



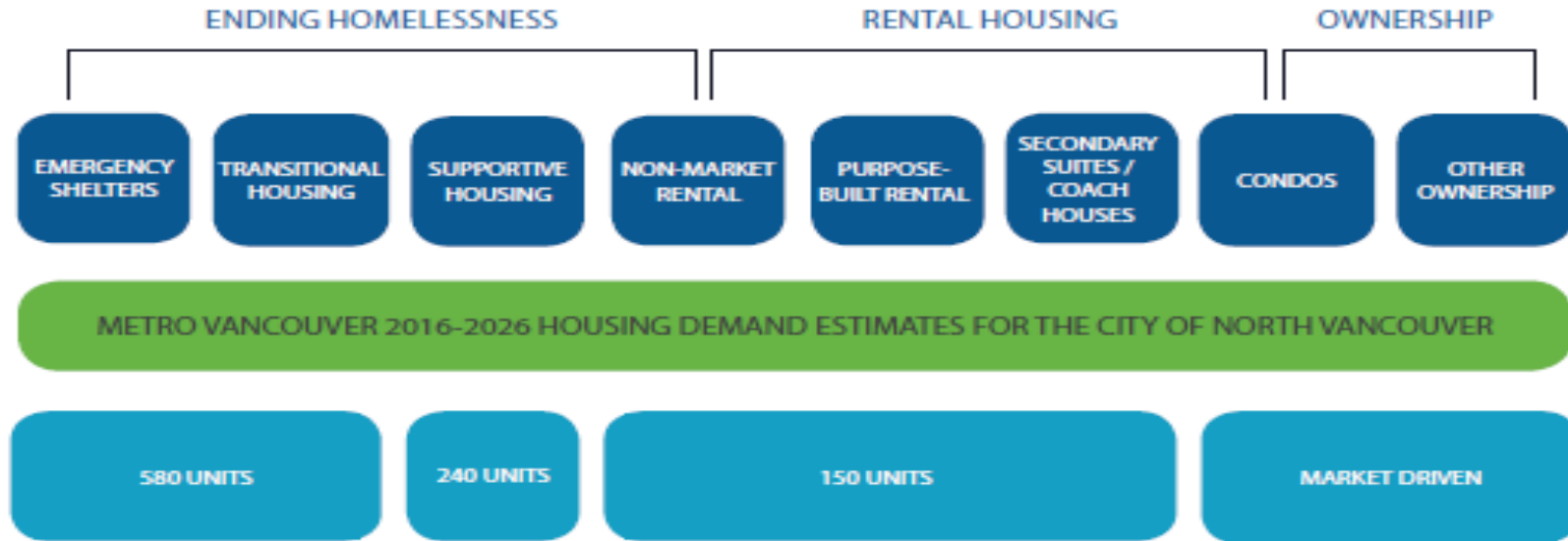
# Creating New Opportunities for Non-Profit Housing

Presented Housing Central 2016  
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# City of North Vancouver



# Housing Demand



# 1. City Land Sales

City properties sold to leverage senior government funding for non-market housing in 1950s to 1980s



## 2. City Land Leases

Council adopted policy in 1989 to lease City-owned properties where appropriate for non-market housing



# 2. Affordable Housing Reserve Fund

Reserve Fund established in 1989 to provide a source of funds to implement City's affordable housing objectives



# Case Study: Chesterfield House

- Joint purchase of existing 16-unit market rental building in 2007
  - City of North Vancouver (\$950,000)
  - BC Housing (\$950,000)
  - Marineview Housing Society (\$600,000)
- Supportive housing for individuals with mental illness (tenanted through turnover)
- City contribution from Affordable Housing Reserve Fund
- Rents set at provincial disability shelter allowance amount
- Residents referred by VCH



# Case Study: Chesterfield House

- In 2008, site rezoned to permit infill building with 9 new units
- Cost of new building borne by partners on basis of the proportion of their shares (10/10/6)
- New units required to meet City's Adaptable Design Guidelines
- Parking relaxation
- New sprinkler system in entire building
- LiveSmartBC funding for energy upgrades
- City funded connection to district energy
- New building occupied in 2011





# 4. Density Bonus

Negotiated density bonuses was a tool given to municipalities in 1992 to enhance local government's ability to facilitate affordable housing



# Case Study: Kimpton

- 46-unit strata condominium + 6 non-market rental units
- Inclusion of affordable rental negotiated at time of rezoning
- City to retain ownership of non-market units
- Property owner wanted rental units reserved for essential workers (e.g. firefighters, police officers, hospital staff, etc.)
- Hollyburn Family Services Society selected through RFP to operate supportive housing for low income seniors who require social supports to maintain independence
- 1.075 FSR bonus provided



# Case Study: Onni Centreview

- Two condominium towers + office building development
- 10,000 sq. ft. secured for affordable housing
- 0.53 FSR density bonus (0.43 FSR bonus + 10,000 sq. ft. exclusion)
- Affordable housing space, with covenanted restrictions, placed on market for purchase through RFP
- Proceeds from sale go to Community Amenity Reserve Fund
- YWCA selected as operator
- 9 units for single mothers with children



# 5. Second Mortgage

In 2010, the City of North Vancouver piloted the use of a second mortgage in support of an affordable housing project



# Case Study: Vancouver Resource Society

- Initiated by staff to facilitate cluster care model of independent living
- VRS has delivered similar model in Vancouver and Burnaby
- In 2010, Council approved second mortgage to Vancouver Resource Society to purchase existing 28-unit rental apartment
- 4 to 6 units for high care persons with 24 hours on-site support and care
- Remainder rented at 20% below market for similar buildings in the area



# Case Study: Vancouver Resource Society

- Second mortgage conditions:
  - 5 year term
  - 4% interest rate
  - Full repayment after 5 years (could be extended by Council)
- Partnering Agreement required to provide assistance to an organization
- Covenant to secure affordability
- Council further provided \$300,000 from Affordable Housing Reserve Fund to offset anticipated operating shortfall in first 5 years
- Second mortgage fully repaid
- City collected over \$300,000 in interest

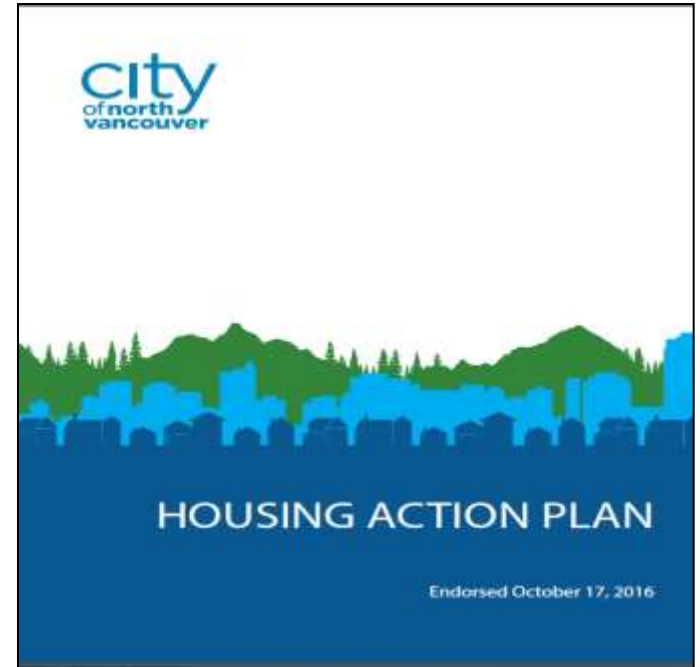
# Case Study: Vancouver Resource Society

- Criteria for eligibility
  - Non-profit must have sufficient real estate assets to carry a principle mortgage
  - Non-profit must have proven track record in successfully operating and managing rental housing properties
  - Proposed property purchase represents good value as defined by independent assessment
  - Assessment of property and financial stability and capacity of non-profit society is favourable
  - Non-profit meets the City's investigation of the society's fiscal prudence and its track record in operating and managing its properties

# 6. Next steps

Council endorsed new Housing Action Plan on October 2016:

- Utilize the Affordable Housing Reserve Fund to directly purchase strata units to resell/lease to non-profits at discounted price as non-market housing
- Non-Profit Housing Regeneration Policy to support preservation and expansion of non-market housing







Thank you.