

Report to Council



Date: May 1, 2017
File: 0710-40
To: City Manager
From: Ross Soward, Planner Specialist
Subject: Rental Housing Agreements – Spring 2017

Recommendation:

THAT Council, receives, for information, the Report from the Planner Specialist dated May 1, 2017 recommending that Council adopt the following Housing Agreement bylaws for five of the approved rental housing grants.

THAT Bylaw No. 11385 authorizing a Housing Agreement between the Al Stober Construction Ltd., which requires the owners to designate 43 units dwelling units in a purpose-built rental housing for Lot A, District Lot 141, ODYD, Plan EPP63348 at 1545 Bedford Avenue, Kelowna, BC, be forwarded for reading consideration.

THAT Bylaw No. 11386 authorizing a Housing Agreement between the City of Kelowna and 1067683 B.C. Ltd., which requires the owners to designate 111 dwelling units in a purpose-built rental housing for Lot B, Section 33 Township 26, ODYD, Plan 22004 Except Plan EPP65658 at 1975 Kane Road, Kelowna, BC, be forwarded for reading consideration.

THAT Bylaw No. 11387 authorizing a Housing Agreement between the City of Kelowna and 1920 Enterprise Way - Mission Group Rentals Ltd., which requires the owners to designate 69 dwelling units in a purpose-built rental housing for Lot C, District Lot 140, ODYD, Plan KAP58184 at 1920 Enterprise Way, Kelowna, BC, be forwarded for reading consideration.

THAT Bylaw No. 11388 authorizing a Housing Agreement between the City of Kelowna and U Five-Mission Group Rentals Ltd., which requires the owners to designate 108 dwelling units in a purpose-built rental housing for Lot A, Section 3 Township 23 ODYD, Plan EPP64623 at 755 Academy Way, Kelowna, BC be forwarded for reading consideration.

THAT Bylaw No. 11389 authorizing a Housing Agreement between the City of Kelowna and Highstreet Mission Flats Apartments Ltd., which requires the owners to designate 280 dwelling units in a purpose-built rental housing for Lot A, District Lot 131, ODYD, Plan KAP86112 at 1459-1469 KLO Road, Kelowna, BC, in the form attached to the report from the Planner Specialist, dated May 1, 2017;

AND THAT Bylaws No. 11385, 11386, 11387, 11388 and 11389 be forwarded for final reading consideration.

Purpose:

To consider the Housing Agreements for five of the purpose-built rental housing projects that were approved for rental housing grants, in accordance with Council Policy No. 335.

Background:

On January 16, 2017 Council approved funding for 11 rental housing grants, supporting 1,043 rental housing units. Since receiving Council approval, staff has reached out to all successful applicants to notify them of their grant amount and the conditions to receive funding (DCC credit). In order to bring forward the housing agreements for Council approval in an efficient manner, staff have grouped the 11 projects into two groups. The five housing agreements included in this report represent the first group of rental housing grant recipients with housing agreements ready for adoption. The projects in the first group were selected based on the fact that they have received or applied for a building permit and are poised to begin construction in 2017 or have already started construction.

In accordance with the City's Rental Housing Grants Policy all rental housing grant projects are required to enter into purpose-built rental housing agreements with the City to secure the rental housing units. The housing agreements become bylaw upon approval from Council, ensuring the projects will operate as 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 along with repayment of any grant funding received from the City.

At the same time all five of these projects are also applying for a revitalization tax exemption. Given that the Housing Agreement is a requirement for eligibility to receive the tax exemption, staff coordinated the housing agreement report with the revitalization tax exemption report to reduce the number of council reports on these related matters. Staff plan to bring forward a second wave of rental housing agreements and associated revitalization tax exemption agreements for the remaining projects this summer as more projects move toward building permit. This report reflects the significant progress that is underway to address the demand for rental housing in Kelowna.

Internal Circulation:

Manager, Long Range Policy and Planning

Legal/Statutory Authority:

Local Government Act, Section 483.

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

Policies 10.3.1, 10.3.2, 10.3.3 & 10.3.4

Council Policy no. 355 – Rental Housing Grants

Submitted by:

Ross Soward, Planner Specialist

Approved for inclusion:



James Moore, Manager, Long Range Policy & Planning

cc:

Divisional Director, Community Planning and Strategic Investments

Manager, Long Range Policy and Planning

Manager, Urban Planning