

Report to Council



Date: November 14, 2022
To: Council
From: City Manager
Subject: Attainable Housing Agreement Bylaw – 350 Doyle Ave
Department: Development Planning

Recommendation:

THAT Council receive, for information, the report of the Development Planning Department dated November 21, 2022 regarding an Attainable Housing Agreement Bylaw for 350 Doyle Ave;

AND THAT Bylaw No. 12426 being Housing Agreement Authorization Bylaw – 350 Doyle Avenue Holdings Inc. (Inc. No. BC1283012) be forwarded for reading consideration.

Purpose:

To authorize a Housing Agreement with 350 Doyle Avenue Holdings Inc. on the subject property.

Background:

At the Regular Meeting of Council of July 26, 2022, during Development Permit and Development Variance Permit consideration for the subject property, a resolution was passed requiring a Housing Agreement Bylaw be adopted and registered on title prior to issuance of the Development Permit and Development Variance Permit.

Previous Council Resolution

Resolution	Date
THAT Council authorizes the issuance of Development Permit No. DP21-0136 for Lot C District Lot 139 Osoyoos Division Yale District Plan EPP95954, located at 350 Doyle Ave, Kelowna, BC AND THAT Council authorizes the issuance of Development Variance Permit No. DVP21-0137 for Lot C District Lot 139 Osoyoos Division Yale District Plan EPP95954, located at 350 Doyle Ave, Kelowna, BC;	July 26, 2022

<u>AND FURTHER THAT a Housing Agreement Bylaw be adopted and registered on title prior to issuance of the Development Permit and Development Variance Permit.</u>	
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Discussion:

The project being considered by Council in this housing report has already been secured as a purpose-built rental and the property is zoned UC1r – Downtown Urban Centre (Rental Only). This subzone restricts the dwelling units to a long-term rental-only tenure and prohibits any building stratification.

This is a developer-initiated agreement. For this agreement, the owner has specified that the "Attainable Rental Rate" means a rental rate per annum that is no more than 30% of the Median Total Income of Households for the City of Kelowna, as published by Statistics Canada's Census of Population from time to time and as adjusted for changes in the annual average Consumer Price Index (CPI) for Canada from the most recent publication date beginning no earlier than one year following the adoption of this agreement. According to the most recent Census data, the median total income of households in 2020 was \$82,000. By the above definition, the maximum annual rent that could be charged per unit would be \$2,050 per month (increasing annually based on CPI). This is a modest reduction from what the applicant anticipates the market rental rates would be.

The agreement specifies that the attainable rental rate will apply to a minimum of 10% of the project's units. In this instance, that would equate to 26 units. All of the units allocated under this attainable housing agreement will be studio units (a maximum of 18 standard studio and a minimum of 8 deluxe studio). A parking stall is not included in the rent.

The agreement specifies that if the owner has an Attainable Housing Unit available for rent, the owner shall advertise or market it as available for rent at the Attainable Rental Rate for a minimum of one week and if there is more than one prospective tenant, the Owner shall lease to the applicant with lowest household income unless there is an objective and commercially reasonable reason not to. The intent of this is to try and make the units with reduced rents available to the residents who would benefit the most.

Annually, the owner will provide a summary report to the City detailing the number of units, unit types, and tenant income information on or before the annual date of occupancy.

Conclusion:

Following Council approval of the Attainable Housing Agreement and registration of the agreement on title, the Development Permit and Development Variance Permit could be issued.

Internal Circulation:

Policy and Planning
Office of the City Clerk

Considerations applicable to this report:

Legal/Statutory Authority: Local Government Act, Section 483

Existing Policy: 2040 Official Community Plan

Objective 4.12. Increase the diversity of housing types and tenures to create inclusive, affordable and complete Urban Centres

Policy 4.12.3. Diverse Housing Tenures.

Encourage a range of rental and ownership tenures that support a variety of households, income levels and life stages. Promote underrepresented forms of tenure, including but not limited to co-housing, fee-simple row housing, co-ops, and rent-to-own.

Considerations not applicable to this report:

Legal/Statutory Procedural Requirements: N/A

Financial/Budgetary Considerations: N/A

External Agency/Public Comments: N/A

Communications Comments: N/A

Submitted by: K. Brunet, Planner II

Reviewed by: T. Barton, Development Planning Department Manager

Approved for inclusion: R. Smith, Divisional Director, Planning & Development Services

Attachments:

Applicant's Letter of Rationale

Initial Commitment Letter from Applicant