opportunity (Pacific) GP Inc., Inc. No. BC1188652 which requires the owners to designate 31 dwelling units in a purpose-built rental housing for Lot A, District Lot 137 ODYD, Plan EPP84914 at 1145 Pacific Avenue, Kelowna, BC, be forwarded for reading consideration.

AND THAT Bylaw No. 11777 authorizing a Housing Agreement between the City of Kelowna and Okanagan Opportunity GP Inc., Inc. No. BC1188652 which requires the owners to designate 58 dwelling units in a purpose-built rental housing for Lot A, District Lot 139 ODYD, Plan EPP82176 at 573-599 Clement Avenue, Kelowna, BC, be forwarded for reading consideration.

AND THAT Bylaw No. 11786 authorizing a Housing Agreement between the City of Kelowna and 0904419 B.C. LTD., which requires the owners to designate 87 dwelling units in a purpose-built rental housing for Lot B, Section 29 Township 26 District Lot 139 ODYD, Plan EPP54061 at 773 Glenmore Road, Kelowna, BC, be forwarded for reading consideration

AND THAT Bylaw No. 11784 authorizing a Housing Agreement between the City of Kelowna and Drysdale Blvd Kelowna Apartments 2019 Ltd. Inc. No. BC1193818, which requires the owners to designate 175 dwelling units in a purpose-built rental housing for Lot 2 Section 33 Township 26 ODYD, Plan EPP48909 at 333 Drysdale Road, Kelowna, BC, be forwarded for reading consideration

AND FURTHER THAT Bylaws Nos. 11776, 11777, 11786 and 11784 be forwarded for final reading consideration.

Purpose:

To consider four Housing Agreements for purpose-built rental housing projects that are pursuing rental housing incentives, in accordance with the Rental Housing Grants program and Bylaw No. 9561.

Background:

In order to be eligible to receive a rental housing grant or rental housing revitalization tax exemption, a proponent must secure a housing agreement with the City of Kelowna for purpose-built rental housing units for a minimum of ten years. The housing agreement becomes a bylaw and is put on title to ensure all projects that receive the City's financial incentives are required to deliver purpose-built rental housing. Accordingly, the proposed four rental housing agreements within this report are required for authorization to ensure the 351 purpose-built rental units are secured in order for them to be eligible for the City's two rental housing incentive programs. The four purpose-built rental housing projects and their respective locations are identified in the table below:

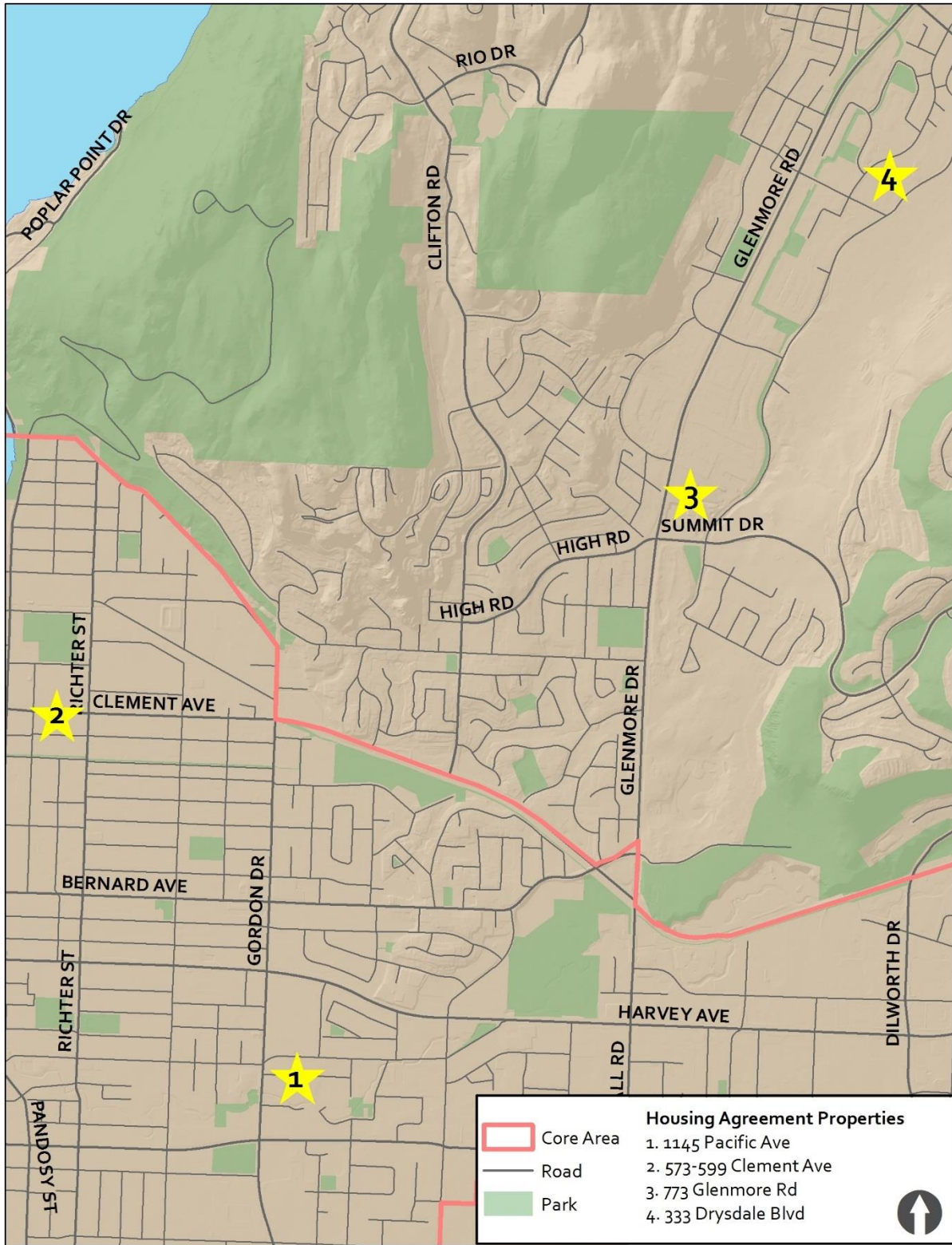
Project	Number of Rental Units	Rental Housing Grant Status	Rental Housing Tax Exemption Status
1145 Pacific Ave	31	Approved in 2019	RTE Application Anticipated
573-599 Clement Ave	58	Approved in 2018	RTE Application Anticipated
773 Glenmore Rd	87	N/A	RTE Application Forthcoming
333 Drysdale Blvd	175	Approved in 2019	RTE Application Anticipated
Total	351		

The four housing agreements (see Figure 1 key map) for council consideration would become bylaw upon approval from Council, ensuring that each development will operate purpose-built rental housing for a minimum of ten years. After ten years, if a landowner intends to lift an agreement, Council approval is required and any rental housing grant would need to repaid to the City.

A number of the other projects that were approved for rental housing grants through the 2018 and 2019 funding call were affordable rental (non-market) housing projects. Based on staff's recent discussions with the applicants, four projects were identified as affordable rental projects.¹ These projects are all likely to enter into long-term (60 years) operating agreements with BC Housing that would also be registered on title. For this reason, staff is recommending that projects with long-term operating agreements with BC Housing should not be required to enter into an additional housing agreement with the City of Kelowna.

¹ Projects identified as affordable rental BC Housing partnerships include: Ki-Low-Na Friendship project at Highway 33 East, Now Canada project at 1044-74 Cawston Ave, Knights of Columbus project at 1149-1187 Sutherland Ave and Pathways project at 555 Fuller Ave.

Figure 1: Housing Agreement Properties



Legal/Statutory Authority:

Local Government Act, Section 483.

Existing Policy:

2030 Official Community Plan

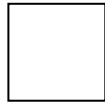
Objective 10.3 Support the creation of affordable and safe rental, non-market and /or special needs housing

Policies 10.3.1, 10.3.2, 10.3.3 & 10.3.4

Submitted by:

Ross Soward, Planner Specialist

Approved for inclusion:



D Noble-Brandt, Department Manager, Policy & Planning

cc:

Divisional Director, Community Planning and Strategic Investments
Manager, Long Range Policy and Planning