

**METRO VANCOUVER REGIONAL DISTRICT
HOUSING COMMITTEE**

REGULAR MEETING

Friday, March 16 2018

1:00 p.m.

28th Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia

A G E N D A¹

1. ADOPTION OF THE AGENDA

1.1 March 16, 2018 Regular Meeting Agenda

That the Housing Committee adopt the agenda for its regular meeting scheduled for March 16, 2018 as circulated.

2. ADOPTION OF THE MINUTES

2.1 January 19, 2018 Regular Meeting Minutes

That the Housing Committee adopt the minutes of its regular meeting held January 19, 2018 as circulated.

3. DELEGATIONS

4. INVITED PRESENTATIONS

4.1 Wendy Booth, Union of BC Municipalities

Subject: Affordable Housing Report

4.2 Kara-Leigh Bloch and Nevin Thomas, Seniors Services Society

Subject: Housing Services for Seniors 60+ in Metro Vancouver

5. REPORTS FROM COMMITTEE OR STAFF

5.1 Tenant Relocation Policy

Designated Speaker: Ravi Chhina

That the Metro Vancouver Housing Corporation (MVHC) Board approve the Tenant Relocation Policy as presented in the report dated March 6, 2018, titled "Tenant Relocation Due to Redevelopment".

¹ Note: Recommendation is shown under each item, where applicable.

5.2 Project Deliveries Update – Tenant Programs & Services

Verbal Update

Designated Speaker: Ulryke Weissgerber and Mary Ricci

5.3 Heather Place Update

Verbal Update

Designated Speaker: Greg Smith

5.4 Manager's Report

Designated Speaker: Donna Brown

That the Housing Committee receive for information the report dated March 6, 2018, titled "Manager's Report"

6. INFORMATION ITEMS

6.1 Regional Parks 2018-2022 Financial Plan – Rental House Program

6.2 Transit Oriented Affordable Housing Report

7. OTHER BUSINESS

8. BUSINESS ARISING FROM DELEGATIONS

9. RESOLUTION TO CLOSE MEETING

That the Housing Committee close its regular meeting scheduled for March 16, 2018 pursuant to the *Community Charter* provisions, Section 90 (1)(e) and 90 (2)(b) as follows:

"90 (1) A part of the meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

(e) the acquisition, disposition or expropriation of land or improvements, if the board or committee considers that disclosure could reasonably be expected to harm the interests of the regional district; and

90 (2) A part of a meeting must be closed to the public if the subject matter being considered relates to one or more of the following:

(b) the consideration of information received and held in confidence relating to negotiations between the regional district and a provincial government or the federal government or both and a third party;

10. ADJOURNMENT/CONCLUSION

That the Housing Committee adjourn/conclude its regular meeting of March 16, 2018

Membership:

Clay, Mike (C) – Port Moody

Read, Nicole (VC) – Maple Ridge

Buchanan, Linda – North Vancouver City

Coté, Jonathan – New Westminster

Jang, Kerry – Vancouver

Jordan, Colleen – Burnaby

Kanakos, Jeannie - Delta

Long, Bob – Langley Township

MacKay-Dunn, Doug – North Vancouver District

McNulty, Bill – Richmond

Stevenson, Tim – Vancouver

Stewart, Richard (M) – Coquitlam

Villeneuve, Judy – Surrey

**METRO VANCOUVER REGIONAL DISTRICT
HOUSING COMMITTEE**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Housing Committee held at 1:06 p.m. on Friday, January 19, 2018 in the 28th Floor Boardroom, 4730 Kingsway, Burnaby, British Columbia.

MEMBERS PRESENT:

Chair, Mayor Mike Clay, Port Moody
Councillor Linda Buchanan, North Vancouver City
Mayor Jonathan Coté, New Westminster
Councillor Kerry Jang, Vancouver
Councillor Bob Long, Langley Township
Councillor Doug MacKay-Dunn, North Vancouver District
Councillor Bill McNulty, Richmond
Councillor Tim Stevenson, Vancouver
Mayor Richard Stewart, Coquitlam
Councillor Judy Villeneuve, Surrey

MEMBERS ABSENT:

Vice Chair, Mayor Nicole Read, Maple Ridge
Councillor Colleen Jordan, Burnaby
Councillor Jeannie Kanakos, Delta

STAFF PRESENT:

Donna Brown, General Manager, Human Resources and Housing Services
Carol Mason, Chief Administrative Officer
Janis Knaupp, Legislative Services Coordinator, Board and Information Services

1. ADOPTION OF THE AGENDA

1.1 January 19, 2018 Regular Meeting Agenda

It was MOVED and SECONDED

That the Housing Committee adopt the agenda for its regular meeting scheduled for January 19, 2018 as circulated.

CARRIED

2. ADOPTION OF THE MINUTES

2.1 October 13, 2017 Regular Meeting Minutes

It was MOVED and SECONDED

That the Housing Committee adopt the minutes of its regular meeting held October 13, 2017 as circulated.

CARRIED

3. DELEGATIONS

No items presented.

4. INVITED PRESENTATIONS

No items presented.

5. REPORTS FROM COMMITTEE OR STAFF

5.1 2018 Housing Committee Priorities and Work Plan

Report dated January 4, 2018 from Donna Brown, General Manager, Human Resources and Housing Services, providing the Housing Committee with the priorities and work plan for the year 2018.

Members were informed that the provincial budget announcement expected in February 2018 may trigger changes to the Committee's Work Plan.

It was MOVED and SECONDED

That the Housing Committee endorse the work plan as presented in the report dated January 4, 2018, titled "2018 Housing Committee Priorities and Work Plan".

CARRIED

5.2 Transit Oriented Affordable Housing Study Presentation

Raymond Kan, Regional Planner, Growth Management and Transportation, Parks, Planning, and Environment, updated members on the Metro Vancouver's *Transit Oriented Affordable Housing Study*.

In response to questions, members were informed about:

- current regulations for wood frame construction being maximum 6-storeys
- future efforts to explore alternative technologies, pilot projects/models, and federal tax incentive and grant opportunities
- plans to share data with member municipalities through the Regional Planning Advisory Committee as well as both the Regional Planning and Housing Committees in 2018

Presentation material titled "Transit-Oriented Affordable Housing Study" is retained with the January 19, 2018 Housing Committee agenda.

It was MOVED and SECONDED

That the Housing Committee receive for information the January 19, 2018 staff presentation on Metro Vancouver's Transit-Oriented Affordable Housing Study".

CARRIED

5.3 Award of Contract Resulting from Tender No. 17-170: Construction of Heather Place – Phase 1

Report dated January 3, 2018 from Greg Smith, General Manager, Corporate Services, providing an update on the negotiations and value engineering effort with Turner Construction, and recommending the MVHC award the contract for construction of Phase 1 Redevelopment of Heather Place, in the amount up to \$22,028,225.00 (exclusive of taxes) to Turner Construction Company.

It was MOVED and SECONDED

That the MVHC Board, authorize:

- a) award of a contract in the amount up to \$22,028,225.00 (exclusive of taxes) to Turner Construction Company resulting from Tender No. 17-170 for construction of Heather Place – Phase 1; and,
- b) the Commissioner and the Corporate Officer to execute the contract.

CARRIED

5.4 Mortgage Renewal for Cedarwood Place

Report dated January 3, 2018 from Dean Rear, Director, Financial Planning and Operations, Financial Services, seeking MVHC authority to renew the mortgage for the Cedarwood Place project located in Richmond, BC.

The Committee was informed about a correction to be made to the recommendation prior to forwarding the report to the Board.

Request of Staff

Staff was requested to correct the January 3, 2018 report titled "Mortgage Renewal for Cedarwood Place", in the recommendation, by replacing the phrase "That the Metro Vancouver Housing Corporation" with the phrase "That the MVHC Board", prior to forwarding the report to the January 26, 2018 Board meeting.

It was MOVED and SECONDED

That the MVHC Board pass the following resolutions as required by the British Columbia Housing Management Commission:

- a) that the Metro Vancouver Housing Corporation hereby irrevocably authorizes British Columbia Housing Management Commission (BCHMC) to act on its behalf to renew the mortgage presently held by Canada Mortgage Housing Corporation (the "Mortgage") for the Cedarwood Place project located at 7260 Granville Avenue, Richmond BC (BCHMC File no. 18701/1628/CMHC#15468861); and

b) that any two officers or directors, or any one director together with any one officer of the Metro Vancouver Housing Corporation (MVHC); for and on behalf of the MVHC be and are hereby authorized to execute and deliver under the seal of the MVHC or otherwise, all such deeds, documents and other writings and to do such acts and things in connection with the Mortgage assignment, renewal and amendment as they, in their discretion, may consider to be necessary or desirable for giving effect to this resolution and for the purpose of fulfilling the requirements of the lender of the monies.

CARRIED

5.5 MVHC Asset Management

Ravi Chhina, Director, Housing Operations, and Jade Hume, Program Manager, Housing Maintenance and Capital Planning, updated members on the status of the MVHC asset sustainability planning project. Members were also provided with a live demonstration of the *MVHC AssetPlanner* Program, a web-based asset planner providing real-time data for capital and maintenance projects.

In response to questions about the *AssetPlanner*, members were informed about features, data collection, and efforts to identify future redevelopment opportunities, develop budgets, and develop capital plans. Members were also informed that the *AssetPlanner* data will be used to develop long-term plans and budgets with respect to redevelopment of existing sites.

Presentation material titled “Asset Sustainability Planning Update” is retained with the January 19, 2018 Housing Committee agenda.

It was MOVED and SECONDED

That the Housing Committee receive for information the January 19, 2018 staff presentation on MVHC Asset Sustainability Planning.

CARRIED

5.6 Moray Place Parkade Deconstruction

Ravi Chhina, Director, Housing Operations, and Jade Hume, Program Manager, Housing Maintenance and Capital Planning, updated members on the status of deconstruction of Moray Place Parkade.

Presentation material titled “Parkade Deconstruction Update” is retained with the January 19, 2018 Housing Committee agenda.

It was MOVED and SECONDED

That the Housing Committee receive for information the January 19, 2018 presentation on Moray Place parkade deconstruction.

CARRIED

5.7 Manager's Report

Report dated January 4, 2018 from Donna Brown, General Manager, Human Resources and Housing Services, updating the Housing Committee on attendance at 2018 Standing Committee events, *Housing First* training for elected officials, Metro Vancouver *Sustainability Breakfast* series on homelessness, and MVHC vacancy summary.

Members interested in attending a Standing Committee event were requested to notify the Committee Manager or Committee Chair by February 9, 2018.

Members were updated about the provincial funding commitment for Heather Place and Kingston Gardens and on the release of a UBCM Special Housing Committee report prior to the provincial housing strategy announcement expected in February 2018.

It was MOVED and SECONDED

That the Housing Committee receive for information the report dated January 4, 2018, titled "Manager's Report".

CARRIED

6. INFORMATION ITEMS

It was MOVED and SECONDED

That the Housing Committee receive for information Item 6.1 Correspondence addressed to Carol Mason, CAO Metro Vancouver, from City of North Vancouver regarding review of GVS&DD Development Cost Charge Program, dated October 18, 2017.

CARRIED

7. OTHER BUSINESS

No items presented.

8. BUSINESS ARISING FROM DELEGATIONS

No items presented.

9. RESOLUTION TO CLOSE MEETING

No items presented.

10. ADJOURNMENT/CONCLUSION

It was MOVED and SECONDED

That the Housing Committee conclude its regular meeting of January 19, 2018.

CARRIED

(Time: 2:36 p.m.)

Janis Knaupp,
Legislative Services Coordinator

Mike Clay, Chair

To: Housing Committee

From: Donna Brown, General Manager, Human Resources and Housing Operations
Ravi Chhina, Director, Housing Operations

Date: March 6, 2018 Meeting Date: March 16, 2018

Subject: **Tenant Relocation Due to Redevelopment**

RECOMMENDATION

That the Metro Vancouver Housing Corporation (MVHC) Board approve the *Tenant Relocation Policy* as presented in the report dated March 6, 2018, titled “Tenant Relocation Due to Redevelopment”.

PURPOSE

To present for Housing Committee and MVHC Board consideration a *Tenant Relocation Policy* which addresses relocation assistance and adherence to the requirements of the *Residential Tenancy Act* when tenants are required to relocate due to redevelopment.

BACKGROUND

At its October 13, 2017 meeting, the Metro Vancouver Housing Committee endorsed the MVHC 2018 Annual Work Plan for Housing Operations. One of the 2018 key action items quoted in the Work Plan was providing tenant relocation support for redevelopment of MVHC sites.

Relocation assistance is a critical component of the process for requiring tenants of an existing property to vacate so that redevelopment can commence. Currently there is no policy governing tenant relocation assistance and municipalities within the Regional District have varying requirements. The proposed policy, if approved, will provide MVHC and member municipalities with consistent framework for determining relocation assistance for MVHC tenants impacted by redevelopment.

MVHC communicates with tenants throughout the redevelopment process, ensuring that all impacted tenants are aware of the need to relocate. Engagement is solicited at tenant meetings, and individual interviews are arranged to identify suitable properties for relocation to accommodate the specific needs of each household. This report is being brought forward to present a *Tenant Relocation Policy*.

PROPOSED POLICY

The proposed policy sets out relocation assistance under three possible outcomes:

1. The tenant elects to give notice and leave MVHC – compensation for moving expenses
2. The tenant accepts an offer of relocation within the MVHC portfolio – compensation for moving expenses and utility connections, transfer of security deposit, rental assistance if applicable

3. The tenant is offered, but declines three options to relocate – tenant is given notice under the provisions of the *Residential Tenancy Act* (2 months' notice which includes 1 month of free rent) when the suite is required to be vacated

Where a tenant relocates within the MVHC portfolio, the policy also recommends they be given first right of refusal to relocate back to the newly redeveloped site, as well as compensation for moving expenses, utility connections and transfer of security deposit. Available rental assistance will be determined based on the project financial business case.

ALTERNATIVES

1. That the Metro Vancouver Housing Corporation (MVHC) Board approve the *Tenant Relocation Policy* as presented in the report dated March 6, 2018, titled "Tenant Relocation Due to Redevelopment".
2. That the Metro Vancouver Housing Corporation (MVHC) Board receive for information the report dated March 6, 2018 titled "Tenant Relocation Due to Redevelopment" and provide alternate direction to staff.

FINANCIAL IMPLICATIONS

If Alternative 1 is approved, financial implications are dependent upon each individual redevelopment project and number of tenants required to relocate. Costs will be included in the budget for site redevelopment.

SUMMARY / CONCLUSION

A key action item included in the Metro Vancouver Housing Committee 2018 Work Plan for Housing Operations is to provide support to tenants affected by redevelopment of MVHC sites. Relocation assistance for tenants impacted by redevelopment is a critical component of these projects, for which no current policy exists.

This report proposes the approval of a Tenant Relocation Policy which details relocation assistance to be provided under three possible scenarios for tenants impacted by redevelopment:

- The tenant elects to give notice and leave MVHC
- The tenant is offered, and accepts, relocation within the MVHC portfolio
- The tenant is offered, but declines three options to relocate

The proposed policy also addresses adherence to the *Residential Tenancy Act*. Staff recommend Alternative 1.

Attachments:

1. Tenant Relocation Policy

TENANT RELOCATION POLICY

Effective Date:

Approved By:

PURPOSE

To establish standards for tenant relocation assistance where Metro Vancouver Housing Corporation (MVHC) has initiated the redevelopment of an MVHC site and the redevelopment will impact tenants.

POLICY

MVHC offers affordable rental housing across the Metro Vancouver Region. This Policy will provide for fair and consistent relocation assistance in addition to ensuring legislated requirements are met. The *Residential Tenancy Act* (the Act) specifies the legislated requirements for notice and compensation for tenants when a tenancy ends due to redevelopment of a property. The Act requires a minimum notice of two full months' notice which includes one month of free rent. The Act only applies if efforts to relocate tenants are unsuccessful. Notice under this provision is issued only after permits and approvals for the development are obtained, as per the Act, and when vacant possession of the unit is required.

RELOCATION NOTICE PROCEDURES & REQUIREMENTS

MVHC communicates with tenants throughout the redevelopment process ensuring that all impacted tenants are aware of the need to relocate. Engagement is solicited at tenant meetings. One-on-one interviews are arranged to identify suitable properties for relocation to accommodate the specific needs of each household. Issuing the minimum level of notice and compensation is required only if the offers to relocate are not successful. Relocation assistance and compensation is offered under one of three outcomes:

1. Where the tenant chooses to vacate the unit and relocate elsewhere:
 - the tenant will receive moving costs paid at prevailing industry rates within the Metro Vancouver Region
 - the Tenant/Landlord relationship ends with no further obligations by MVHC
2. Where the tenant chooses to relocate within MVHC:
 - the tenant will receive three offers of relocation from MVHC for which they are eligible based on their current household composition
 - tenant relocations at redevelopment sites are given priority over other internal tenant relocations
 - offers of available units will be based on the receipt date of the relocation application form and an evaluation of individual household needs. If a tenant does not complete a relocation form, MVHC will make three relocation offers within the MVHC portfolio

Tenants who accept an offer to relocate within MVHC will receive compensation and relocation assistance as follows:

Relocation from the current unit

- Moving costs paid at prevailing industry rates
- Utility disconnect and reconnect fees paid at prevailing industry rates
- Transfer of security deposit from current to new unit
- Rental assistance provided if eligibility criteria met based on new rent
- Market rent remains the same, if relocating to another unit on redevelopment site
- If relocating to a unit at another MVHC site, market rent will be established at the market rent for the unit at that site

Relocation to the new development

- First right of refusal to relocate to the newly constructed property
- Moving costs paid at prevailing industry rates
- Utility disconnect and reconnect fees paid at prevailing industry rates
- Transfer of security deposit from current to new unit
- Available rental assistance will be provided based on an individual project financial business case

3. Where the tenant refuses MVHC offers of relocation:

- the tenant will receive two months' notice to vacate that includes one month of free rent once permits and approvals are obtained and only when vacant possession of the unit is required as per the Act
- the Tenant/Landlord relationship ends with no further obligations by MVHC

To: Housing Committee

From: Donna Brown, General Manager Human Resources and Housing Services

Date: March 6, 2018 Meeting Date: March 16, 2018

Subject: **Manager's Report**

RECOMMENDATION

That the Housing Committee receive for information the report dated March 6, 2018, titled "Manager's Report"

Heather Place Ground-Breaking Event

In partnership with BC Housing, on March 2, 2018 a ground breaking event took place to celebrate the start of construction for Heather Place Phase A. The event was well attended by media and senior government officials.

Welcher Avenue Conceptual Design

MVHC's Welcher Avenue site consists of three standard residential building lots within the City of Port Coquitlam. The site currently has two residential single family homes on it that are nearing end of useful life. The properties were purchased by MVHC with the intent to redevelop the lots into one multi-family housing site.

MVHC has issued and awarded an RFP for conceptual design of the site to CitySpaces Consulting. Conceptual design and financial pro forma will be brought forward to the Housing Committee for consideration within the next few months.

Kingston Gardens Update

The redevelopment of Kingston Gardens 1 is progressing well. Corporate Services has issued the RFP for Architectural Services which was advertised on March 9th, 2018 and closes at the end of March 2018. Discussions with the City of Surrey Planning Department have been very supportive to ensuring the project moves forward. Housing Operations has met with each affected tenant to discuss relocation possibilities. To date, six families have relocated with four more relocating by the end of March 2018. The vacated units in Kingston Gardens 1 will be advertised soon for short-term tenancy until such time as the units are deconstructed.

"Let's Talk Senior Housing"

On February 21, 2018, Housing Committee Chair Mike Clay presented at a town hall meeting organized by the Cloverdale-Langley City Seniors Group. The session was called "Let's Talk Senior Housing". Chair Clay also participated in a panel discussion with Isobel McKenzie, BC Seniors Advocate; Andrew Middleton, Canada Mortgage and Housing Corporation and Naomi Brunemeyer, BC Housing. Approximately 200 seniors were in attendance providing positive feedback and appreciation for the housing which MVHC provides in the region.

Provincial & Federal Budget Update

Metro Vancouver is working closely with senior officials at the Canada Mortgage and Housing Corporation (CMHC) and BC Housing to monitor developments in funding programs for affordable housing that were included in earlier announcements of the National Housing Strategy and the 2018 provincial and federal budgets.

At the federal level, the bulk of opportunities for Metro Vancouver lie with the National Housing Strategy, and specifically, the National Housing Co-Investment Fund (which will provide \$4.7 billion in financial contributions over 10 years for the development of new affordable housing capacity in Canada). Details on the National Housing Co-Investment Fund and how it will be administered are still being confirmed and Metro Vancouver is working with senior officials at CMHC to ensure that Metro Vancouver is well-positioned to access those funds once they are available.

At the provincial level, Metro Vancouver is interested in two specific initiatives: the announcement in the provincial budget of an investment of approximately \$6.7 billion over 10 years in affordable housing and the creation of a new "Housing Hub" through BC Housing to "build partnerships and affordable homes where people need them most."

Metro Vancouver Homelessness Partnering Strategy Community Entity Housing First 101 Training

Under an agreement with Employment and Social Development Canada, the Canadian Alliance to End Homelessness provided Canada-wide Housing First training through the Homelessness Partnering Strategy. The Metro Vancouver Community Entity delivered a number of Housing First 101 training modules to targeted groups including Health Authorities, Elected Officials, Funders and current or prospective Housing First providers from February 5 – 9, 2018.

The training courses were well attended. In total there were 188 participants who attended the training modules, including front-line and leadership staff from over 15 HPS-funded organizations. HPS staff representatives from Service Canada, the Community Entity and the Vancity Community Foundation project management team were also in attendance.

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To: Regional Parks Committee

From: David Leavers, Division Manager, Visitor and Operations Services, Regional Parks

Date: January 10, 2018 Meeting Date: February 14, 2018

Subject: **Regional Parks 2018 – 2022 Financial Plan - Rental House Program**

RECOMMENDATION

That the MVRD Board receive for information the report dated January 10, 2018, titled “Regional Parks 2018 – 2022 Financial Plan - Rental House Program”.

PURPOSE

The purpose of this report is to provide additional information on the additional \$190,000 budget allocation in the Regional Parks 2018-2022 Financial Plan to support the Regional Parks Rental House Program.

BACKGROUND

At its October 11, 2017 meeting, the Regional Parks Committee requested that staff report back to the Regional Parks Committee and the Housing Committee with more information on the rental housing program in Metro Vancouver regional parks and requested further information on the additional allocation of \$190,000 to support the Housing Program in 2018.

This report is being brought forward to provide additional details on the forms of housing in Metro Vancouver regional parks and the implications for managing these assets.

HOUSING ASSETS IN METRO VANCOUVER REGIONAL PARKS

Through the Regional Parks function, the MVRD acquires buildings, including houses, through property acquisition. When the property is not immediately required for park use, the houses are rented out. Over the last 20 years, staff from Metro Vancouver Housing Corporation (MVHC) have provided property management services for these rental houses on behalf of Regional Parks. The MVHC is a not-for-profit corporation of the Metro Vancouver Regional District and is funded primarily through subsidized and non-market tenant rents and programs paid for by MVHC tenants.

The number of rental houses has fluctuated over the years due to procurement of park land and deconstruction of end-of-life houses. Currently, there are 33 houses managed by MVHC staff in the Metro Vancouver Regional Parks kept inventory (see Attachment 1).

Rental House Program Expenses

The Regional Parks function currently pays an internal corporate allocation of \$31,900 from Regional Parks to MVHC in return for the property management services. However, the corporate allocation charge is not meeting the full costs of administering the program and is impacting resources within the MVHC that are required to support MVHC housing services. MVHC staff identified that the costs to the MVHC have exceeded the \$31,900 due to:

- an increased demand within MVHC to maintain their existing housing portfolio, MVHC does not have the staff time to continue to provide property management services to Regional Parks;
- the remote location spread out nature of housing in regional parks require substantial MVHC staff travel time;
- the older nature, including heritage buildings, of the houses in regional parks require greater staff time to manage;
- appliances, plumbing, electrical, and other systems (including septic systems) which do not match the MVHC standards and require greater call outs of MVHC staff;
- Regional Parks houses are single family buildings, as opposed to the 49 MVHC multi-family complexes which MVHC staff are equipped and trained; and
- minor maintenance and repairs undertaken by MVHC staff in excess of expected level of minor maintenance.

While MVHC does not track the actual time, it is estimated that in addition to the \$31,900, the MVHC has been covering costs that would be equivalent to a 0.5 full time employee (FTE).

In addition to the \$31,900 corporate allocation, Regional Parks have paid for the annual scheduled maintenance of the Rental House Program; however, MVHC has been covering the costs of unscheduled minor maintenance without a charge back to Regional Parks.

Rental House Program Revenues

Regional Parks receives the entire rental revenue from the rental houses; however, in most years rental revenue falls short of the actual costs incurred in Regional Parks to manage the rental house program. The 2018 budget includes a provision of \$90,000 for the overall management of the Rental House Program. This allocation is expected to cover the costs of property management, scheduled maintenance, and unscheduled minor maintenance for the inventory of rental houses.

Demolition/Deconstruction

The rental houses owned by Regional Parks are mostly older and nearing the end of their useful life. Some houses have designated heritage status in their local municipalities. Rental houses not required for future park use are not maintained as long-term assets and are deconstructed (demolished) when the house has reached its end of life. The decision to deconstruct/demolish is generally deferred until houses become vacant.

Deconstruction costs have traditionally been absorbed under the Rental House Program operating budget; however, as traditional demolition has been replaced by deconstruction to separate and recycle materials, the costs have risen and are currently averaging \$50,000 per deconstruction project. The 2018 budget includes a provision of \$100,000 for the deconstruction of two houses per year. It is estimated that an average of two Regional Parks rental houses will require deconstruction on an annual basis for the next five years.

2018 Regional Parks Annual Budget

Regional Parks is assuming full responsibility for property management services for its Rental House Program in 2018. An amount of \$190,000 has been approved in the 2018 budget with \$90,000

allocated for the management of the current Regional Parks rental house inventory and \$100,000 for the deconstruction of two rental houses (\$100,000).

ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report. The 2018 to 2022 Regional Parks Financial Plan was approved by the Board in October 2017 and includes sufficient funds to manage the Rental House Program.

SUMMARY / CONCLUSION

In October 2017, the Regional Parks Committee and Board request staff to provide additional information on the Regional Parks Rental House Program. Regional Parks acquires buildings, including houses, through property acquisition and when the land is not immediately required for park use, the houses are rented. Metro Vancouver is transitioning the management of the Rental House Program from staff within the MVHC to Regional Parks beginning in 2018. The approved 2018 budget supports contracted property management services, maintenance and repair oversight, as well as the deconstruction/demolition of two rental houses in regional parks.

Attachment

1. Regional Parks Rental Houses List

Regional Park	Address	Status	No. of Properties
Regional Parks Rental Houses			
Aldergrove	262-272nd Street	Rented	1
	27347 - 0 Avenue - Louck's House	Rented	1
	27240 - 6th Ave	Rented	1
	534- 272nd Street	Rented	1
Belcarra	Belcarra South Cabins	Rented	6
Burnaby Lake	5110 Glencairn Drive	Rented	1
	5180 Glencairn Drive - Mortimer Lamb House	Rented	1
Campbell Valley	21544-8th Avenue	Rented	1
	710-204th Street - Rowlatt Farmhouse	Rented	1
Capilano River	105 Keith Road	Rented	1
Derby Reach	10462 Allard Cres	Rented	1
	10716 Allard Cres	Rented	1
	10749 Allard Cres - Houston House	Rented	1
Glen Valley	9117 - 272 Street - Hassal House	Rented	1
Kanaka Creek	11384 - 261st Street	Rented	1
	26820 118th Avenue	Rented	1
	27488 Dewdney Trunk Rd	Rented	1
	25446 Dewdney Trunk Rd	Rented	1
	25440 Dewdney Trunk Rd	Rented	1
Minnekhada	4375 Oliver Rd. Cabin D	Rented	1
	4375 Oliver Rd. Foreman's House B	Rented	1
	#3-4375 Oliver Rd. Forman's House	Rented	1
	4375 Oliver Rd. Bunkhouse A	Rented	1
Tynehead	16343 - 96th Avenue - McCaskill House	Rented	1
Widgeon Reserve	6200 Quarry Rd. The Duplex	Rented	1
	6200 Quarry Rd. Camp The Lodge	Rental / Vacant	1
	5300 Quarry Road	Rented	1
	5000 Quarry Road	Rented	1
TOTAL RENTAL UNITS			33

To: Regional Planning Committee

From: Raymond Kan, Senior Regional Planner, Parks, Planning and Environment Department

Date: February 19, 2018 Meeting Date: March 9, 2018

Subject: **Transit-Oriented Affordable Housing Study Phase 2: Exploring New Supportive Tools**

RECOMMENDATION

That the MVRD Board receive for information the report dated February 19, 2018, titled “Transit-Oriented Affordable Housing Study Phase 2: Exploring New Supportive Tools”.

PURPOSE

This report provides the Regional Planning Committee and Board a proposed approach to addressing the Regional Planning Committee’s request to advance opportunities identified in Phase I of the Transit Oriented Affordable Housing Study.

BACKGROUND

At its meeting on November 24, 2017, the Metro Vancouver Regional District Board passed the following resolution:

That the MVRD Board:

- a) *communicate the key findings from the Transit-Oriented Affordable Housing Study to the following parties in an effort to encourage the integration of rental housing in transit-oriented locations, including housing that is affordable to lower income households, as essential elements of equitable and resilient transit-oriented communities and funding decisions:*
 - *the Federal Minister of Infrastructure and Minister of Communities and Families, Children and Social Development;*
 - *the Provincial Minister of Municipal Affairs and Housing, Minister of Transportation and Infrastructure, Parliamentary Secretary for TransLink, and Minister of Environment & Climate Change Strategy;*
 - *Mayors’ Council on Regional Transportation;*
 - *member local governments; and,*
 - *the Urban Development Institute, Landlord BC, Co-operative Housing Federation of BC, and Greater Vancouver Home Builders’ Association;*
- b) *send a letter expressing its appreciation to BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity for their participation and substantive contribution to the Transit-Oriented Affordable Housing Study; and*
- c) *direct staff to explore Key Finding 5 as outlined in the report dated October 20, 2017, titled “Transit-Oriented Affordable Housing Study”, and report back to the Regional Planning Committee.*

The proposed Phase 2 of the Transit-Oriented Affordable Housing Study (TOAH) presented in this report responds to Part c) of the Board’s resolution. Key Finding #5, as referenced above, refers to the TOAH key finding that: “Initiatives by other jurisdictions may be worth exploring for application in the Metro Vancouver region to generate new affordable rental housing near frequent transit. Partnerships will be the key to any successful initiative.” In addition, Metro 2040 and the Regional Affordable Housing Strategy set out a role for Metro Vancouver to conduct research to support affordable housing in transit-oriented locations.

PHASE 2 STUDY – DRAFT OBJECTIVES AND SCOPE

In Phase I, the work around Key Finding #5 was informed largely by research led by the BC Non-Profit Housing Association (BCNPHA) (see Reference 1). BCNPHA reviewed current practices in the United States, as well as tools that are used and those that are not currently used, or at least not widely applied, within the Metro Vancouver region.

When this work was presented to the Regional Planning Committee, the Committee sought more information about the applicability of these tools in the Metro Vancouver region. As such, staff have developed a proposed Phase 2 for the TOAH study.

The objectives of Phase 2 of the TOAH study are to advance information and knowledge to practitioners and decision-makers about the effectiveness and applicability of a set of tools to catalyze the construction of transit-oriented affordable rental housing units on a much wider scale in the Metro Vancouver region; market and low-end of market rental housing will both be within the scope of work. These tools are intended to target ways to address both the land and construction cost components of development. The table below lists the tools proposed for analysis (refer to Appendix 1 to this report for scoping details).

Land Cost Research Stream	Construction Cost Research Stream
<ul style="list-style-type: none"> • Transit-oriented inclusionary housing policies • Surplus lands and developable airspace in transit-oriented locations • Density bonus for market and affordable rental housing • Regional land trust 	<ul style="list-style-type: none"> • Regional revolving loan funds • Construction tax incentives • Property tax reductions for affordable rental housing • Construction technology and regulations • Parking supply requirements (informed by Regional Parking Study)

Phase 2 of the TOAH study also provides an opportunity to update the 10-year regional affordable housing supply gap estimates identified by Phase I of TOAH, work primarily undertaken by the BCNPHA. That work identified a gap of 24,000 to 28,000 units affordable to households earning less than \$50,000 per year, but was undertaken prior to the National Housing Strategy and the City of Vancouver’s recent Housing Plan.

The TOAH study’s findings will be communicated widely to federal, provincial, and regional stakeholders. The study may also recommend a proposed implementation approach on tools deemed effective and viable, and the partnerships necessary to achieve successful outcomes.

STUDY TIMELINE

The Phase 2 TOAH timeline is as follows:

- Project Definition (January – May 2018)
- Research and Analytics (May – December 2018)
- Communications and Reporting Out (Q1 2019)

STUDY PARTNERSHIPS

Phase 1 of the TOAH study benefited from a successful partnership comprising Metro Vancouver, BC Housing, BCNPHA, TransLink, and Vancity. Discussions are underway with these partners to confirm their interest and role in Phase 2 of the study. Other potential partners may include the Canada Mortgage and Housing Corporation, Urban Development Institute, Real Estate Foundation of BC, and representatives from the Regional Planning Advisory Committee (RPAC) and/or the RPAC Housing Subcommittee.

CONSULTATION WITH MUNICIPAL PLANNING STAFF

Regional Planning staff consulted with municipal planners at RPAC and its Housing Subcommittee in February 2018 regarding the potential scope of Phase II of TOAH and received good feedback that although TOAH is focused on generating new housing supply, there should be explicit acknowledgement of the interactions of new supply on rental retention as well as the implications of redevelopment in terms of tenant displacement. In addition, municipal staff noted that reducing property taxes for certain land uses, such as rental housing, may conflict with municipal interests and initiatives.

NEXT STEPS

The Regional Planning Committee was the standing committee responsible for Phase 1 of the TOAH study as well as for other applied policy research seeking to integrate housing and transportation such as the Housing + Transportation Cost Burden Study. As such, staff is recommending that they continue to be responsible for Phase 2. However, the Housing Committee also has a significant interest in this work, and all staff updates and study findings will also go to the Housing Committee for information. Staff are meeting with TOAH Phase I partners to discuss opportunities for collaborative efforts going forward, and as noted below, staff will also be taking this proposal to the Climate Action Committee, responsible for the Sustainability Innovation Fund for MVRD, to seek a broadening in scope for approved funds currently slated to prepare a business case for a regional transit oriented affordable housing fund.

Staff is seeking input from the Regional Planning Committee on the proposed scope of TOAH Phase II as a response to the Board's direction to report back to the Committee on the applicability of tools identified in TOAH Phase I to the Metro Vancouver region.

ALTERNATIVES

This is an information report. No alternatives are presented.

FINANCIAL IMPLICATIONS

In 2016, staff received \$100,000 from the Metro Vancouver Sustainability Innovation Fund (SIF) to prepare a business case for a regional transit-oriented affordable housing loan fund. At the time, the intention was to transition to the work as soon as the TOAH study was completed. In light of the Phase 1 findings and direction from the Board, staff will be recommending an amendment to the SIF project to encompass the elements of the Phase 2 study; the regional loan fund concept is proposed to be within the scope of the Phase 2 study. An amended SIF project will likely encourage greater research sharing and participation from interested partners, including potential in-kind and funding contributions. Any scoping change amendments require the approval of the MVRD Board. Staff anticipates bringing forward a scope amendment recommendation report to the Climate Action Committee, which oversees the Sustainability Innovation Fund, in April 2018.

Regional Planning staff anticipate that consultant support will be required to assist with some of the research and policy development work. The detailed scope and resource requirements will be developed and refined as staff proceed with the consultation with key stakeholders. Staff will explore possible funding opportunities with study partners, as appropriate.

SUMMARY / CONCLUSION

Phase 2 of the Transit-Oriented Affordable Housing Study will advance information and knowledge to practitioners and decision-makers about the effectiveness and applicability of a set of tools to catalyze the construction of transit-oriented affordable rental housing units on a much wider scale in the Metro Vancouver region. The proposed tools are intended to consider addressing the construction and land cost components of development of this form of housing. It is anticipated that the study findings will be communicated widely to federal, provincial, and regional stakeholders, and may recommend a proposed implementation approach on tools deemed effective and viable.

Attachment

1. Transit-Oriented Affordable Housing Study Phase 2 – Draft Scoping Elements

References

1. Key Finding #5 in TOAH Presentation to Regional Planning Committee (November 3, 2017)
http://www.metrovancouver.org/boards/RegionalPlanning/RPL_2017-Nov-3_PPT.pdf
2. Transit-Oriented Affordable Housing Study Project Page
<http://www.metrovancouver.org/services/regional-planning/housing-affordability/transit-oriented/Pages/default.aspx>

Transit-Oriented Affordable Housing Study Phase 2 – Draft Scoping Elements

OBJECTIVES
<p><u>Study Objectives:</u></p> <ol style="list-style-type: none"> 1. Explore and evaluate the role, effectiveness, and applicability of a set of tools to catalyze the construction of transit-oriented affordable rental housing units on a much wider scale in the Metro Vancouver region. 2. Communicate the study findings to federal, provincial, and regional stakeholders. 3. Recommend a proposed implementation approach. <p><u>Desired outcomes:</u></p> <ol style="list-style-type: none"> 1. Improved understanding of new approaches and tools, their effectiveness, applicability, and scalability in the Metro Vancouver region. 2. Partner agencies are engaged throughout the study – public, private, and non-profit entities that could have important roles in the implementation of these tools. 3. More affordable rental housing units are likely to be constructed (and generate higher transit ridership) than would otherwise be without these tools. Note: market and low-end of market rental housing will both be within the scope of work.
TIMELINE AND MILESTONES
<ol style="list-style-type: none"> 1. <u>Project Definition (January – May 2018)</u> <ul style="list-style-type: none"> • Prepare project plan and receive sign-off • Prepare scope of work and receive sign-off • Establish project team • Establish partnerships • Consult/inform Regional Planning Advisory Committee and RPAC Housing Subcommittee (optional: Regional Transportation Advisory Committee) • Consult/inform Regional Planning Committee, Housing Committee, and Climate Action Committee 2. <u>Research and Analytics (May - December 2018)</u> <ul style="list-style-type: none"> • Retain consultants for research streams • Convene partners advisory group • Consult/inform RPAC and RPAC Housing Subcommittee • Consult/inform Regional Planning Committee and Housing Committee 3. <u>Communications and Reporting Out (Q1 2019)</u> <ul style="list-style-type: none"> • Prepare communications strategy and tactics • Communicate findings to Regional Planning Committee, Housing Committee, staff committees, and the MVRD Board. • Communicate findings to municipal partners, provincial and federal agencies, developers, and other stakeholders.

- Convene workshops and presentations with partners for regional housing, finance and transport stakeholders to raise awareness and knowledge, and to foster opportunities for partnerships.
- Host public events to communicate key findings.
- Other tasks to be determined.

4. **Optional: Pilot Implementation Initiatives (Q1-Q2 2019)**

- Where deemed appropriate by the MVRD Board and partner agencies, prepare implementation initiatives to advance these tools into practice as pilots.

RESEARCH STREAMS

Land Cost Research Stream

1. **Transit-oriented inclusionary housing policies:** best/current practices review (affordable housing targets; zoning for tenure and affordability levels), implications for land values and development pro formas, evaluation of effectiveness, and implementation options (e.g. enabling legislation for local governments).
Potential Deliverables: Information report, Implementation guidelines, advocacy
2. **Surplus lands and developable airspace in transit-oriented locations** (informed by TOAH Phase 1): mapping of lands under public and non-profit ownership in transit-oriented locations, best/current practices review of deploying surplus public and non-profit lands (including developable airspace) to support affordable rental housing, evaluation of effectiveness, and implementation options.
Potential Deliverables: Information report, Implementation guidelines, advocacy
3. **Density bonus for market and affordable rental housing:** best/current practices review and lessons learned in the region about number and types of housing built, and evaluation of effectiveness.
Potential Deliverables: Information report, Implementation guidelines
4. **Regional land trust:** best/current practices review and lessons learned, governance models, funding models, evaluation of effectiveness, and implementation options.
Potential Deliverables: Information report, Implementation guidelines, advocacy
5. **Integrating transportation and housing funding:** best/current practices review and lessons learned, opportunities and challenges, implementation options.
Potential Deliverables: Information report, advocacy

Construction Cost Research Stream

- 6. Regional transit-oriented affordable housing revolving loan funds:** business case development, complementarity with other loan programs, governance/administrative models, funding models, evaluation of effectiveness, and implementation options.

Potential Deliverables: Information report, Implementation guidelines, policy

- 7. Construction tax incentives:** best/current practices review of federal and provincial tax incentives, evaluation of effectiveness, and implementation options (e.g. advocacy).

Potential Deliverables: Information report, advocacy

- 8. Property tax reductions for affordable rental housing:** best/current practices review, implications for local government finance, evaluation of effectiveness.

Potential Deliverables: Information report, advocacy

- 9. Construction technology and regulations:** best/current practices review, emerging materials science and modular housing, supportive regulations, evaluation of effectiveness, and implementation options.

Potential Deliverables: Information report, advocacy

- 10. Parking supply requirements** (informed by Regional Parking Study): opportunities for residential parking supply reductions and implications for development pro formas, guidelines.

Potential Deliverables: Information report, Implementation guidelines, advocacy

Strategic Outlook Research Stream

- 11. Regional housing supply gap estimates and scenarios:** refine BCNPHA's estimates of 10-year affordable rental housing supply gap using latest development statistics and household income cut-offs, prepare scenarios based on implementation of new tools. The findings will inform municipal planning work, including rapid transit corridor planning.

Potential Deliverables: Information report

PARTNERSHIPS

Potential Phase 2 Partners (to be confirmed): Phase 1 partners plus potential for additional partners including the Canadian Mortgage and Housing Corporation, Urban Development Institute, Real Estate Foundation of BC, and/or representation from RPAC and/or the RPAC Housing Subcommittee

TOAH Phase 1 Partners: BC Housing, BC Non-Profit Housing Association, TransLink, and Vancity