

Development Permit and Development Variance Permit for 2365 & 2371 Kelly Avenue – Further Information and Issuance

RECOMMENDATION:

That Development Permit (DP000597) and Development Variance Permit DVP00107 for 2365 & 2371 Kelly Avenue be issued.

PREVIOUS COUNCIL/COMMITTEE ACTION

June 24, 2025, Committee of Council approved the following resolution:

- 1. Authorize staff to provide notice of the DVP00107 application to vary off-street parking regulations of the Parking and Development Management Bylaw; and*
- 2. Advise Council that issuance of Development Variance Permit DVP00107 and Development Permit DP000597 to facilitate construction of a non-market rental housing development at 2365 & 2371 Kelly Avenue is supported.*

REPORT SUMMARY

At their June 24, 2025 meeting, Committee of Council authorized staff provide to notice of a Development Variance Permit application to facilitate construction of a non-market rental apartment building at 2365 & 2371 Kelly Avenue. Accordingly, notice was mailed to residents and/or businesses within 40m (131.2 ft) of the subject property.

Committee also resolved to support the DP and DVP applications, but requested that Council be provided a copy of the draft Housing Agreement between the City and the property owner (BC Housing), and additional information on the justification proposed parking arrangement and the operating agreement between the operator (New View Society) and BC Housing for review prior to consideration of permit issuance. Committee also requested clarification on the value of the parking variance as a cash-in-lieu payment.

The draft Housing Agreement is attached to this report. Staff note some of the key components of the Agreement include:

- *Tenure* – The building is restricted to units in rental tenure
- *Occupancy* - The intent of the building is to provide permanent residences for independent tenants with disabilities, with priority to those living with mental illness (as per section 1.1 hh, and section 2.2.)
- *Affordability* – All units are to be rented at an affordable rate (rent geared to income {RGI} and shelter allowance)
- *Building Management* – Operators must be public housing body as defined in the Residential Tenancy Act and adhere to the provisions of the Agreement; the City will be consulted prior to changes in operator.

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- *Management of parking* – parking will be managed to ensure the supply does not exceed demand, including provisions that no more than 12 tenants are permitted to have vehicles licenced at the building (as per Section 2.5);
- *Term* – the Agreement term is 60 years, or the life of the building and runs with the land.

The New View Society has provided additional information on the rational for the building's proposed parking arrangement, and additional context pertaining to their operating agreement with BC Housing (attached). This letter advises that existing buildings operated by the Society have consistently demonstrated very limited need for visitor or resident parking and provides details and history of the Society's partnership successes with BC Housing over the last several decades, noting an operating agreement with a 5-year term is the industry norm and advising the Society has no concerns with the length of this term or apprehension the agreement would not be renewed.

BC Housing (property owner) has provided the attached correspondence which details their intent to work in long term partnership with New View Society and provides additional context to support the requested parking variance.

Staff note that the value of the parking variance (based on payment of 40k cash-in-lieu for 56 parking stalls) is \$2.24M; should the City approve the DVP, the estimated in-kind contribution to the project would be \$2.56M.

OPTIONS (✓ = Staff Recommendation)

	#	Description
	1	Approve issuance of the Development Permit and Development Variance Permit.
	2	Defer issuance of the Permits and request staff to provide further information or changes to the Development Variance Permit conditions (to be specified).
	3	Decline to issue the Development Variance Permit and direct the applicant to revise the Development Permit to meet the regulations of the Parking and Development Management Bylaw prior to further consideration.

ATTACHMENTS

Attachment 1 – Report to Committee of Council, June 24, 2025
Attachment 2 – Draft Housing Agreement
Attachment 3 – Letter from New View Society
Attachment 4 – Letter from BC Housing

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