

METRO VANCOUVER REGIONAL DISTRICT HOUSING COMMITTEE

MEETING

Friday, February 9, 2024

9:00 am

28th Floor Committee room, 4515 Central Boulevard, Burnaby, British Columbia

Webstream available at <https://www.metrovanancouver.org>

A G E N D A¹

A. ADOPTION OF THE AGENDA

1. February 9, 2024 Meeting Agenda

That the Housing Committee adopt the agenda for its meeting scheduled for February 9, 2024 as circulated.

B. ADOPTION OF THE MINUTES

1. January 12, 2024 Meeting Minutes

That the Housing Committee adopt the minutes of its meeting held January 12, 2024 as circulated.

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C. DELEGATIONS

D. INVITED PRESENTATIONS

E. REPORTS FROM COMMITTEE OR CHIEF ADMINISTRATIVE OFFICER

1. Approval of Borrowing Agreement Between MVHC and MVRD

That the MVHC Board approve the MVHC officers enter into an agreement with MVRD authorizing borrowing on behalf of MVHC from the Municipal Finance Authority (MFA) in order to provide funding for MVHC's Capital Programs.

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2. Manager's Report

That the Housing Committee receive for information the report dated January 26, 2024, titled "Manager's Report".

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F. INFORMATION ITEMS

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

G. OTHER BUSINESS

H. RESOLUTION TO CLOSE MEETING

Note: The Committee must state by resolution the basis under section 90 of the Community Charter on which the meeting is being closed. If a member wishes to add an item, the basis must be included below.

That the Housing Committee close its meeting scheduled for February 9, 2024 pursuant to section 226 (1) (a) of the *Local Government Act* and the *Community Charter* provisions as follows:

- 90 (1) A part of a council 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 council considers that disclosure could reasonably be expected to harm the interests of the municipality.

I. ADJOURNMENT

That the Housing Committee adjourn its meeting of February 9, 2024.

Membership:

Ruimy, Dan (C) – Maple Ridge
Locke, Brenda (VC) – Surrey
Buchanan, Linda –North Vancouver City
Ferguson, Steve – Langley Township

Hepner, Gordon – Surrey
Kruger, Dylan – Delta
McNulty, Bill – Richmond
Meiszner, Peter – Vancouver

Pollock, Glenn – Port Coquitlam
Tetrault, Daniel – Burnaby
Towner, Teri – Coquitlam

**METRO VANCOUVER REGIONAL DISTRICT
HOUSING COMMITTEE**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Housing Committee held at 9:00 am on Friday, January 12, 2024 in the 28th Floor Committee Room, 4515 Central Boulevard, Burnaby, British Columbia.

MEMBERS PRESENT:

Chair, Mayor Dan Ruimy, Maple Ridge
Vice Chair, Mayor Brenda Locke, Surrey*
Mayor Linda Buchanan, North Vancouver City*
Councillor Steve Ferguson, Langley Township*
Councillor Gordon Hepner, Surrey
Councillor Dylan Kruger, Delta* (arrived at 9:23 am; departed at 10:26 am)
Councillor Bill McNulty, Richmond
Councillor Peter Meiszner, Vancouver
Councillor Glenn Pollock, Port Coquitlam*
Councillor Daniel Tetrault, Burnaby
Councillor Teri Towner, Coquitlam*

MEMBERS ABSENT:

None

STAFF PRESENT:

Heather McNell, Deputy Chief Administrative Officer, Policy and Planning
Catherine Grosson, Legislative Services Coordinator, Board and Information Services

A. ADOPTION OF THE AGENDA

1. January 12, 2024 Meeting Agenda

It was MOVED and SECONDED

That the Housing Committee:

- a) amend the agenda for its open meeting scheduled for January 12, 2024 to consider Item H before Item B; and
- b) adopt the agenda for its open meeting scheduled for January 12, 2024 as revised.

CARRIED

*denotes electronic meeting participation as authorized by the *Procedure Bylaw*

Pursuant to item A.1 of the agenda, members considered a resolution to close the meeting at this point.

H. RESOLUTION TO CLOSE MEETING

It was MOVED and SECONDED

That the Housing Committee close its meeting scheduled for January 12, 2024 pursuant to section 226 (1) (a) of the *Local Government Act* and the *Community Charter* provisions as follows:

- 90 (1) A part of a council 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 council considers that disclosure could reasonably be expected to harm the interests of the municipality.

CARRIED

Recess

It was MOVED and SECONDED

That the Housing Committee recess its open meeting scheduled for January 12, 2024.

CARRIED

(Time: 9:01 am)

Reconvene

The Housing Committee reconvened its meeting of January 12, 2024 at 9:23 am. Councillor Kruger joined the meeting during the recess.

Agenda Order Resumed

The order of the agenda resumed with item B.1 before the committee.

B. ADOPTION OF THE MINUTES

1. October 13, 2023 Meeting Minutes

It was MOVED and SECONDED

That the Housing Committee adopt the minutes of its meeting held October 13, 2023 as circulated.

CARRIED

C. DELEGATIONS

No items presented.

D. INVITED PRESENTATIONS

No items presented.

E. REPORTS FROM COMMITTEE OR CHIEF ADMINISTRATIVE OFFICER

1. 2024 Housing Committee Meeting Schedule and Work Plan

Report dated January 2, 2024 from Michael Epp, Director, Housing Planning and Development, Metro Vancouver Housing, providing the Housing Committee with the 2024 Work Plan, Terms of Reference, and Annual Meeting Schedule.

Michael Epp, Director, Housing Planning and Development, Metro Vancouver Housing, provided members with a presentation titled “2024 Housing Committee Orientation & Work Plan”.

It was MOVED and SECONDED

That the Housing Committee:

- a) receive for information the Housing Committee Terms of Reference and the 2024 Annual Meeting Schedule, as presented in the report dated January 2, 2024, titled “2024 Housing Committee Meeting Schedule and Work Plan”; and
- b) endorse the 2024 Work Plan, as presented in the report dated January 2, 2024, titled “2024 Housing Committee Meeting Schedule and Work Plan”.

CARRIED

2. Renewal of MVRD Internal Financing of MVHC Mortgages

Report dated December 8, 2023 from Linda Sabatini, Director Financial Operations, seeking MVRD Board approval to continue providing first mortgage financing for the Manor House, Regal Place Hotel, Cedarwood Place and Crown Manor properties. All of these properties are owned by the MVHC.

9:32 am Councillor Kruger left the meeting.

It was MOVED and SECONDED

That the MVHC/MVRD Boards:

- a) approve the MVRD continuing to provide first mortgage financing on four MVHC properties (Manor House, Regal Place Hotel, Cedarwood Place and Crown Manor). The mortgages will be for another five-year term, and will have a variable interest rate based upon Metro Vancouver’s internal rate of return on investments; and
- b) direct the Corporate Officer to publish in the newspaper, pursuant to requirements of Section 272 of the Local Government Act, Metro Vancouver’s intention to lend money to the MVHC.

CARRIED

3. The Steller (Southwynde Ave) Affordable Housing Development – Project Budget Update

Report dated December 21, 2023 from Lori Gray, Housing Construction Manager, Metro Vancouver Housing, seeking MVHC Board approval for an increased project budget, construction financing and mortgage, and an MVHC equity contribution, for The Steller affordable housing project located in Burnaby.

9:43 am Councillor Kruger rejoined the meeting.

It was MOVED and SECONDED

That the MVHC Board:

- a) approve the updated project budget of \$93.9M based on Class C cost estimates for Metro Vancouver Housing's The Steller affordable housing project; and
- b) authorize project construction financing and take-out mortgage of up to \$26.6M and a contribution from MVHC development reserves of up to \$22.5M to fund the design and construction of Metro Vancouver Housing's The Steller affordable housing project.

CARRIED

4. The Connection (Eastburn Square) Affordable Housing Development – Project Budget Update

Report dated December 22, 2023 from Lori Gray, Housing Construction Manager, Metro Vancouver Housing, seeking MVHC Board approval for an increased project budget, construction financing and mortgage, and an MVHC equity contribution, for the Connection affordable housing project located in Burnaby.

10:26 am Councillor Kruger departed the meeting.

It was MOVED and SECONDED

That the MVHC Board:

- a) approve the updated project budget of \$120.8M, based on Class B cost estimates, for Metro Vancouver Housing's The Connection affordable housing project; and
- b) authorize project construction financing and take-out mortgage of up to \$43.5M and a contribution from MVHC development reserves of up to \$17.0M to fund the design and construction of Metro Vancouver Housing's The Connection affordable housing project.

CARRIED

5. Municipal Measures to Reduce Non-Market Housing Development Costs and Approval Timelines – Engagement Update

Report dated December 4, 2023 from Jessica Hayes, Acting Program Manager, Housing Policy and Planning Metro Vancouver Housing, updating the Housing Committee on efforts undertaken to engage with member jurisdictions and to identify municipal measures to reduce the cost and time to deliver affordable non-market housing, including Metro Vancouver Housing projects.

It was MOVED and SECONDED

That the Housing Committee receive for information the report dated December 4, 2023, titled “Municipal Measures to Reduce Non-Market Housing Development Costs and Approval Timelines – Engagement Update”.

CARRIED

6. Manager’s Report

Report dated January 2, 2024 from Heather McNell, Deputy Chief Administrative Officer, Policy and Planning providing an update on upcoming standing committee events, the Government of Canada Fall Economic Statement, Rent-Geared-to-Income tenancies, vacancy report, development projects, rehabilitation and capital renewal projects, housing operations, and tenant programs and services.

Xanthi Dimitropoulos, Community Development Coordinator, Metro Vancouver Housing, provided members with a presentation titled “2023 Tenant Programs & Services Update”.

It was MOVED and SECONDED

That the Housing Committee receive for information the report dated January 2, 2024, titled “Manager’s Report”.

CARRIED

F. INFORMATION ITEMS

1. Tree Management on Metro Vancouver Lands – Revised Board Policy

Report dated October 13, 2024 from David Leavers, Division Manager, Regional Parks, Visitor & Operations Services, and Mike Mayers, Division Manager, Water Services, Watershed Operations & Protection, presented to the Finance Committee at its meeting of September 14, 2023, providing the revised *Tree Management on Metro Vancouver Lands Policy*.

It was MOVED and SECONDED

That the Housing Committee receive for information the report dated October 13, 2023, titled “Tree Management on Metro Vancouver Lands – Revised Board Policy”.

CARRIED

G. OTHER BUSINESS

No items presented.

I. ADJOURNMENT OR CONCLUSION

It was MOVED and SECONDED

That the Housing Committee adjourn its meeting of January 12, 2024.

CARRIED

(Time: 10:51 am)

Catherine Grosson,
Legislative Services Coordinator

Dan Ruimy,
Chair

65155605 FINAL

To: Housing Committee

From: Linda Sabatini, Director, Financial Operations, Financial Services

Date: January 25, 2024

Meeting Date: February 9, 2024

Subject: **Approval of Borrowing Agreement Between MVHC and MVRD**

RECOMMENDATION

That the MVHC Board approve the MVHC officers enter into an agreement with MVRD authorizing borrowing on behalf of MVHC from the Municipal Finance Authority (*MFA*) in order to provide funding for MVHC's Capital Programs.

EXECUTIVE SUMMARY

The MVHC Board approved a financial strategy about two years ago to utilize borrowing for major rehabilitation and retrofit projects to front end the program and take advantage of currently available grants. MVHC is seeking to borrow from the Municipal Finance Authority (*MFA*), through MVRD, an amount up to \$70 million over the next five years, to fund required and Board approved building envelope repairs, and deep retrofits to reduce greenhouse gas emissions and improve energy efficiency at several of its housing complexes.

Pursuant to Section 179 of the *Community Charter* of British Columbia, under agreement and through an adopted loan authorization bylaw, MVRD may lend to the Metro Vancouver Housing Corporation (MVHC), for the purpose of providing public housing. Approval by the MVHC Board to enter into an agreement with MVRD is the first step in the MFA borrowing process for MVHC.

The next step in the borrowing process is for MVRD to adopt a *Loan Authorization Bylaw*, to provide the authority for MVRD to borrow from MFA on behalf of MVHC. Adoption of the bylaw requires approval from the MVRD Board, the Inspector of Municipalities, as well as receive electoral assent. Pending approval of this report, the approval of the bylaw will be presented to the MVRD Board through the Finance Committee in March 2024.

PURPOSE

To approve entering into an agreement with MVRD, authorizing the borrowing on behalf of MVHC from the MFA in order to fund MVHC's anticipated capital requirements as defined in the MVHC's approved budget.

BACKGROUND

Pursuant to the powers granted under 179 (1) of the *Community Charter* of British Columbia (the "Act"), Metro Vancouver Regional District ("MVRD"), through an approved agreement and an adopted loan authorization bylaw, may lend to any person or public authority, under agreement, for the purpose of providing financing to a public authority. Under the Act, a public authority includes a corporation that is owned by a regional district. MVHC is a corporation that is wholly owned corporation by MVRD for the purpose of providing public housing. Therefore, through an

approved agreement and an adopted loan authorization bylaw, MVRD may borrow funds on behalf of MVHC. As with the utilities (GVWD and GVS&DD) and member jurisdictions, this debt would be the debt of the MVRD to the MFA, and as such, it would also be a joint and several liability to the District's members.

The process for MVHC to borrow from MFA through MVRD, starts with an approved loan agreement between MVRD and MVHC. Once this agreement is approved, MVRD will require the adoption of a loan authorization bylaw, approved by the MVRD Board and the Inspector of Municipalities, as well as electoral assent. Upon approval of the loan agreement by the MVHC Board, approval of the agreement and loan authorization bylaw will be presented to the MVRD Board in March 2024.

The proposed loan agreement between MVRD and MVHC is included as Attachment No.1 to this report.

MVHC BORROWING

Several Metro Vancouver Housing projects require substantial building envelope repairs. MVHC has secured several significant grants from other levels of government to complete the repair work and assist in meeting the *Metro Vancouver Housing 10-Year Housing Plan* targets for greenhouse gas reductions. Additional grants and funds are being sought to support the project from available funding sources. Costs not covered by grants would be funded through MVHC's budget, with a strategy of borrowing in the short term to expedite the work in order to take advantage of granting opportunities. MFA borrowing provides an alternative for MVHC and is less expensive than commercial lending institutions. The current long-term rate with MFA is 4.3% versus a loan from a financial institution at 7.2%.

The proposed borrowing of \$70 million for MVHC through MFA is identified in MVHC's capital plan. Debt servicing costs are included in the annual operating budget. The authority of the loan agreement and the adoption of the loan authorization bylaw would allow the MVHC, to finance rehabilitation projects at a number of existing properties, including Strathearn Court, Somerset Gardens, Minato West, Manor House and Le Chateau Place.

ALTERNATIVES

1. That the MVHC Board approve the MVHC officers enter into an agreement with MVRD authorizing borrowing on behalf of MVHC from the Municipal Finance Authority (MFA) in order to provide funding for MVHC's Capital Maintenance and Development programs.
2. That the MVHC Board receive the report titled "*Authorization to Enter into an Agreement for MFA Financing from MVRD*" and dated January 25, 2024 and provide staff with direction on the delivery and financing of the MVHC capital programs.

FINANCIAL IMPLICATIONS

Under Alternative 1, which is recommended, MVRD can begin the bylaw process to allow MVHC to borrow from MFA through the MVRD. MFA borrowing provides an alternative for MVHC and is less expensive than commercial lending institutions. The current long-term rate with MFA is 4.3% versus a loan from a financial institution at 7.2%. Financing the necessary rehabilitation work will ensure necessary

repairs are performed and the investment in the properties is maintained. Should this authority be reduced or not granted, the ability to make necessary repairs in a timely manner would be constrained which may have a negative financial impact and would reduce the ability to take advantage of a favorable environment for grants.

CONCLUSION

This report seeks approval for MVHC to enter into a loan agreement with MVRD to borrow from MFA, will provide MVHC with an affordable financing option and allow MVHC to move forward on scheduled capital projects.

ATTACHMENTS

1. "Loan Agreement between MVRD and MVHC", dated, Month Day, Year.

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BORROWING AGREEMENT

THIS AGREEMENT is dated [insert date] (the “Effective Date”).

BETWEEN:

METRO VANCOUVER REGIONAL DISTRICT, a regional District pursuant to the *Local Government Act* (British Columbia), having an office at 4515 Central Boulevard, Burnaby, BC, V5H 0C6

(“**Metro Vancouver**”)

AND:

METRO VANCOUVER HOUSING CORPORATION, a body incorporated under the *Business Corporations Act* (British Columbia), having an office at 4515 Central Boulevard, Burnaby, BC, V5H 0C6

(the “**Corporation**”)

(each a “**Party**” and together, the “**Parties**”)

WHEREAS:

- A. The Corporation has requested that Metro Vancouver access temporary or long-term financing on the Corporation’s behalf, from time to time;
- B. Metro Vancouver is authorized by Supplementary Letters Patent issued January 18, 1971 to provide the function of Division IV- Public Housing and under Supplementary Letters Patent issued April 30, 1974, to cause to be incorporated one or more corporations for this purpose and to invest, expend on and lent to one or more such corporations such moneys as it deemed necessary;
- C. Metro Vancouver caused to be incorporated the Metro Vancouver Housing Corporation for the purpose of providing public housing;
- D. Pursuant to section 179 (1) of the *Community Charter of British Columbia* (the “**Charter**”), Metro Vancouver, through a loan authorization bylaw, may incur a liability by borrowing for the purpose of lending to any person or public authority, under an agreement, subject to certain conditions;
- E. Pursuant to the Charter, the Corporation is a public authority;
- F. Pursuant to section 409 of the *Local Government Act*, Metro Vancouver, by bylaw, may temporarily borrow money not exceeding the difference between the total amount authorized in the loan authorization bylaw and the amount already borrowed in relation to that bylaw; and
- G. Pursuant to Section 179 (1)(b) of the Charter, the Parties wish to enter into this Agreement relating to the costs of any borrowing undertaken by Metro Vancouver on behalf of the Corporation, and other matters related to lending to the Corporation.

THE PARTIES agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

- (a) **“Borrowing Costs”** means all fees, costs and expenses incurred by Metro Vancouver in connection with a Borrowing Request, including:
 - (i) the principal amount advanced from time to time and remaining outstanding under each Loan, together with the interest thereon as and at the rate contemplated in the terms of the relevant Loan;
 - (ii) any other fees, payments, or penalties related to each Loan;
 - (iii) legal and other professional fees;
 - (iv) administrative costs; and
 - (v) all other expenses of any kind.
- (b) **“Borrowing Request”** means a request made by the Corporation to Metro Vancouver by way of an approved Board resolution from the Corporation to request that Metro Vancouver provide a certain maximum amount of financing to the Corporation by undertaking borrowing on the Corporation’s behalf.
- (c) **“Charter”** has the meaning given to such term in Recital D of the above preamble.
- (d) **“Lender”** means the Municipal Finance Authority of British Columbia, from which Metro Vancouver may borrow funds in order to provide financing for the Corporation.
- (e) **“Loan”** means a loan agreement and any related instruments (including promissory notes) entered into between Metro Vancouver and the Lender, pursuant to which Metro Vancouver will borrow funds from the Lender on behalf of the Corporation in connection with a Borrowing Request; **“Term”** has the meaning given in Section 3.1.

1.2 In the interpretation of this Agreement:

- (a) words importing the singular include the plural and vice versa, and words importing persons include individuals and entities;
- (b) the words “include” and “including” are to be construed as meaning “including, without limitation”;
- (c) schedules referenced in and attached to this Agreement form part of this Agreement; and
- (d) the division of this Agreement into sections and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of the Agreement.

2. BORROWING COSTS

2.1 In connection with each Borrowing Request made by the Corporation, the Corporation will:

- (a) reimburse Metro Vancouver for all Borrowing Costs incurred by Metro Vancouver in connection with such Borrowing Request, in accordance with the terms of this Agreement; and

2.2 For clarity, with respect to the Borrowing Costs relating to each Loan:

- (a) the Corporation will pay to Metro Vancouver the amount of all interest payments due under the Loan, at the rate and in accordance with the payment schedule set out in the terms of the Loan;
- (b) the Corporation will pay to Metro Vancouver the principal amount of the Loan in accordance with the maturity date and payment schedule set out in the terms of the Loan;
- (c) the Corporation may prepay all or any portion of the principal amount owing under the Loan at any time without notice, bonus or penalty; and
- (d) all advances by Metro Vancouver to the Corporation under the Loan, and all repayments of principal and interest thereof by the Corporation, will be recorded in an electronic record maintained by Metro Vancouver, which such electronic record will (absent manifest error) constitute conclusive evidence of the principal and interest owing by the Corporation to Metro Vancouver under the Loan from time to time.

2.3 For all other Borrowing Costs, Metro Vancouver will advise the Corporation of the amounts owing and the required payment date.

2.4 Payments for the Borrowing Costs may be provided by the Corporation to Metro Vancouver by way of financial entries recorded in Metro Vancouver's corporate finance system, or by any other payment method mutually agreed upon by the Parties.

3. TERM AND TERMINATION

3.1 The term of this Agreement will commence on the Effective Date and continue indefinitely until terminated by either Party in accordance with this Agreement (the "**Term**").

3.2 Without prejudice to its other rights and remedies at law, either Party may terminate this Agreement:

- (a) for any reason, upon providing the other Party with 30 days' prior written notice; or
- (b) if the other Party commits a breach of any of the terms of this Agreement which is irreparable, or which breach (if repairable) is not remedied by the other Party within 10 days after the service of written notice by the non-breaching Party requiring the remedy.

3.3 Upon termination of this Agreement:

- (a) Metro Vancouver will cease to provide any further financing with respect to any Borrowing Request;
 - (b) the Parties will determine whether any outstanding Loan should be terminated, to the extent possible under the terms of such Loan; and
 - (c) the Corporation must reimburse Metro Vancouver for all Borrowing Costs incurred or committed to prior to the termination date, including all amounts required in connection with any outstanding Loan entered into prior to the termination date.
- 3.4 Notwithstanding any term of the Agreement to the contrary, the provisions hereof requiring performance or fulfilment after the expiry or termination of this Agreement will survive such termination.

4. GENERAL PROVISIONS

- 4.1 *Entire Agreement.* This Agreement contains the entire agreement and understanding of the Parties with respect to the matters contemplated herein, and supersedes all prior and contemporaneous agreements between the Parties with respect to such matters.
- 4.2 *Notices.* All notices under this Agreement will be in writing, and will be given to and received by the addressee on the day when it is delivered, by hand, courier, email, or registered mail, at the addresses of the Parties on the first page, or to such other address as may be otherwise designated by a Party.
- 4.3 *Further Assurances.* Each Party will from time to time execute and deliver all such further documents and instruments and do all acts and things as the other Party may reasonably require to give effect to this Agreement.
- 4.4 *Waiver.* The waiver by a Party of any failure on the part of the other Party to perform in accordance with any of the terms of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.
- 4.5 *Third Party Rights.* Nothing in this Agreement will be construed to give any rights or benefits to anyone other than the Parties.
- 4.6 *Governing Law and Jurisdiction.* This Agreement is governed by and will be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, and the Parties attorn to the exclusive jurisdiction of the courts of British Columbia.
- 4.7 *Counterparts and Electronic Delivery.* This Agreement may be executed electronically and in counterparts, and an executed signature page may be delivered by a Party by electronic transmission.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the Effective Date.

**METRO VANCOUVER REGIONAL
CORPORATION**

by its authorized signatories

Jerry W. Dobrovolny, P.Eng, MBA
Chief Administrative Officer

Harji Varn
Chief Financial Officer

METRO VANCOUVER HOUSING CORPORATION

by its authorized signatories

Jerry W. Dobrovolny, P.Eng, MBA
Commissioner

Harji Varn
Chief Financial Officer

To: Housing Committee

From: Heather McNell, Deputy Chief Administrative Officer, Policy and Planning

Date: January 26, 2024

Meeting Date: February 9, 2024

Subject: **Manager's Report**

RECOMMENDATION

That the Housing Committee receive for information the report dated January 26, 2024, titled "Manager's Report".

HOUSING COMMITTEE 2024 WORK PLAN

The Housing Committee's Work Plan for 2024 is attached to this report (Attachment 1). The status of work program elements is indicated as pending, in progress, ongoing or complete. The listing is updated as needed to include new issues that arise, items requested by the Committee, and changes to the schedule.

METRO VANCOUVER HOUSING KEY CONCEPTS / TERMS

Given the appointment of new members to the Housing Committee in 2024, key concepts and terms related to Metro Vancouver Housing's (MVH) 10-Year Targets and mixed-income model are included below. As outlined in the *Metro Vancouver Housing 10-Year Plan*, MVH's portfolio-wide affordability target is to maintain at least 30% of the portfolio as **Rent-Geared-to-Income** units, where rent does not exceed 30% of the tenant's gross household income and there are household income limits to qualify. The remaining units are designated as **Low-End-of-Market**, priced approximately 10% to 20% below market rental rates.

By integrating a range of housing types, incomes, ages, abilities, and families, Metro Vancouver Housing (MVH) supports healthy, inclusive communities and provide flexibility to meet a variety of needs. This affordability model ensures that all housing offers some level of affordability and allows MVH to operate at no cost to the taxpayer. As well, this mixed-income model supports MVH's operations and helps MVH to be mostly self-sustaining. Tenant rents are used to pay for operating costs, including ongoing maintenance and capital maintenance and renewal. The remaining surplus is transferred into a Housing Reserve Fund which is reinvested back into housing. The following offers a summary of key concepts/terms for Metro Vancouver Housing:

- **Rent-Geared-to-Income (RGI)** refers to a type of subsidized housing where rent is calculated based on the tenant's income, also referred to as subsidy and/or rental assistance. For Metro Vancouver Housing, RGI rates are set to 30% of a tenant's gross annual household income, before taxes.
- **Housing Income Limits (HILs)** refers to BC Housing's maximum gross household income limits, established annually by the Canada Mortgage and Housing Corporation (CMHC). For Metro

Vancouver Housing, these income limits represent the maximum annual household income threshold, before taxes, for Rent-Geared-to-Income tenants.

- Currently, these figures are \$58,000 for units with 1 bedroom or less, \$72,000 for units with 2 bedrooms, \$86,000 for units with 3 bedrooms, and \$107,500 for units with 4 bedrooms.
- **Low-End-of-Market (LEM)** refers to a type of subsidized housing where rent is calculated based rental market conditions. For Metro Vancouver Housing, LEM rates are generally set between 10%-20% below true market rental rates for comparable buildings (e.g. similar area, building age, and amenities).
- **Low and Moderate Income Limits** refers to gross household income limits that do not exceed the median income in BC, as determined by BC Housing from time to time. Income limits are distinguished for households with and without children. For Metro Vancouver Housing, these income limits represent the maximum annual household income threshold, before taxes, for Low-End-of-Market applicants;
 - For 2024, this figure is \$84,780 for residential units with less than 2 bedrooms, and \$134,140 for residential units with two (2) or more bedrooms.

CONSTRUCTION COST ESTIMATES – CLASS D-A

Construction cost estimates, Class D through Class A, are provided by a qualified estimator called a Quantity Surveyor (QS). MVH engages professional QS services to provide cost estimates at pre-determined phases or levels of completion in a project.

Class D: Initial broad concept approach

Class C: Construction Documents ~35% complete. Development Permit submission.

Class B: Construction Documents ~65% complete.

Class A: Construction Documents ~100% complete. Construction Documents ready for Construction Tender.

BC Housing requires an additional Class B estimate (two in total) on all projects. A Class B estimate can be performed anywhere between 50-95% completion of Construction Documents. MVH's contract for QS services requires that the Consultants have documents ready to 65% completion for the QS Class B estimate to be conducted so that project costs can be compared at similar levels of completion.

CITY OF BURNABY APPROVED GRANT FUNDING FOR THE CONNECTION AND THE STELLER

On January 29, 2024, The City of Burnaby approved a grant of \$3,600,000 for The Connection and \$2,200,000 for The Steller, to support capital costs for the development of new non-market housing for both projects. In 2021, MVH secured funding of \$8,457,000 for The Connection and \$6,125,000 for The Steller from the City Burnaby to support the level of affordability for the two development. Collectively, MVH has successfully secured a total commitment of \$20,382,000 from The City of Burnaby to facilitate the development of these two projects.

Additionally, Staff has secured funding from CMHC's Seed Funding program, BC Housing and The Ministry of Children and Family Development, and will be pursuing additional financing and grants from CMHC and other funding partners to support the successful delivery of the two projects.

Project	Approved City Grant for Affordability	Approved City Grant for Capital Costs	Total Approved City Grant
The Connection	\$8,457,000	\$3,600,000	\$12,057,000
The Steller	\$6,125,000	\$2,200,000	\$8,325,000

ATTACHMENTS

1. Housing Committee 2024 Work Plan
2. "Metro Vancouver Housing Cost Estimating and Stage Gate Approvals" presentation, dated, February 3, 2023
3. Winter 2024 Tenant Newsletter
4. Presentation re: Tranche 1 Project Affordability

REFERENCES

1. [Metro Vancouver Housing Tenant Selection Policy](#)
2. [2023 Housing Income Limits \(HILS\) - Effective January 1, 2023 \(bchousing.org\)](#)
3. [Glossary | BC Housing](#)

65392639

Housing Committee 2024 Work Plan

Report Date: January 23, 2024

Priorities

1st Quarter	Status
Housing Committee 2024 Work Plan Adoption	Complete
MVH 10-Year Plan: Phase Two Implementation Plan (2025-2030): Project Scope	Pending
MVHC Subsidy Program – Update	Complete
Tenant Programs & Services – Update	Complete
Capital Rehabilitation Projects – Update	Complete
Capital Development & Redevelopment Projects – Update	Complete
2nd Quarter	Status
MVHC Subsidy Program – Update	Pending
Tenant Programs & Services – Update	Pending
Capital Rehabilitation Projects – Update	Pending
Capital Development & Redevelopment Projects – Update	Pending
3rd Quarter	Status
MVHC Subsidy Program – Update	Pending
Tenant Programs & Services – Update	Pending
Capital Rehabilitation Projects – Update	Pending
Capital Development & Redevelopment Projects – Update	Pending
4th Quarter	Status
MVH 10-Year Plan: Phase Two Implementation Plan (2025-2030) – Update	Pending
2025 Budget and 5-year Financial Plan – Approve	Pending
MVHC Subsidy Program – Update	Pending
Tenant Programs & Services – Update	Pending
Capital Rehabilitation Projects – Update	Pending
Capital Development & Redevelopment Projects – Update	Pending

ATTACHMENT 2



5.1

Heather Place B - Concept

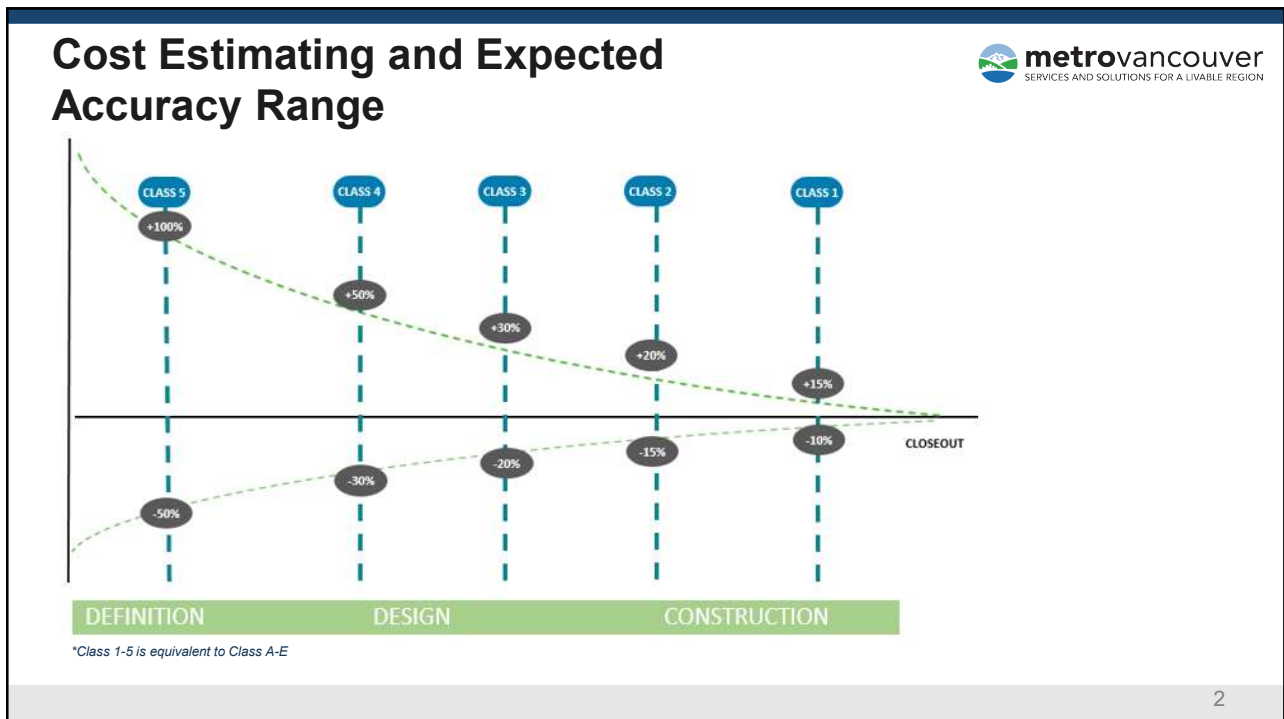
MVH Cost Estimating and Stage Gate Approvals

DEVELOPMENT PROJECTS

Jade Hume, P.Eng., PMP
Division Manager, Capital Maintenance and Development
Metro Vancouver Housing

Housing Committee, February 3rd, 2023

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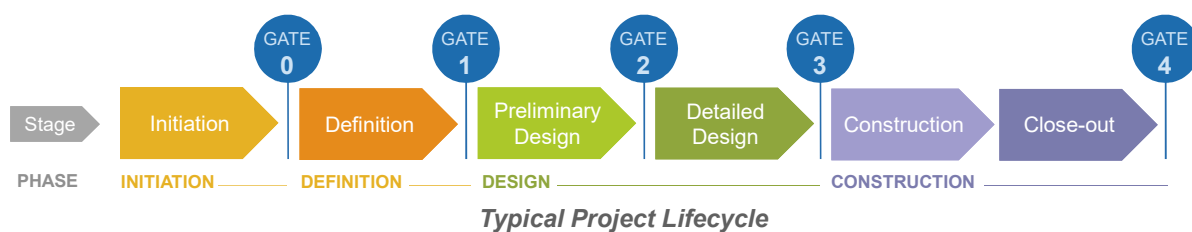
Cost Categorization



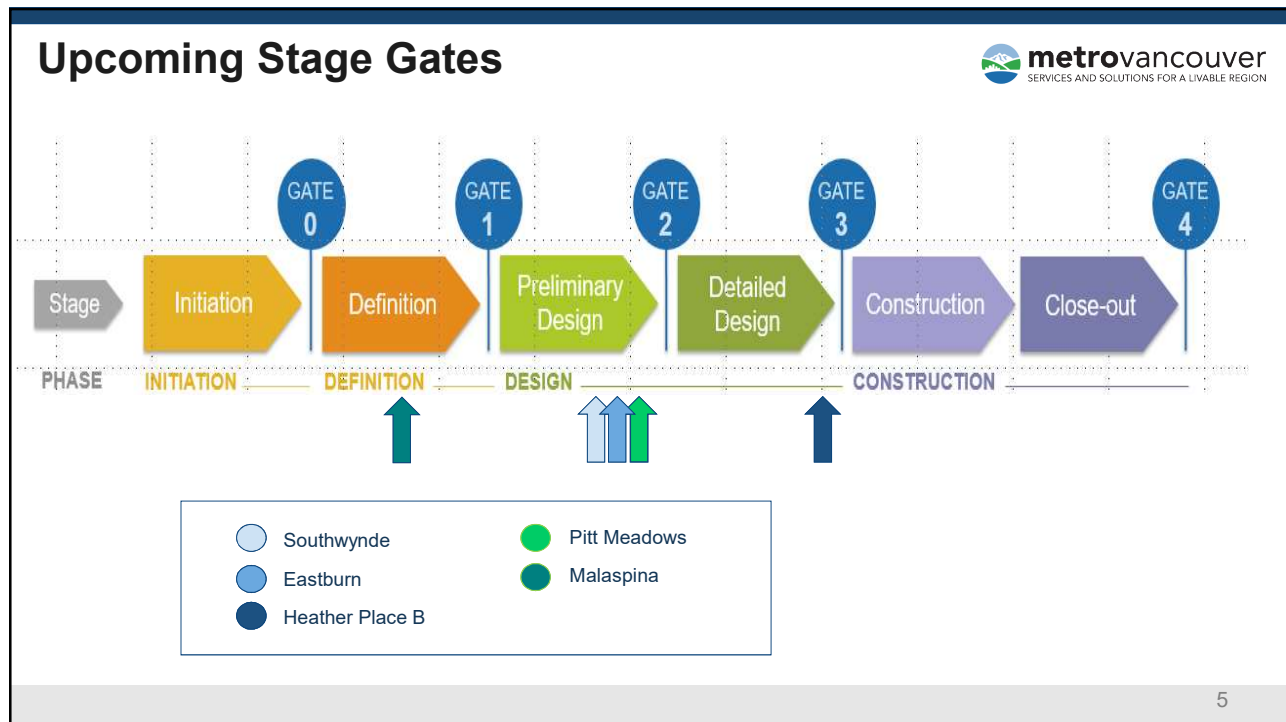
3

Metro Vancouver Capital Projects Stage Gates

The Stage Gate Framework is a complete, **structured and transparent process for review and oversight of project key deliverables at each stage of a project lifecycle**. It includes key milestones at which certain project-specific requirements need to be met before receiving approval to progress to the next stage.



4



Tenant Newsletter

Winter 2024

ENGAGING COMMUNITY



Celebrating the People of Metro Vancouver Housing

Building inclusive, healthy, and engaged communities is a priority for Metro Vancouver Housing. Follow along as we tell the stories of people who live and work in our community.

Nella, Tenant

"What does community mean to me? Well, it's an opportunity to get together and share an experience. Whether it's doing some crafts, working together, or going out shopping. I do a lot of crocheting and knitting. I do a lot of baking – I'm good at that. I help older people, like my mom and neighbour. It's important, you know, to be there for each other in good and bad times."



Get Ready for Pink Shirt Day 2024

Our **2023 Pink Shirt Day** pop up event was a big success, so we will hold it again in 2024! Join us in spreading kindness and inclusion, while supporting anti-bullying initiatives.

Look for announcements on site, with events set for **February 21** at Guildford Glen, **February 22** at Greystone Village, **February 26** at Tivoli Gardens, and **February 27** at Minato West.

Youth Volunteering Opportunity

Calling all youth activists! Earn service hours while making an impact in your community. Join our volunteer team to connect with neighbours, gain valuable skills, and make positive change. Enhance your personal development on a flexible schedule! Contact mvhcommunity@metrovanancouver.org.

Pizza Party Awarded to Digital Drive Winners

Le Chateau and Alderwood Place residents celebrated their tie as winners of the Digital Drive Pizza Party! Metro Vancouver Housing ran this contest to increase the number of tenants who receive communications by email. Even if you didn't win this time, all tenants are encouraged to sign up to get regular updates and future contest notifications. Subscribe online – visit metrovanancouver.org and search for "tenant newsletters." Stay connected with us electronically!



Financial Literacy – Credit Score Insights

Ever wonder about your credit score? This score is like your financial report card, ranging from 300 to 850, reflecting how responsibly you handle credit. Here is why your credit score matters:

1. **Loan Approval:** lenders use it to decide if you qualify for loans and credit cards
2. **Interest Rates:** a higher score often means lower interest rates, saving you money, and increasing financial opportunities

Understanding your credit score is the first step to financial empowerment. Increase it by paying bills on time and managing credit wisely. Find more information at www.canada.ca and search for "credit scores."



COMMUNITY REFLECTIONS



Cook and Connect

We're thrilled to share the excitement of our recent Cook and Connect event at Heather Place and Chateau de Ville. Residents enjoyed a night of fun, skill building, and delicious food! Hanna, registered dietitian, taught everyone how to prepare an easy and nutritious meal. Stay tuned for more enriching experiences as we continue to build a thriving community together.

Flu Shot Clinic Update

We held our successful annual flu shot clinic at Inlet Centre and Cedarwood Place! Thanks to our fantastic collaboration with Save-On-Foods Pharmacy, we continue to provide this essential service that helps keep residents safe.

Fun Solid Waste Management Event



Residents at McBride Place expressed an interest in improving waste management, so Metro Vancouver's Housing and Solid Waste Services departments teamed up to deliver an educational afternoon complete with a green bin sorting game and prizes.

Composting food scraps is an easy way to have a big impact in our region. By using their green bins, Metro Vancouverites prevented 160,000 tonnes of greenhouse gases in 2021 – comparable to taking 50,000 cars off the road!

Food Scraps Recycling Tip: you can use any container to collect your food scraps — like an ice cream bucket, resealable container, or a bowl with a plate on top. Pick one that suits your space, lifestyle, and routine. Get more tips for using your green bin at metrovancover.org/foodscraps.

Keep an eye out for more opportunities to reduce waste in future newsletters and on site!

Holiday Cheer at Cedarwood and Inlet Centre

Seniors at both sites gathered to share smiles and enjoy a delightful holiday meal, fostering a strong sense of community. This captures true holiday spirit and the joy of companionship!



New Walking Club at Ozada Village

Janet, resident community champion, shared her passion for exploring local community trails by starting a new walking club at Ozada Village! Residents are now stepping out, socializing, staying safe, and boosting their health.



Safety Social Event

We wish to thank Constable Sam from the Port Moody Police Department for coming to Inlet Centre's Safety Social and sharing important safety tips with residents.

Tip: protect your personal information by shredding documents before recycling them



Have ideas for community initiatives?
Contact Tenant Programs & Services at
mvhcommunity@metrovancover.org



Stay in Touch

If you would like to organize an event, volunteer, or share a story, please contact: mvhcommunity@metrovancover.org
Sign up to receive this newsletter by email or view online at metrovancover.org and search for "tenant newsletters."

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Together we make our region strong



Metro Vancouver Housing Affordability Overview

TRANCHE 1 PROJECT AFFORDABILITY

Ashley Liu

Program Manager, Housing Business Development

January 2024

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METRO VANCOUVER HOUSING AFFORDABILITY TARGET

SUPPORTING THE MISSING MIDDLE

Metro Vancouver Housing 10-year Plan → Portfolio-wide Target

- 30% of units at **Rent-Geared-to-Income**
- 70% of units at **Low-End-of-Market**

MVH and BC Housing Portfolio Development Funding 2023

- 15% of units at **Shelter Rates**
- 15% of units at **Rent-Geared-to-Income**
- 70% of units at **Low-End-of-Market**

Individual projects vary based on municipal policies, grant availability, etc.

Goal to deepen baseline affordability for each project where feasible.



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2

SHELTER RENTS

Shelter rates are based on the shelter maximum provided by the BC Ministry of Social Development and Poverty Reduction, less MVH subsidy for utilities.

MVH Shelter Rents

	Minimum Shelter Rent
Studio	\$500
1 Bedroom	\$500
2 Bedroom	\$695
3 Bedroom	\$790

RENT-GEARED-TO-INCOME (RGI) RENTS

Rent-Geared-to-Income (RGI) rates are set to 30% of a tenant's gross annual household income, before taxes, for households with a maximum income limit of BC Housing's Housing Income Limits (HILs).

MVH's RGI Rents

	HILs Max Income	RGI Rents Range - up to 100% HILs Rent
Studio	\$58,000	\$400 to \$1,450
1 Bedroom	\$58,000	\$400 to \$1,450
2 Bedroom	\$72,000	\$400 to \$1,800
3 Bedroom	\$86,000	\$400 to \$2,150

Example 1: MVH's 1-bedroom RGI rent for a household earning \$35,000 will be \$875 per month. ($\$35,000 \times 30\% / 12$)

Example 2: MVH's 2-bedroom RGI rent for a medium household earning \$50,000 will be \$1,250 per month. ($\$50,000 \times 30\% / 12$)

LOW-END-OF-MARKET (LEM) RENTS

Low-End-of-Market (LEM) rates are calculated as 10% to 20% below the estimated market conditions across the region for buildings of comparable age and amenities. Actual LEM rents will be based on a market rent appraisal when the units are being tenanted, to reflect rents specific to the rental market at that time.

LEM rents play an important role in **cross-subsidizing** the shelter and RGI units in our portfolio, rather than relying on ongoing subsidy, and enhance the long-term sustainability and resilience of MVH's housing assets.

As the properties age, LEM rents progressively decrease, contributing to increased affordability over the long term.

LOW-END-OF-MARKET (LEM) RENTS

LEM units are for households with a maximum income limit of BC Housing's Low and Moderate Income Limits:

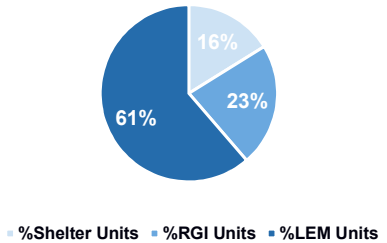
- a) For residential units with less than 2 bedrooms, a gross household income that does not exceed the median income for couples without children in BC, as determined by BC Housing from time to time. **For 2024, this figure is \$84,780.**
- a) For residential units with 2 or more bedrooms, a gross household income that does not exceed the median income for couples without children in BC, as determined by BC Housing from time to time. **For 2024, this figure is \$134,140.**

Moving to market rents has been explored previously, but is not a substantial driver for feasibility and would impact grant eligibility. Affordability levels can be explored in future strategic discussion and 10 year plan update.

MVH TRANCHE 1 PROJECT TARGET AFFORDABILITY

Project	Shelter	RGI	LEM	Total
Kingston Gardens	0%	31%	69%	100%
Salal Landing	19%	51%	30%	100%
Heather Place B	15%	16%	69%	100%
Heron's Nest	15%	16%	69%	100%
The Connection	20%	20%	60%	100%
The Steller	25%	25%	50%	100%
Malaspina Phase 1	15%	15%	70%	100%
Tranche 1 Total	16%	23%	61%	100%

Tranche 1 Portfolio Affordability



**MVH's five projects under MOU with BC Housing are: Heather Place B, Heron's Nest, The Connection, The Steller, and Malaspina Phase 1*

A total of 817 housing units are under development in Tranche 1, with 57% family units. Tranche 1 portfolio is targeting an affordability mix of 16% Shelter, 23% RGI, and 61% LEM.

