

**METRO VANCOUVER REGIONAL DISTRICT  
HOUSING COMMITTEE**

**MEETING**

**Friday, October 4, 2024**

**9:00 am**

**28<sup>th</sup> Floor Committee room, 4515 Central Boulevard, Burnaby, British Columbia**

**Webstream available at <https://www.metrovancover.org>**

**A G E N D A<sup>1</sup>**

**A. ADOPTION OF THE AGENDA**

**1. October 4, 2024 Meeting Agenda**

That the Housing Committee adopt the agenda for its meeting scheduled for October 4, 2024 as circulated.

**B. ADOPTION OF THE MINUTES**

**1. September 6, 2024 Meeting Minutes**

That the Housing Committee adopt the minutes of its meeting held September 6, 2024 as circulated.

*pg. 4*

**C. DELEGATIONS**

**D. INVITED PRESENTATIONS**

**E. REPORTS FROM COMMITTEE OR CHIEF ADMINISTRATIVE OFFICER**

**1. 2025 - 2029 Financial Plan Overview**

*Verbal Update*

Designated Speaker: Jerry Dobrovolny, Commissioner/Chief Administrative Officer, and Harji Varn, General Manager, Financial Services/Chief Financial Officer

*pg. 8*

**2. 2025 - 2029 Financial Plan – Housing Planning and Policy**

That the Housing Committee endorse the 2025 - 2029 Financial Plan for Housing Planning and Policy as presented in the report dated September 27, 2024, titled “2025 - 2029 Financial Plan – Housing Planning and Policy”, and forward it to the Metro Vancouver Board Budget Workshop on October 16, 2024 for consideration.

*pg. 22*

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<sup>1</sup> Note: Recommendation is shown under each item, where applicable.

- 3. 2025 - 2029 Financial Plan – Metro Vancouver Housing Corporation (MVHC)** *pg. 55*  
That the Housing Committee endorse the 2025 - 2029 Financial Plan for the Metro Vancouver Housing Corporation as presented in the report dated September 27, 2024, titled “2025 - 2029 Financial Plan – Metro Vancouver Housing Corporation (MVHC)”, and forward it to the Metro Vancouver Board Budget Workshop on October 16, 2024 for consideration.
- 4. Award of the Construction Contract Component of RFP 22-167 for Construction Management for Services and Construction (At-Risk) for The Steller Affordable Housing and Childcare Development** *pg. 72*  
That the MVHC Board:  
a) Approve the award of the construction contract component of RFP 22-167 for Construction Management for Services and Construction (At-Risk), in the amount of up to \$69,781,556 (exclusive of taxes) to Kinetic Construction Ltd., subject to final review by the Chief Administrative Officer; and  
b) Authorize the General Manager, Procurement and Real Estate to execute the required documentation once the General Manager, Procurement and Real Estate is satisfied that the award should proceed.
- 5. Manager’s Report** *pg. 76*  
That the Housing Committee receive for information the report dated September 6, 2024, titled “Manager’s Report”.

**F. INFORMATION ITEMS**

**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 October 4, 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.
- (2) A part of a council 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 municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

**I. ADJOURNMENT**

That the Housing Committee adjourn its meeting of October 4, 2024.

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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, September 6, 2024 in the 28<sup>th</sup> Floor Committee Room, 4515 Central Boulevard, Burnaby, British Columbia.

**MEMBERS PRESENT:**

Chair, Director Dan Ruimy, Maple Ridge  
 Director Linda Buchanan, North Vancouver City\* (departed at 10:11 am)  
 Director Steve Ferguson, Langley Township  
 Director Gordon Hepner, Surrey (arrived at 9:29 am)  
 Director Dylan Kruger, Delta\*  
 Director Bill McNulty, Richmond  
 Councillor Peter Meiszner, Vancouver\*  
 Councillor Glenn Pollock, Port Coquitlam  
 Councillor Daniel Tetrault, Burnaby  
 Director Teri Towner, Coquitlam

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

**MEMBERS ABSENT:**

Vice Chair, Director Brenda Locke, Surrey

**STAFF PRESENT:**

Michael Epp, Director, Housing Planning and Development, Metro Vancouver Housing  
 Catherine Grosson, Legislative Services Coordinator, Board and Information Services  
 Jade Hume, Division Manager, Housing Development, Metro Vancouver Housing  
 Heather McNell, Deputy Chief Administrative Officer, Policy and Planning  
 Linda Sabatini, Director, Financial Operations, Financial Services  
 Jaspreet Sangha, Program Manager, Treasury and Cash Management, Finance

**A. ADOPTION OF THE AGENDA**

**1. September 6, 2024 Meeting Agenda**

**It was MOVED and SECONDED**

That the Housing Committee:

- a) amend the agenda for its meeting scheduled for September 6, 2024, by varying the order of the agenda to consider Item H before Item B; and
- b) adopt the agenda as amended.

**CARRIED**



**H. RESOLUTION TO CLOSE MEETING**

**It was MOVED and SECONDED**

That the Housing Committee close its meeting scheduled for September 6, 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 September 6, 2024.

**CARRIED**

(Time: 9:01 am)

**Reconvene**

The Housing Committee reconvened its open meeting of September 6, 2024 at 9:29 am.

The order of the agenda was resumed with Item B1 before the committee.

**B. ADOPTION OF THE MINUTES**

**1. July 5, 2024 Meeting Minutes**

**It was MOVED and SECONDED**

That the Housing Committee adopt the minutes of its meeting held July 5, 2024, as circulated.

**CARRIED**

**C. DELEGATIONS**

No items presented.

**D. INVITED PRESENTATIONS**

No items presented.

**E. REPORTS FROM COMMITTEE OR CHIEF ADMINISTRATIVE OFFICER**

**1. Approval to Proceed with Temporary Borrowing**

Report dated August 23, 2024, from Jaspreet Sangha, Program Manager, Treasury and Cash Management, Finance, seeking MVHC Board approval for MVRD to begin temporary borrowing up to \$70 million on its behalf under the Borrowing Agreement approved on February 23, 2024, and the Loan Authorization Bylaw.

In response to members' questions, Michael Epp, Director, Housing Planning and Development, Metro Vancouver Housing (MVH), Jade Hume, Division Manager, Housing Development, MVH, Heather McNell, Deputy Chief Administrative Officer, Policy and Planning Housing, Linda Sabatini, Director, Financial Operations, Financial Services, and Jaspreet Sangha, informed members that temporary borrowing allows Metro Vancouver to take advantage of borrowing at the lowering interest rates. It was noted that Metro Vancouver has received substantial grant funding for some projects and continues to seek additional grant funding to reduce the need for borrowing.

**It was MOVED and SECONDED**

That the MVHC Board direct MVHC officers to proceed with making temporary borrowing requests to MVRD under the Borrowing Agreement, up to the maximum \$70 million authorized by Metro Vancouver Regional District Loan Authorization Bylaw No. 1381, as required from time to time to support MVHC's capital programs.

**CARRIED**

**2. Draft 2025 - 2029 Metro Vancouver Housing Corporation (MVHC) Capital Plan**

Report dated August 19, 2024, from Michael Epp, Director, Housing Planning and Development, Metro Vancouver Housing, presenting to the Housing Committee the Draft 2025 - 2029 Metro Vancouver Housing Corporation (MVHC) Capital Plan for information and discussion.

Michael Epp provided members with a presentation titled "2025-2029 Draft Capital Plan" which outlined MVH's 10-year plan, capital plan drivers, major development projects, draft capital plan expenditures, and proposed capital plan changes.

**It was MOVED and SECONDED**

That the Housing Committee receive for information the report dated August 19, 2024, titled "Draft 2025 - 2029 Metro Vancouver Housing Corporation (MVHC) Capital Plan".

**CARRIED**

**3. Construction Contract Types Used by Metro Vancouver Housing for Development Projects**

Report dated August 14, 2024, from Jade Hume, Division Manager, Housing Development, Metro Vancouver Housing, informing the Housing Committee about the construction contract types used by MVH.

**It was MOVED and SECONDED**

That the Housing Committee receive for information the report, dated August 14, 2024, titled "Construction Contract Types Used by Metro Vancouver Housing for Development Projects".

**CARRIED**

**4. Manager's Report**

Report dated August 19, 2024, from Michael Epp, Director, Housing Planning and Development, Metro Vancouver Housing, providing an update on Metro Vancouver Housing initiatives and projects in development.

Jade Hume provided members with a presentation titled "Capital Projects Updates" which provided an overview of current MVH projects noting progress and estimated times for completion.

10:11 am Director Buchanan departed the meeting.

**It was MOVED and SECONDED**

That the Housing Committee receive for information the report dated August 19, 2024, titled "Manager's Report".

**CARRIED**

**F. INFORMATION ITEMS**

No items presented.

**G. OTHER BUSINESS**

No items presented.

**I. ADJOURNMENT**

**It was MOVED and SECONDED**

That the Housing Committee adjourn its meeting of September 6, 2024.

**CARRIED**

(Time: 10:13 am)

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Catherine Grosson,  
Legislative Services Coordinator

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Dan Ruimy,  
Chair

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To: Housing Committee

From: Jerry Dobrovlny, Commissioner/Chief Administrative Officer  
Harji Varn, General Manager, Financial Services/Chief Financial Officer

Date: September 26, 2024

Meeting Date: October 4, 2024

Subject: **2025 - 2029 Financial Plan Overview**

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This presentation introduces a high-level overview of the Metro Vancouver 2025-2029 budget.

**ATTACHMENTS**

1. 2025 - 2029 Financial Plan Overview Presentation

70906611



Metro Vancouver Region

# 2025 – 2029 Financial Plan Overview

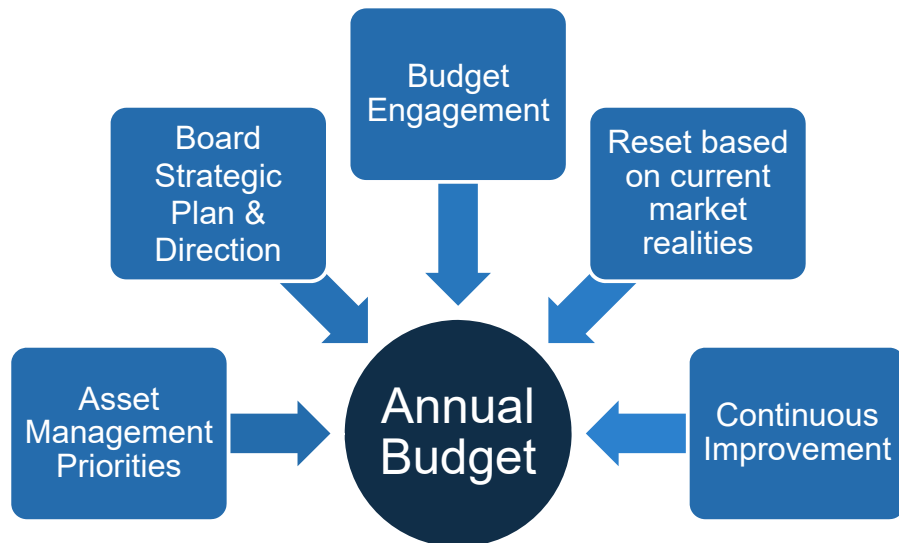
Jerry W. Dobrovolny, P. Eng, MBA  
Commissioner / Chief Administrative Officer

Harji Varn  
GM Financial Services / Chief Finance Officer

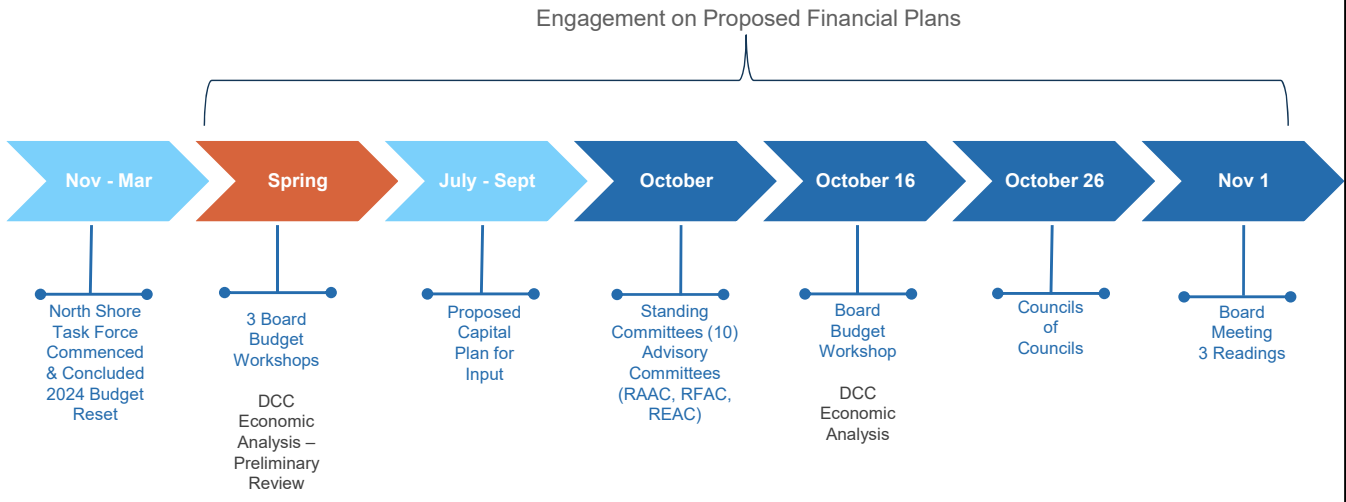


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## METRO VANCOUVER BUDGET APPROACH



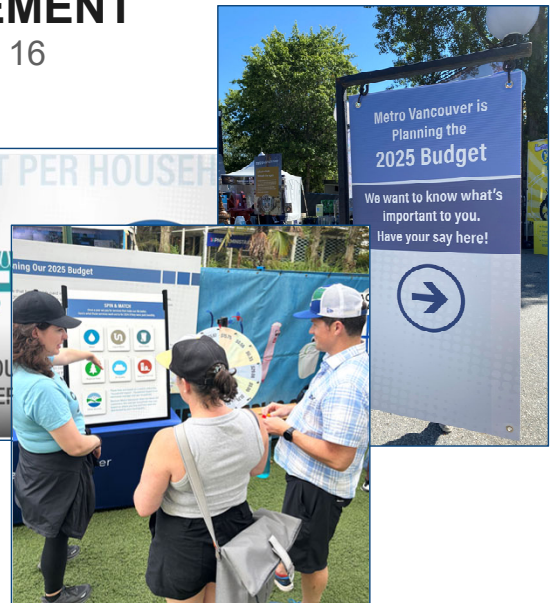
# 2025 BUDGET CYCLE TIMELINE



## COMMUNICATIONS AND ENGAGEMENT

Public Engagement Period, July 31 – September 16

- 291,956+ budget video views
- 14 days at PNE (90,000 showcase visitors)
- 8,483 PNE budget game players
- 1,453 budget webpage visits
- 422 online survey responses
- 79 paper survey responses
- 36 promotional and educational posts on social



# COMMUNICATIONS AND ENGAGEMENT

## Overall Communications / Member Engagement

- Budget webpage with video
- Budget Overview one pager
- MetroUpdate newsletter article
- Live stream Committee and Board meetings
- Regional Advisory Committees
- Council of Council meetings
- Budget communications throughout the year

The screenshot displays the Metro Vancouver Budget 2024 Overview webpage. The page includes a 'Financial Plan Overview' section, a '2024 Budget at a Glance' section with bullet points, and an 'Approximate average cost per household' table. Below the table are two pie charts titled 'Where the Money Comes From' and 'Where the Money Goes'. A video player is overlaid on the page, showing a 'PUBLIC WORKSHOP' video titled 'Metro Vancouver Budget Process'.

Service	Per Year	Per Month
Regional Planning	\$4	\$0.33
Air Quality Management	\$7	\$0.58
Regional Parks	\$6	\$0.50
Solid Waste Services	\$48	\$4.00
Liquid Waste Services	\$109	\$9.08
Other Services	\$387	\$32.25

# COMMITMENT TO CONTINUOUS IMPROVEMENT

- Continue culture of continuous improvement
- Continue to Monitor financial performance
- Continue to utilize data to drive decision making
- Continue to seek alternative funding strategies/sources
- Continue with long range planning and procurement strategies for multi-year programs and project delivery



## CONTINUOUS IMPROVEMENT – 2024 COMPLETED OR ONGOING

Initiative	Outcomes
Cyber Resilience (CS)	<ul style="list-style-type: none"> <li>Improve cyber security and resilience to proactively mitigate the risks posed by evolving cyber security threats</li> </ul>
Weigh Scale Software Upgrade Implementation (SWS)	<ul style="list-style-type: none"> <li>Range of new features: license plate readers, emailing bills, real-time customer feedback; system resilience.</li> </ul>
Refined Environmental Management System (WS)	<ul style="list-style-type: none"> <li>Revised the review and approval process for regulatory reporting, which is freeing up time for our frontline, engineering, and legal teams</li> </ul>

## CONTINUOUS IMPROVEMENT – 2025 NEW

Initiative	Outcomes
Waste-to Energy District Energy (SWS)	<ul style="list-style-type: none"> <li>Up to 70,000 tonnes GHG per year emissions reduction.</li> </ul>
Biosolids Hauling de-carbonization (LWS)	<ul style="list-style-type: none"> <li>Trials of low-carbon hauling vehicles (battery electric vehicles and hydrogen electric vehicles) for short to medium haul routes.</li> </ul>
Project Quality Management (PD)	<ul style="list-style-type: none"> <li>Consistent implementation of Project Quality Management and reduction of quality related risks. Efficiencies due to risk avoidance and streamlined processes.</li> </ul>



# MAJOR DRIVERS – CAPITAL PROGRAM

## WHAT WE ARE DOING

- Long-term financial planning
- Cost estimating framework
- Reviewing scope and timing of over 300 projects
- Partnership funding

The image shows two spreadsheets. The left one is titled 'GREATER VANCOUVER WATER DISTRICT CAPITAL BUDGET AND 2024-2026 CAPITAL PLAN' and the right one is 'GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT CAPITAL BUDGET AND 2024-2026 CAPITAL PLAN'. Both tables list various projects with columns for project name, location, start year, end year, and budget amounts.



Fleetwood Reservoir Roof slab



Annacis WWTP Digesters



Widgeon Marsh Development

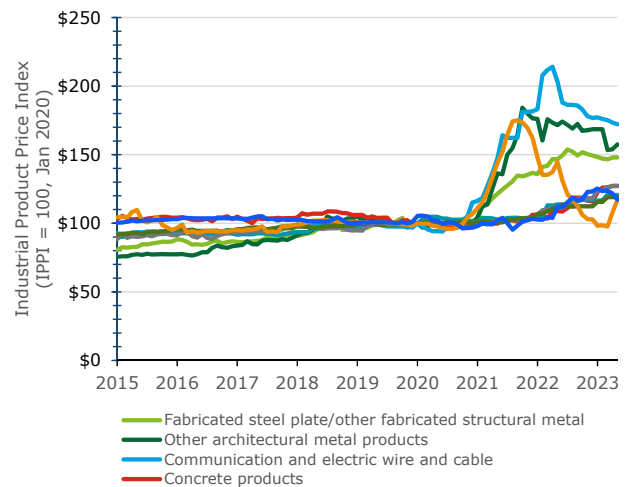


Central Surrey Recycling and Waste

# MAJOR DRIVERS – INFLATION AND COST ESCALATION

## WHAT WE ARE DOING

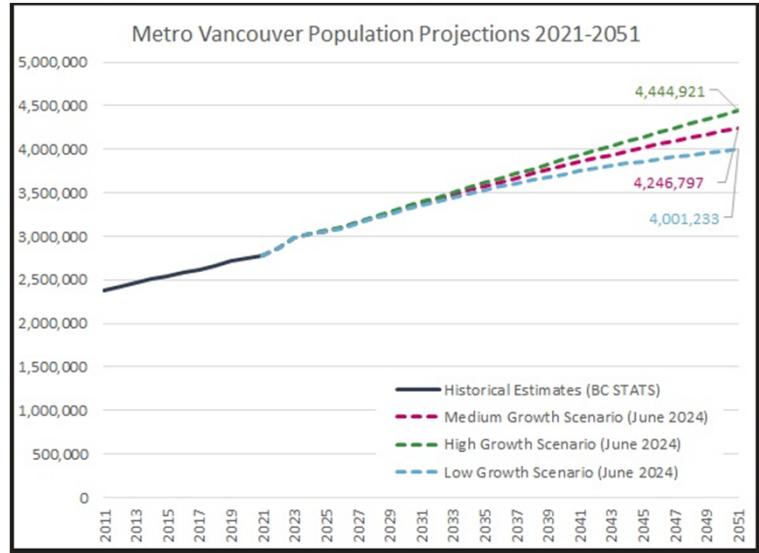
- Strengthening procurement strategies
- Examining revenue sources and partnerships
- Timing and scope of projects and programs



## MAJOR DRIVERS - POPULATION GROWTH

### WHAT WE ARE DOING

- Examining impacts to infrastructure
- Regular updates and review of DCCs
- Alignment with Province and member jurisdictions



## MAJOR DRIVERS - CLIMATE CHANGE AND RESILIENCE

### WHAT WE ARE DOING

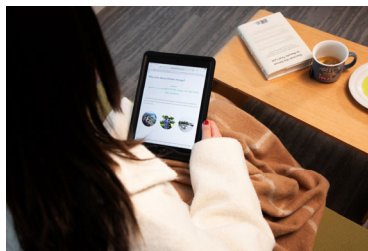
- Infrastructure resilience
- Metro 2050 Policy
- Climate action strategies and programs



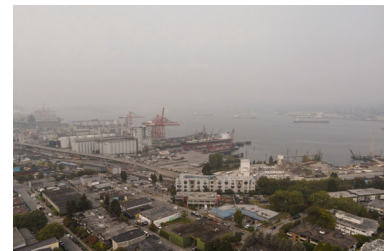
King tide in West Vancouver



Minnekhada fire



Climate Literacy Program

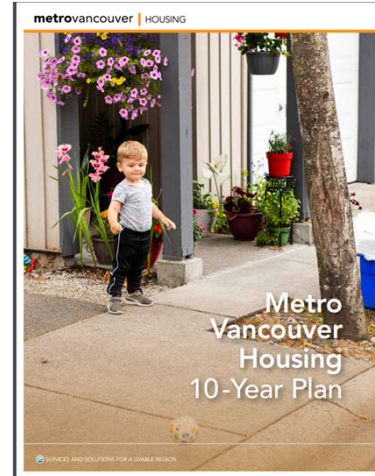


Smoky conditions in Metro Vancouver

## MAJOR DRIVERS – BELOW MARKET RENTAL HOUSING

### WHAT WE ARE DOING

- Metro Vancouver Housing development and renewal projects (2,100+ units underway)
- Partnerships with member jurisdictions, development community and others
- Historic funding agreement with Province; new federal program



## APRIL 2023 BOARD BUDGET WORKSHOP DIRECTION

*That the MVRD/MVHC/GVS&DD/GVWD Board at the April 19, 2023 Board Budget Workshop:*

- a) *direct staff to proceed through the 2024 budget cycle with household impact targets as follows*
  - i. 2024 – 12%
  - ii. 2025 – 11%
  - iii. 2026 – 5%
  - iv. 2027 – 5%
- b) *direct staff to prepare the 2024–2028 Financial Plan with the following development cost charge (DCC) rate assumptions:*
  - i. *Liquid Waste Development Cost Charges moving to a 1% assist factor with interest as part of the 2024–2028 Financial Plan*
  - ii. *Water Development Cost Charges moving to a 1% assist factor with interest as part of the 2024–2028 Financial Plan; and*
  - iii. *Implementation of a Development Cost Charge for Regional Parks and move to a 1% assist factor within the 2024–2028 Financial Plan*

## MARCH 2024 BOARD MEETING

- The DCC Bylaws received Provincial Inspector Approval in February 2024
- On March 22, 2024, the MVRD/ GVS&DD/ GVWD Board had 4th reading and final adoption of the 3 DCC Bylaws
- The DCC Bylaws have a 3-year phase-in January 1, 2025; January 1, 2026; and January 1, 2027

## SPRING 2024 BOARD BUDGET WORKSHOPS DIRECTION

April 17 and May 17, 2024 Board Budget Workshops direction to staff was to continue with the direction from April 2023 which were to:

- Maintain the following HHI targets:
  - 2025 – 11%
  - 2026 – 5%
  - 2027 – 5%
  - 2028 – 5%
- Continue with Liquid Waste DCCs, Water DCCs, and Regional Parks DCCs to a 1% assist factor with interest as part of the financial plan

## BOARD BUDGET WORKSHOP DIRECTION

### May 2024 Board Budget Workshop Resolution

*That the GVS&DD Board direct staff to prepare the 2025 Budget and 2025–2029 Financial Plan by allocating the \$2.8B required to complete the NSWWTP Program according to Option 3 from Table 6 in the report dated May 10, 2024, titled “2025 Budget and 5-Year Financial Plan Scenarios for Consideration.”*

*That the GVS&DD Board direct staff to prepare the 2025 Budget and 2025–2029 Financial Plan by allocating the \$2.8B required to complete the NSWWTP Program according to Option 4 from Table 7 in the report dated May 10, 2024, titled “2025 Budget and 5-Year Financial Plan Scenarios for Consideration.”*

	2025	2026	2027	2028	2029
VSA	+\$150	-	-	-	-
NSSA	+\$118	+\$118	+\$118	+\$118	+\$118
LIWSA	+\$80	-	-	-	-
FSA	+\$90	-	-	-	-

## 2025–2029 FINANCIAL PLAN OVERVIEW

### 2025 Budget – Bottom Line

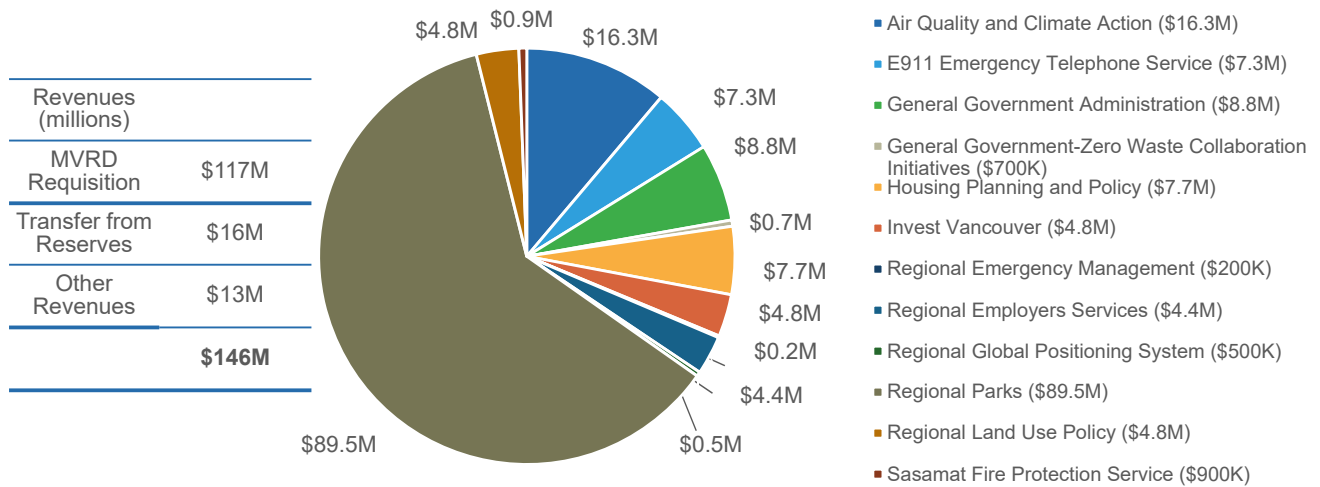
11.0%	Prior Projection for 2025
\$88	Increase for the average household in 2025 (Water: \$14, Liquid Waste: \$69, Solid Waste: \$3, MVRD: \$2)
\$884	Average annual cost for all Metro Vancouver services
9.9%	Proposed 2025 Budget
\$79	Increase for the average household in 2025 (Water: \$11, Liquid Waste: \$63, Solid Waste: \$3, MVRD: \$2)
\$875	Average annual cost for all Metro Vancouver services

## OVERALL AVERAGE HOUSEHOLD IMPACT 2025–2029

	2024	NSWWTP Amended	2025	2026	2027	2028	2029
<b>Water Services</b>	\$189	\$189	\$200	\$211	\$215	\$218	\$218
<b>Liquid Waste Services</b>	\$349	\$447	\$510	\$549	\$587	\$627	\$672
<b>Solid Waste Services</b>	\$68	\$68	\$71	\$74	\$78	\$82	\$86
<b>Regional District Services</b>	\$92	\$92	\$94	\$84	\$85	\$86	\$87
<b>Total Household Impact</b>	<b>\$698</b>	<b>\$796</b>	<b>\$875</b>	<b>\$918</b>	<b>\$965</b>	<b>\$1,013</b>	<b>\$1,063</b>
<b>Prior Year Forecast - amended</b>			\$884	\$933	\$981	\$1,033	

## BUDGET OVERVIEW

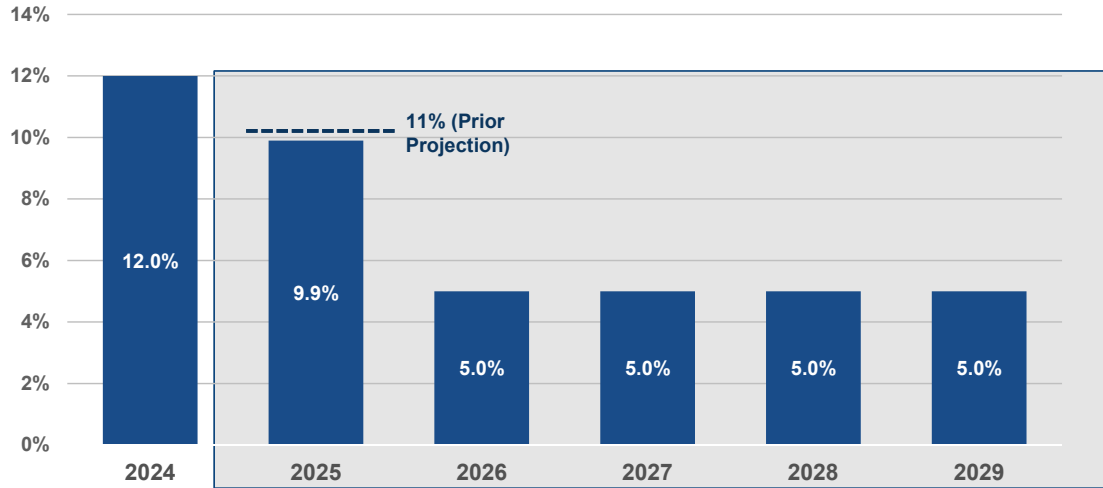
### 2025 MVRD Budget





# METRO VANCOUVER HOUSEHOLD IMPACT % CHANGE

Proposed 2025–2029 Financial Plan



# METRO VANCOUVER OPERATING BUDGET

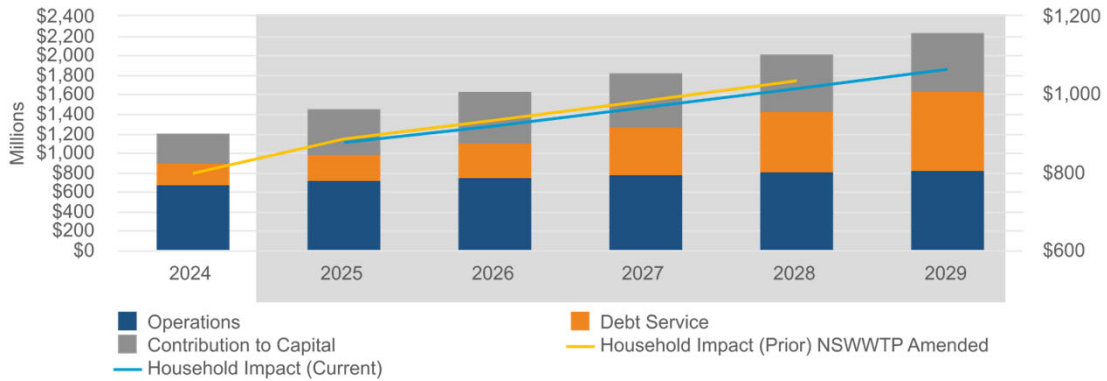
## Expenditures

### Overview:

- 2024 Operating Budget: \$1,216.0M
- 2025 Operating Budget: \$1,463.7M

### Drivers:

- Operating Program is inflationary over the 5 years
- Funding capital program through debt service and contribution to capital in accordance with Board policy



# METRO VANCOUVER OPERATING BUDGET

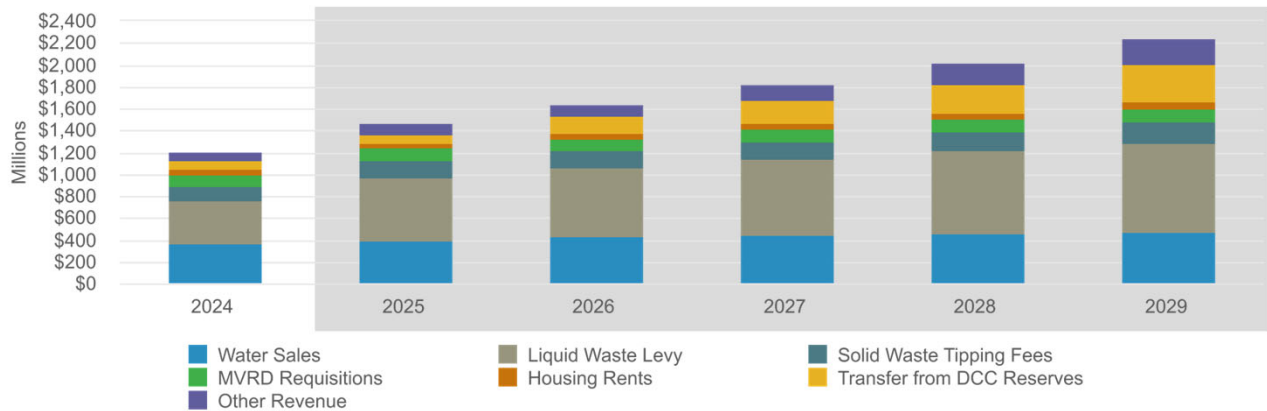
## Revenues

### Overview:

- Primary funding sources: water sales, sewer levy, tipping fees, rents, MVRD requisition
- Relative stability for primary sources

### Drivers:

- Anticipated DCC revenues received and applied having downward pressure on HHI
- Continuously seeking partner funding for support





# METRO VANCOUVER CAPITAL PLAN

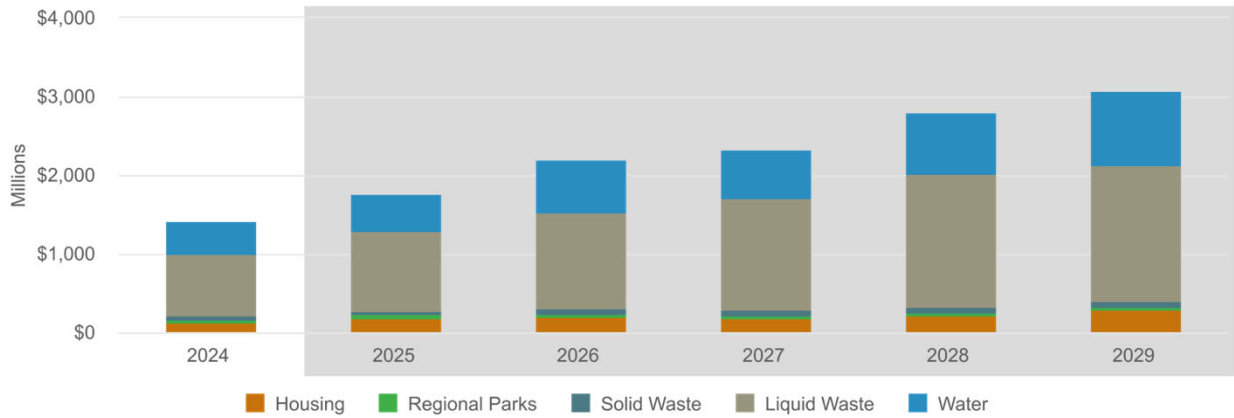
## Expenditures

### Overview:

- 2024 capital cash flow \$1.42B
- 2025 capital cash flow \$1.77B

### Drivers:

- Continued activity on previously approved projects
- Regulatory upgrades and growth projects



Pacific Spirit Regional Park

Questions?

6To: Housing Committee

From: Michael Epp, Director, Housing Planning and Development,  
Metro Vancouver Housing

Date: September 27, 2024 Meeting Date: October 4, 2024

Subject: **2025 - 2029 Financial Plan – Housing Planning and Policy**

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### **RECOMMENDATION**

That the Housing Committee endorse the 2025 - 2029 Financial Plan for Housing Planning and Policy as presented in the report dated September 27, 2024, titled “2025 - 2029 Financial Plan – Housing Planning and Policy”, and forward it to the Metro Vancouver Board Budget Workshop on October 16, 2024 for consideration.

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### **EXECUTIVE SUMMARY**

The 2025 - 2029 Metro Vancouver Financial Plan has been prepared following direction from the Financial Plan Task Force and from the Board at the Board Budget Workshops. The 2025 Budget has come under the household impact targets that were recommended by the Financial Plan Task Force and endorsed by the Board, which has resulted in an overall consolidated household impact for 2025 of 9.9%, down from the 11.0% projected for 2025 in the prior financial planning cycle.

In 2025, the operating budget for Housing Planning and Policy is proposed to decrease by \$1.7 million (17.7%) for a total of \$7.7 million due to the completion of several Sustainability Innovation Fund (SIF) projects. The requisition is proposed to increase \$0.4 million (5.5%) for a total requisition of \$6.9 million, which represents a total average regional household impact of \$6 (which compares to a previous forecast for 2025 of \$6).

The Housing Planning and Policy team supports the Metro Vancouver Housing Corporation capital (re)development housing projects and the implementation of the *Metro Vancouver Housing 10-Year Plan*. This function also supports and convenes member jurisdictions around housing issues, and supports regional housing priorities through the provision of planning and policy resources and information, best practices research, and advocacy.

### **PURPOSE**

To present the 2025 - 2029 Financial Plan for the Housing Planning and Policy function for consideration by the Committee.

### **BACKGROUND**

Metro Vancouver’s annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro

Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

Three Board Budget Workshops were held in the spring with the objective to seek direction for the preparation of the 2025 - 2029 Financial Plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through evaluation and optimizing the capital and operating programs.

This report focuses on the Housing Planning and Policy function and presents the 2025 annual budget and the updated five-year plan for the years 2025 to 2029 for Committee consideration.

### **HOUSING PLANNING AND POLICY PROGRAM**

The Housing Planning and Policy function contributes to processes and decisions related to regional housing planning and research, supports the development of affordable housing projects through implementation of the *Metro Vancouver Housing 10-Year Plan* and *Metro 2050*, coordinates the Regional Planning Advisory Committee – Housing Subcommittee and works to secure funding and vacant lands owned by local governments for new affordable housing.

The Housing Planning and Policy initiatives planned over the next five years are guided by direction provided in the *Board Strategic Plan and Metro Vancouver Housing 10-Year Plan*, specifically:

- Implement the Metro Vancouver 10-Year Housing Plan to support affordable housing and engaged communities in the region;
- Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of Metro Vancouver Housing Corporation;
- Develop and implement financial plans and policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future ratepayers; and
- Support healthy engaged communities, preserve existing housing to maintain affordability and grow strategically through redevelopment and new developments

### **WORK PLAN PERFORMANCE INDICATORS**

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2025 Work Plan for Housing Planning and Policy is presented in this report. Within the Housing Planning and Policy Work Plan, a number of performance indicators have been developed and are being tracked. These include:

- Redevelopment – Moray Place (Port Moody): 100% of concept design complete; advance to development approvals; and
- Projects in Planning – Partnership: Initiation of Phase 2 partnership project; development partners secured.

The performance objective measures the percentage of feasibility studies and concept design completed, or progress toward partnership agreements. Once project concepts have been approved by the MVHC Committee and Board, and advance to development approval and construction stages, they are listed in the MVHC Annual Work Plan report.

## CONTINUOUS IMPROVEMENT

Housing Planning and Policy supports and guides MVHC with policy and strategic planning as well as supporting member jurisdictions with research and best practices to advance housing policy in the region. Recently, the Province of BC adopted inclusionary zoning legislation following successful advocacy on behalf of Metro Vancouver and its members. A jurisdictional scan and best practice review of inclusionary housing policies and practices was completed, which included the development of a model inclusionary housing policy for the region. Continued work in this area will include the development of a Metro Vancouver Inclusionary Housing Online Calculator and further exploration of MVHC roles in supporting and administering units generated through inclusionary housing.

In 2023, MVHC entered into a Memorandum of Understanding with the Province to support the delivery of 2,000 new homes over the next 10 years. On May 23, 2024, the Province of BC announced the second phase of projects being funded under the MOU, supported by a provincial investment of \$226 million over two years (2026-2027). With a portfolio approach to funding, and with significant progress having been made toward delivering other objectives of the Metro Vancouver Housing 10-Year Plan, an update to the plan is required to ensure it remains relevant in guiding MVHC investments and decisions.

Further initiatives to expedite and improve delivery of housing in the region include:

- Advance implementation of standardized regulations and reference designs for six-storey rental housing through the Rental Housing Blueprint project;
- Develop an expanded partnership approach including identifying criteria for evaluating opportunities and potential partners;
- Review and update internal finance and operational policies, procedures, and documentation to ensure clear and consistent documentation, identify opportunities to update and streamline procedures, and ensure standard application across different teams; and
- Implementing new policies/procedures to introduce income testing for new Low-End-of-Market tenants to ensure affordable housing supports those who need it most.

## 2025 BUDGET AND 2025 - 2029 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that presents program highlights for the next five years. The 2025 - 2029 Housing Planning and Policy Financial Plan is included as Attachment 1. The 2025

Annual Work Plan for Housing Planning and Policy presented in this report is included in Attachment 2, and the “What’s Happening” highlights for the years 2025 - 2029 are included in Attachment 3.

### **Operating Budget Highlights**

The Housing Planning and Policy 2025 operating budget is proposed to decrease by \$1,655,382 for a total budget of \$7.7 million (Attachment 1). This decrease is primarily due to the completion of projects funded by the Sustainability Innovation Fund (Building Resilience - Exploring the Potential of Renewable Energy Building Infrastructure; Step Code Implementation Impacts for Building Envelope Rehabilitation of Existing Buildings; Panelized Mass-timber for Retrofits, Adding Resiliency and Additional Units for Retrofits; and Living Building Challenge Certification Feasibility for Rehabilitation).

The 2025 operating budget includes the following key actions:

- Support the implementation of the Metro Vancouver Housing 10-Year Plan
  - Initiate a 10-Year Plan update to reflect Phase 2/3 objectives and expanded targets
  - Initiate new partnership project as part of MVHC’s next phase of projects
  - Continue to pursue partnership opportunities with public, private and other housing stakeholders
  - Continue to review and update internal procedures surrounding tenant subsidies
  - Best practice research to support MVHC development standards
  - Continue to update tenant policies as required (e.g., periodic income testing for low-end-of-market tenants, ombudsperson procedure)
  - Continue to explore opportunities to acquire or manage inclusionary housing units built by private developers
  - Explore opportunities to acquire purpose-built rental housing buildings through the Rental Protection Fund
  - Continue to develop materials and communications to support tenant relocation
- Support the implementation of the Metro Vancouver Housing Redevelopment Plan to advance Phase 2/3 redevelopment and partnership projects;
- Continue to implement the strategy to update existing MVHC leases with municipal members, and explore innovative approaches such as rezoning MVHC properties on a portfolio basis.
- Support Metro Vancouver Regional Planning implementation of policies related to housing for Metro 2050, the regional growth strategy
  - Complete the update to the Regional Affordable Housing Strategy (Housing 2050: A Roadmap to Implement Metro 2050’s Housing Goal);
- Convene the Regional Planning Advisory Committee – Housing Subcommittee and support members around regional housing issues and support with best practice research and advocacy; and

Over the next five years, operating programs decrease by \$2,206,132 or an average of 4.8% per year. The decrease is due to the completion of planned projects funded through the Sustainability Innovation Fund. However, as new projects are identified and approved in future years, annual budgets will be adjusted accordingly.

### **Communications Program**

The 2025 Housing Planning and Policy Communications Program of \$25,000 is focused on outreach to build better understanding and awareness of the Metro Vancouver Housing function in the region and to engage existing tenants to collect and analyze demographic and user experience data to guide development and operational planning. There will be emphasis on further branding work including multimedia support, focus groups and public opinion research where needed.

### **Reserve Funds**

The 2025 - 2029 Financial Plan for Housing Planning and Policy includes a \$1.0 million annual contribution to support the re-development of existing housing sites through the affordable housing re-development reserve and a \$4.0 million annual contribution to expanding on new sites through partnerships with member jurisdictions. Reserve usage is in accordance with the *Operating, Statutory and Discretionary Reserves Policy*. The financial plan for Housing Planning and Policy does not have any proposed applications of reserve funding. The 2025 - 2029 Projected Reserves for Housing Planning and Policy is included in Attachment 4.

### **APPROVAL PROCESS**

The proposed 2025 - 2029 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration. The next steps of the process are:

- The 2025 - 2029 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 16, 2024.
- The Board will consider adoption of the 2025 Budget and endorsement of the 2025 - 2029 Financial Plan on November 1, 2024.

### **ALTERNATIVES**

1. That the Housing Committee endorse the 2025 - 2029 Financial Plan for Housing Planning and Policy as presented in the report dated September 27, 2024, titled “2025 - 2029 Financial Plan – Housing Planning and Policy”, and forward it to the Metro Vancouver Board Budget Workshop on October 16, 2024 for consideration.
2. That the Housing Committee amend the 2025 - 2029 Financial Plan for the Housing Planning and Policy Service as follows: \_\_\_\_\_; and forward the amended Financial Plan to the to the Metro Vancouver Board Budget Workshop on October 16, 2024 for consideration.

### **FINANCIAL IMPLICATIONS**

If the MVRD Board endorses the 2025 - 2029 Financial Plan for the Housing Planning and Policy Service, as presented under Alternative 1, in 2025 the Housing Planning and Policy requisition will increase by \$362,400 (5.5%) for a total requisition of \$6.9 million. Of this total, \$5.0 million per year from the property tax requisition is allocated to advancing the planning and design of capital redevelopment projects and for new sites in partnership with member jurisdictions.

Over the term of the five-year plan, the annual Housing Planning and Policy requisition is projected to increase by an average of \$115,170 per year (1.7%) to provide the required revenue to offset projected expenditures. It is anticipated that the cost to the average regional household over the

next five years for the Housing Planning and Policy function will stay at current amount of \$5-\$6 per household.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2021 Budget and Five-Year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any changes to the plan may have an impact on the MVRD Financial Plan.

## **CONCLUSION**

The Housing Planning and Policy function 2025 Budget and Five-Year Financial Plan has been prepared following direction received at the May 31, 2024 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2025 to 2029 for Housing Planning and Policy.

The presentation of this year's five-year financial plan for Housing Planning and Policy provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed service related initiatives over the next five years. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans and includes projections on household impact to demonstrate how the plan will remain sustainable while keeping pace with our critical requirements. Staff recommends endorsing the 2025 - 2029 Financial Plan and Annual Work Plan for Housing Planning and Policy as presented under alternative one.

## **ATTACHMENTS**

1. 2025 - 2029 Financial Plan
2. 2025 Work Plan
3. 2025 - 2029 What's Happening
4. 2025 - 2029 Projected Reserves – Housing Planning and Policy Service
5. Presentation re: 2025 - 2029 Financial Plan – Metro Vancouver Housing

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**METRO VANCOUVER REGIONAL DISTRICTS  
HOUSING PLANNING AND POLICY  
2025 BUDGET REVIEW  
2025 - 2029 FINANCIAL PLAN**

	2024 BUDGET	2025 BUDGET	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE	2029 FORECAST	% CHANGE
<b>REVENUES</b>											
Metro Vancouver Regional District Requisitions	\$ 6,569,294	\$ 6,931,694	5.5%	\$ 7,004,981	1.1%	\$ 7,051,198	0.7%	\$ 7,096,430	0.6%	\$ 7,145,144	0.7%
Transfer from Sustainability Innovation Fund Reserves	2,781,982	764,200		1,067,500		-		-		-	
<b>TOTAL REVENUES</b>	<b>\$ 9,351,276</b>	<b>\$ 7,695,894</b>	<b>(17.7%)</b>	<b>\$ 8,072,481</b>	<b>4.9%</b>	<b>\$ 7,051,198</b>	<b>(12.7%)</b>	<b>\$ 7,096,430</b>	<b>0.6%</b>	<b>\$ 7,145,144</b>	<b>0.7%</b>
<b>EXPENDITURES</b>											
Operating Programs:											
Housing Planning and Policy	\$ 4,210,059	\$ 2,534,721		\$ 2,889,231		\$ 1,876,478		\$ 1,930,767		\$ 1,987,813	
Contribution to Housing Planning and Policy Re-development Reserve	1,000,000	1,000,000		1,000,000		1,000,000		1,000,000		1,000,000	
Contribution to Housing Planning and Policy Development Reserve	4,000,000	4,000,000		4,000,000		4,000,000		4,000,000		4,000,000	
	\$ 9,210,059	\$ 7,534,721	(18.2%)	\$ 7,889,231	4.7%	\$ 6,876,478	(12.8%)	\$ 6,930,767	0.8%	\$ 6,987,813	0.8%
Communications Program	25,000	25,000	0.0%	25,000	0.0%	25,000	0.0%	25,000	0.0%	25,000	0.0%
Allocation of Centralized Support Costs	116,217	136,173	17.2%	158,250	16.2%	149,720	(5.4%)	140,663	(6.0%)	132,331	(5.9%)
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,351,276</b>	<b>\$ 7,695,894</b>	<b>(17.7%)</b>	<b>\$ 8,072,481</b>	<b>4.9%</b>	<b>\$ 7,051,198</b>	<b>(12.7%)</b>	<b>\$ 7,096,430</b>	<b>0.6%</b>	<b>\$ 7,145,144</b>	<b>0.7%</b>



## **HOUSING PLANNING AND POLICY**

### **Description of Services**

The Housing Planning and Policy function supports the development and operation of Metro Vancouver Housing Corporation affordable housing projects and implementation of the *Metro Vancouver Housing 10-Year Plan*. This includes identification and planning of new and existing housing sites, supporting development projects through design and approvals, strategic planning and policy development for MVHC, and best practice research to support processes and decisions related to housing development and operations. This function also supports and convenes member jurisdictions around affordable housing issues and supports regional housing priorities through the provision of planning and policy resources and information, best practices research, and advocacy.

### **The Housing Planning and Policy group has the following functions:**

- Support MVHC affordable housing development projects including:
  - Leading the planning and analysis of properties to assess redevelopment potential;
  - Working with member municipalities to identify land for the development of affordable housing;
  - Overseeing initial site studies and assessment and confirm project viability;
  - Leading concept planning for new development and redevelopment projects;
- Support MVHC Operations on development projects including planning for tenant relocation, tenant engagement, communications, and rent-up;
- Research and integrate best practices to support development design decisions and standards;
- Develop both Corporate and Board policies for Metro Vancouver Housing to ensure housing operations and development align and support the Board Strategic Plan, the *Metro Vancouver Housing 10-Year Plan*, *Metro 2050*, and the *Residential Tenancy Act*;
- Monitor the 10-year Housing Plan to implement goals around operations, maintenance, growth, and partnerships and meet strategic targets;
- Develop and monitor the Regional Affordable Housing Strategy (Housing 2050: A roadmap to implement Metro 2050's housing goal), to advance impactful policy interventions that will achieve the housing policies and actions of Metro 2050;
- Coordinate the Regional Planning Advisory Committee – Housing Subcommittee; and
- Provide support, planning and policy resources, best practice research and advocacy for regional housing priorities.

### **Strategic Directions and High-level Goals Supported**

- Support the implementation of the *Metro Vancouver Housing 10-Year Plan*.
- Review, update and develop policies that reflect a commitment to sound financial management and long-term planning, in consideration of current and future residents.
- Strengthen awareness and engagement with the public, members, other orders of government, and key stakeholders on a range of initiatives regarding the role and value of Metro Vancouver Housing.
- Convene municipal staff and stakeholders to share ideas on affordable housing.
- Facilitate partnerships with member municipalities and other stakeholders to expand affordable

rental housing within the region.

- Implement the *Metro Vancouver Housing Redevelopment Plan* to advance the redevelopment of MVHC housing sites through concept design stage.
- Support the implementation of housing related policy for *Metro 2050*, the regional growth strategy, including the development and implementation of the Regional Affordable Housing Strategy (Housing 2050: A roadmap to implement Metro 2050’s housing goal).

### Performance Indicators

Indicator (% of concept design or partnership agreement completed)	Historical and/or Industry Benchmark (2023)	Current Performance (2024)	2025 Performance Objective
Moray Place (Port Moody) – Redevelopment	N/A	90% (complete concept planning)	100% (revise concept planning and advance to development approvals)
Phase 2 Partnership Project – Projects in Planning	N/A	0%	100% (partnership agreement signed);

*\*The performance objective measures the percentage of feasibility studies and concept design completed, or progress toward partnership agreements. Once project concepts have been approved by the MVHC Committee and Board, and advance to development approval and construction stages, they are listed in the MVHC Annual Work Plan report.*

### 2025 Key Actions

#### Policy & Planning

- Support the implementation of the *Metro Vancouver Housing 10-Year Plan*
  - Complete a 10-Year Plan update to reflect Phase 2/3 objectives and expanded targets
  - Continue to pursue partnership opportunities with public, private and other housing stakeholders
  - Continue to review and update internal procedures surrounding tenant subsidies
  - Best practice research to support MVHC development standards
  - Continue to update tenant policies as required (e.g., periodic income testing for low end of market tenants, ombudsperson procedure)
  - Continue to explore opportunities to acquire or manage inclusionary housing units built by private developers
  - Explore opportunities to acquire purpose-built rental housing buildings through the Rental Protection Fund
  - Continue to develop materials and communications to support tenant relocation
- Support the implementation of the *Metro Vancouver Housing Redevelopment Plan* to advance the redevelopment of existing MVHC sites and partnership projects.
  - Coordinate requirements and applications for funding programs as needed
  - Work with Operations to create Rent Up Strategies for projects nearing completion
- Continue to implement strategies to renew existing MVHC leases with municipal members, and explore innovative approaches such as rezoning MVHC properties on a portfolio basis

- Support Metro Vancouver Regional Planning implementation of policies related to housing for Metro 2050, the regional growth strategy
  - Implement the Regional Affordable Rental Housing Target
  - Complete the Regional Affordable Housing Strategy update (Housing 2050: A roadmap to implement Metro 2050's housing goal)
- Convene the Regional Planning Advisory Committee's Housing Subcommittee and support members around regional housing issues and development of best practice research and advocacy
  - Create a Metro Vancouver Inclusionary Housing Calculator
  - Advance the Rental Housing Blueprint project, including implementation of standardized regulations, and pre-approved designs for six-storey buildings

#### Communications Program

- Work to build a better understanding and awareness of MVH among key stakeholders through further branding work including multimedia support where needed
- Work with Operations and External Relations to continue to update tenant-facing materials to improve clarity and understanding
- Continue to engage existing tenants to collect and analyze demographic and user experience data to guide development and operational planning.

## Housing Planning and Policy

## 2025 to 2029 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by Housing Planning and Policy over the next 5 years.

Initiative	Description	Theme
<b>2025</b>		
10-Year Plan Update	Continue to implement the <i>Metro Vancouver Housing 10-Year Plan</i> , and update the Plan based on Phase 2/3 strategies and expanded targets.	Financial Sustainability and Regional Affordability, Climate Action, Housing
Redevelopment – Moray Place (Port Moody)	Complete concept design; advance to development approvals.	Housing
Projects in Planning - Partnerships <sup>1</sup>	Continue to explore and advance partnerships for sites that MVH cannot deliver alone.	Housing
Expand housing portfolio through acquisition or management of inclusionary housing units	Continue to explore opportunities to increase MVH’s portfolio through acquisition or management of units obtained through inclusionary housing policies.	Housing
Update existing MVH leases, and pre-zone existing sites	Continue to plan for upcoming renewal of existing MVH leases with member jurisdictions and explore innovative approaches such as rezoning MVH properties on a portfolio basis.	Housing
Strategic planning and policy for MVH	Continue to develop and implement new policies and procedures to support periodic income testing of low end of market tenants, ombudsperson procedures, and tenant relocation. Implement an annual review process for all Corporate and Board operational policies for Metro Vancouver Housing.	Financial Sustainability and Regional Affordability, Housing
Implement regional housing policy in Metro 2050	Implement the Regional Affordable Rental Housing Target and support achievement of Metro 2050 housing policies.	Financial Sustainability and Regional Affordability, Climate Action, Housing
Regional Affordable Housing Strategy Update	Complete the update to the new regional affordable housing strategy (Housing 2050: A Roadmap to Implement Metro 2050’s Housing Goal).	Financial Sustainability and Regional Affordability, Climate Action,

<sup>1</sup> Once projects in planning have a secured development partner, they will transfer to the MVHC Budget.

		Resilient Services and Infrastructure, Housing
Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVH as well as regional housing stakeholders; implement regional inclusionary housing policy model and rental housing blueprint.	Financial Sustainability and Regional Affordability, Climate Action, Resilient Services and Infrastructure, Housing
<b>2026</b>		
10-Year Plan Implementation	Continue to implement the <i>Metro Vancouver Housing 10-Year Plan</i> .	Financial Sustainability and Regional Affordability, Climate Action, Housing
Projects in Planning - Partnerships	Continue to explore and advance partnerships for sites that MVH cannot deliver alone.	Housing
Expand housing portfolio through acquisition or management of inclusionary housing units	Continue to explore opportunities to increase MVH's portfolio through acquisition or management of units obtained through inclusionary housing policies.	Housing
Update existing MVH leases, and pre-zone existing sites	Continue to plan for upcoming renewal of existing MVH leases with member jurisdictions, and explore innovative approaches such as rezoning MVH properties on a portfolio basis.	Housing
Strategic planning and policy for MVH	Continue to develop and implement new policies and procedures to support operational, financial efficiency and industry best practices.	Financial Sustainability and Regional Affordability, Housing
Implement regional housing policy in Metro 2050	Implement the Regional Affordable Rental Housing Target and support achievement of Metro 2050 housing policies.	Financial Sustainability and Regional Affordability, Climate Action, Housing
Regional Affordable Housing Strategy (Housing 2050) Implementation	Implement the regional affordable housing strategy (Housing 2050: A Roadmap to Implement Metro 2050's Housing Goal).	Financial Sustainability and Regional Affordability, Climate Action, Resilient Services and Infrastructure, Housing

Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVH as well as regional housing stakeholders; implement rental housing blueprint demonstration project on MVH site.	Financial Sustainability and Regional Affordability, Climate Action, Resilient Services and Infrastructure, Housing
<b>2027</b>		
10-Year Plan Implementation	Continue to implement the <i>Metro Vancouver Housing 10-Year Plan</i> .	Financial Sustainability and Regional Affordability, Climate Action, Housing
Projects in Planning - Partnerships	Continue to explore and advance partnerships for sites that MVH cannot deliver alone.	Housing
Expand housing portfolio through acquisition or management of inclusionary housing units	Continue to explore opportunities to increase MVH's portfolio through acquisition or management of units obtained through inclusionary housing policies.	Housing
Update existing MVH leases, and pre-zone existing sites	Continue to plan for upcoming renewal of existing MVH leases with member jurisdictions, and explore innovative approaches such as rezoning MVH properties on a portfolio basis	Housing
Strategic planning and policy for MVH	Continue to develop and implement new policies and procedures to support operational, financial efficiency and industry best practices.	Financial Sustainability and Regional Affordability, Housing
Implement regional housing policy in Metro 2050	Implement the Regional Affordable Rental Housing Target and support achievement of Metro 2050 housing policies.	Financial Sustainability and Regional Affordability, Climate Action, Housing
Regional Affordable Housing Strategy (Housing 2050) Implementation	Implement the regional affordable housing strategy (Housing 2050: A Roadmap to Implement Metro 2050's Housing Goal).	Financial Sustainability and Regional Affordability, Climate Action, Resilient Services and Infrastructure, Housing
Support regional planning and policy on housing-related	Undertake best practice research to support regional housing priorities; support capacity building for MVH as well as regional housing	Financial Sustainability and Regional

issues	stakeholders.	Affordability, Climate Action, Resilient Services and Infrastructure, Housing
<b>2028</b>		
10-Year Plan Implementation	Continue to implement the <i>Metro Vancouver Housing 10-Year Plan</i> .	Financial Sustainability and Regional Affordability, Climate Action, Housing
Projects in Planning - Partnerships	Continue to explore and advance partnerships for sites that MVH cannot deliver alone.	Housing
Expand housing portfolio through acquisition or management of inclusionary housing units	Continue to explore opportunities to increase MVH's portfolio through acquisition or management of units obtained through inclusionary housing policies.	Housing
Update existing MVH leases, and pre-zone existing sites	Continue to plan for upcoming renewal of existing MVH leases with member jurisdictions, and explore innovative approaches such as rezoning MVH properties on a portfolio basis.	Housing
Strategic planning and policy for MVH	Continue to develop and implement new policies and procedures to support operational, financial efficiency and industry best practices.	Financial Sustainability and Regional Affordability, Housing
Implement regional housing policy in Metro 2050	Implement the Regional Affordable Rental Housing Target and support achievement of Metro 2050 housing policies.	Financial Sustainability and Regional Affordability, Climate Action, Housing
Regional Affordable Housing Strategy (Housing 2050) Implementation	Implement the regional affordable housing strategy (Housing 2050: A Roadmap to Implement Metro 2050's Housing Goal).	Financial Sustainability and Regional Affordability, Climate Action, Resilient Services and Infrastructure, Housing
Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVH as well as regional housing stakeholders.	Financial Sustainability and Regional Affordability, Climate Action,

		Resilient Services and Infrastructure, Housing
<b>2029</b>		
10-Year Plan Implementation	Continue to implement the <i>Metro Vancouver Housing 10-Year Plan</i> .	Financial Sustainability and Regional Affordability, Climate Action, Housing
Projects in Planning - Partnerships	Continue to explore and advance partnerships for sites that MVH cannot deliver alone.	Housing
Expand housing portfolio through acquisition or management of inclusionary housing units	Continue to explore opportunities to increase MVH's portfolio through acquisition or management of units obtained through inclusionary housing policies.	Housing
Update existing MVH leases, and pre-zone existing sites	Continue to plan for upcoming renewal of existing MVH leases with member jurisdictions, and explore innovative approaches such as rezoning MVH properties on a portfolio basis.	Housing
Strategic Planning and Policy for MVH	Continue to develop and implement new policies and procedures to support operational, financial efficiency and industry best practices.	Financial Sustainability and Regional Affordability, Housing
Implement regional housing policy in Metro 2050	Implement the Regional Affordable Rental Housing Target and support achievement of Metro 2050 housing policies.	Financial Sustainability and Regional Affordability, Climate Action, Housing
Regional Affordable Housing Strategy (Housing 2050) Implementation	Implement the regional affordable housing strategy (Housing 2050: A Roadmap to Implement Metro 2050's Housing Goal).	Financial Sustainability and Regional Affordability, Climate Action, Resilient Services and Infrastructure, Housing
Support regional planning and policy on housing-related issues	Undertake best practice research to support regional housing priorities; support capacity building for MVH as well as regional housing stakeholders.	Financial Sustainability and Regional Affordability, Climate Action, Resilient Services and Infrastructure, Housing



METRO VANCOUVER DISTRICTS

2025 - 2029 PROJECTED RESERVES - HOUSING PLANNING AND POLICY

OPERATING RESERVES

	2024 ENDING BALANCE	2025 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE	2029 ENDING BALANCE
<b>Housing Planning and Policy</b>	\$ 479,605	\$ 479,605	\$ -	\$ -	\$ 11,990	\$ 491,595	\$ 503,885	\$ 516,482	\$ 529,394	\$ 542,629

STATUTORY RESERVES

	2024 ENDING BALANCE	2025 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE	2029 ENDING BALANCE
<b>Housing Planning and Policy</b>										
Housing Planning and Policy Re-development Reserve	\$ 7,796,938	\$ 7,796,938	\$ 1,000,000	\$ (8,000,000)	\$ 107,423	\$ 904,361	\$ 926,970	\$ 950,144	\$ 973,898	\$ 998,245
Housing Planning and Policy Development Reserve	21,370,115	21,370,115	4,000,000	(20,000,000)	334,253	5,704,368	4,834,477	2,930,339	1,991,097	1,028,374
<b>Total</b>	<b>\$ 29,167,053</b>	<b>\$ 29,167,053</b>	<b>\$ 5,000,000</b>	<b>\$ (28,000,000)</b>	<b>\$ 441,676</b>	<b>\$ 6,608,729</b>	<b>\$ 5,761,447</b>	<b>\$ 3,880,483</b>	<b>\$ 2,964,995</b>	<b>\$ 2,026,619</b>



Metro Vancouver Housing's Inlet Centre

# 2025 – 2029 FINANCIAL PLAN

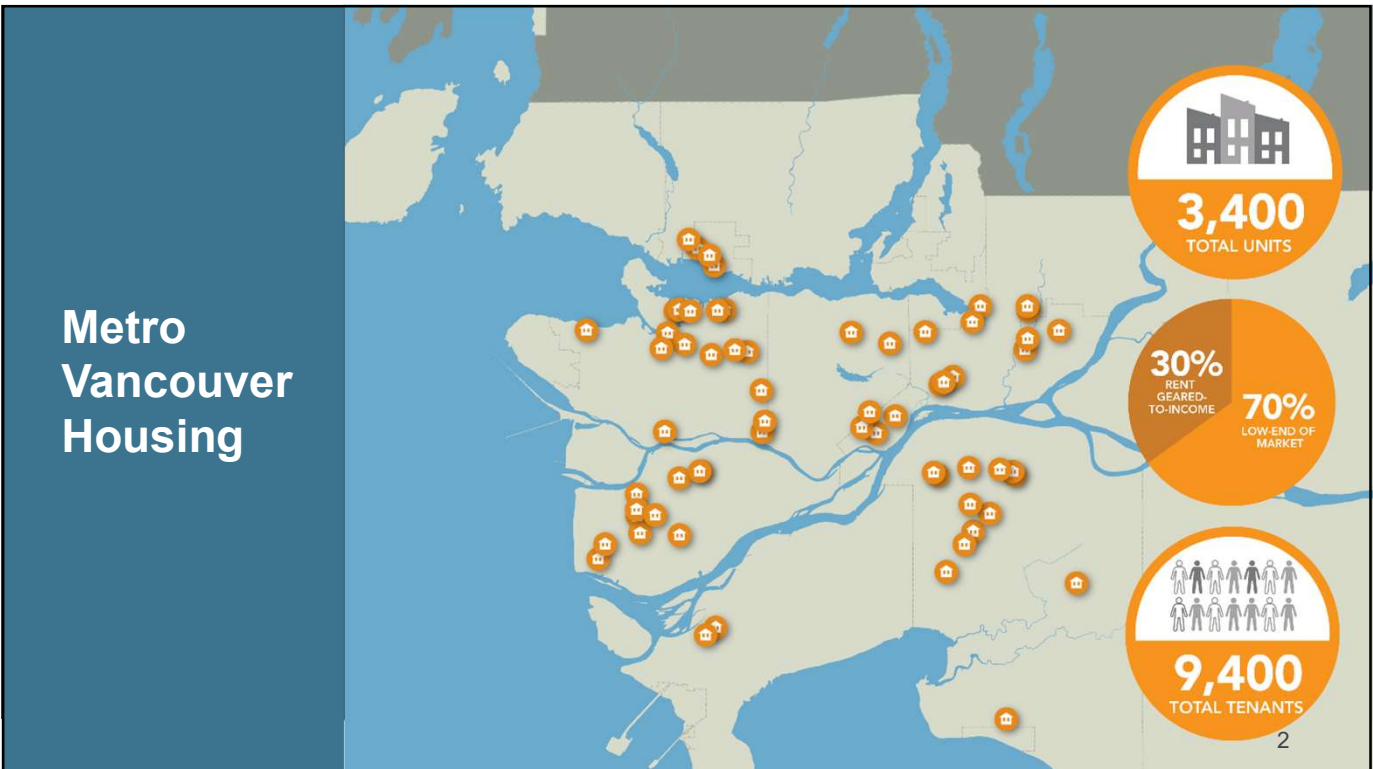
## METRO VANCOUVER HOUSING

Michael Epp

Director, Housing Planning and Development

Housing Committee – October 4, 2024  
68638512

**metro**vancouver



**PROVIDE**  
TENANT PROGRAMS  
COMMUNITY BUILDING

**PRESERVE**  
RENEW &  
REVITALIZE

**EXPAND**  
RE-DEVELOPMENT OF  
EXISTING SITES  
PARTNERHIPS

**Metro Vancouver Housing 10 Year Plan**

3

**10-Year Plan Targets**

- Mixed-income
- Diverse housing
- Age-friendly
- Well maintained
- Low emission
- Energy efficient
- Grow and expand

**Metro Vancouver Housing 10-Year Plan**

4





### MVRD: Housing Planning & Policy

**\$7.7M**

- Implement MVH 10 Year Plan
  - ID Redevelopment and Expansion Priorities
  - Manage redevelopment and expansion projects to pre-construction
- Partnerships and Funding applications
- MVHC Policy and Agreements
- Regional Policy, Data and Research

### MVHC

**\$60.7M**

- Operations (49 sites)
- Capital Maintenance
- Development and Redevelopment Projects
- Tenant Programs
- Finance (Tenant Accounts and Subsidies)

5



## 2025 – 2029 FINANCIAL PLAN

MVRD: HOUSING PLANNING & POLICY

**Michael Epp**  
 Director, Housing Planning and Development

Housing Committee – October 4, 2024  
 68638512

**metrovancouver**

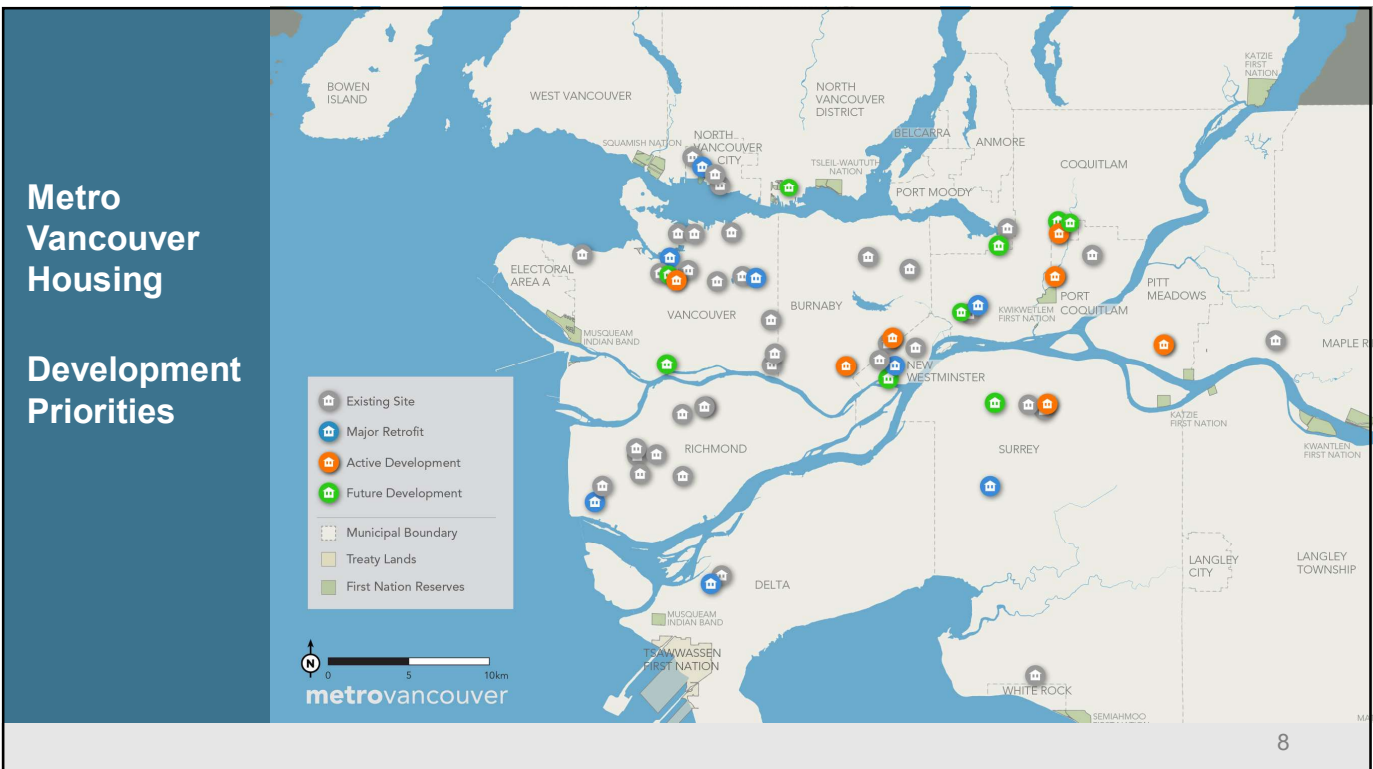


Welcher Avenue Redevelopment

# HOUSING PLANNING & POLICY OVERVIEW

## Housing Planning & Policy over the next 5 years

Supports the implementation of the **Metro Vancouver Housing 10-Year Plan** and MVHC development projects as well as **Metro 2050's** regional housing priorities and best practice research.



## PERFORMANCE METRICS

### Housing Planning and Policy

% of Concept Design or Partnership Agreement Completes for MVHC Projects (pre-construction)

Key Performance	Past Performance (Average)	Expected Performance 2025
Moray Place (Port Moody) - Redevelopment	90% (completed concept planning)	100% (revise concept plan and advance to development approvals)
Phase 2 Partnership Project – Projects in Planning	0%	100% (partnership agreement signed)

## CONTINUOUS IMPROVEMENT – 2024 COMPLETE OR ONGOING

### Housing Planning and Policy

Initiative	Outcomes
Developed model inclusionary housing policy	<ul style="list-style-type: none"> <li>Assist member jurisdictions to secure delivery of affordable housing through private development.</li> </ul>
Rental Housing Blueprint standard regulations for six-storey buildings	<ul style="list-style-type: none"> <li>More efficient delivery of purpose-built rental housing in the region.</li> </ul>
Metro Vancouver Housing & BC Housing Memorandum of Understanding – Phase 2	<ul style="list-style-type: none"> <li>Phase 2 of MOU with the Province to support the delivery of 2,000 new homes over the next 10 years.</li> </ul>

## CONTINUOUS IMPROVEMENT – 2025 NEW

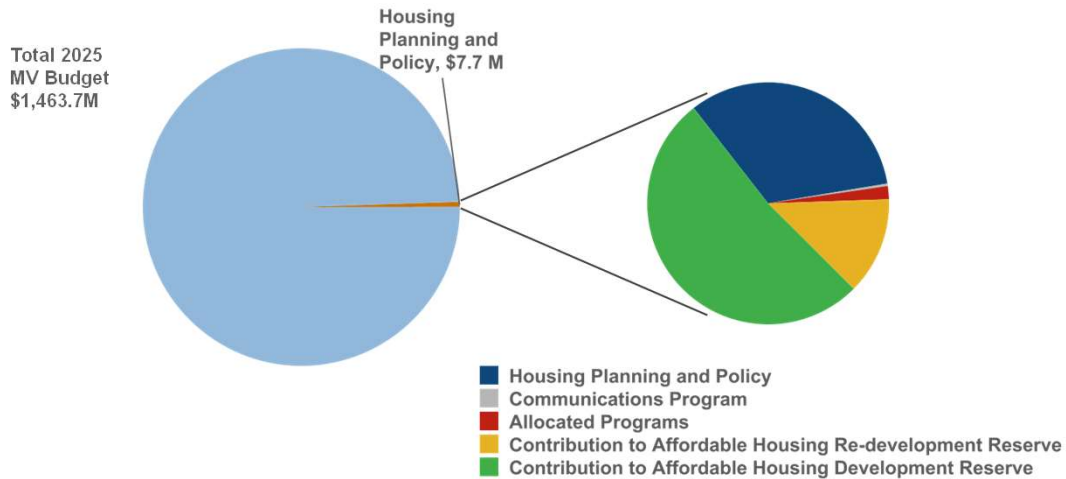
### Housing Planning and Policy

Initiative	Outcomes
Develop online calculator for inclusionary housing	<ul style="list-style-type: none"> <li>Assist member jurisdictions in understanding economics of inclusionary housing.</li> </ul>
Rental Housing Blueprint standard regulations for six-storey buildings	<ul style="list-style-type: none"> <li>Support local government champions to implement standardized regulatory framework.</li> </ul>
Metro Vancouver Housing – BC Housing MOU – Phase 2	<ul style="list-style-type: none"> <li>Advance Projects in Planning for Phase 2 of the MOU – \$226 million over two years (2026-2027).</li> </ul>

## BUDGET OVERVIEW

### Housing Planning and Policy

#### 2025 Operating Budget Breakdown – Housing Planning and Policy



# OPERATING EXPENDITURES

Housing Planning and Policy Financial Plan

**Overview:**

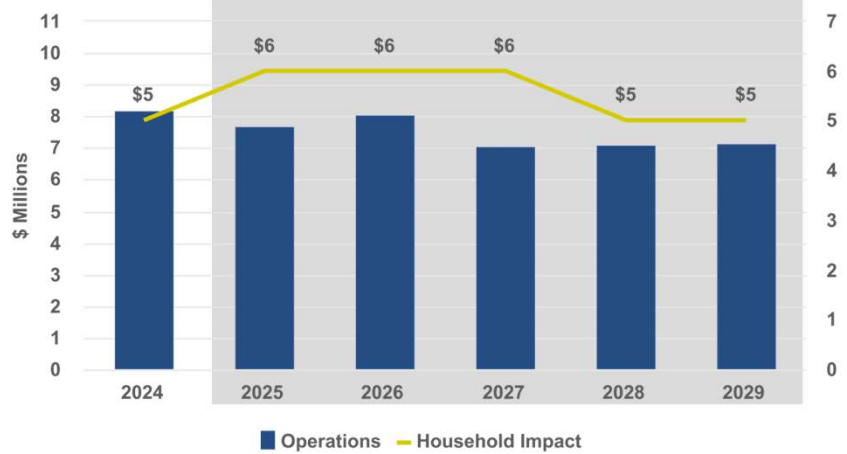
2024 Operating Budget: **\$9.4M**  
 2025 Operating Budget: **\$7.7M**

**17.7% decrease**

**Drivers for Change:**

- Operations are largely inflationary
- Five active Sustainability Innovation Fund projects (decarbonization and reduced embodied carbon pilots) underway

2025 – 2029 MVHC Financial Plan



# OPERATING FUNDING

Housing Planning and Policy Financial Plan

**Overview:**

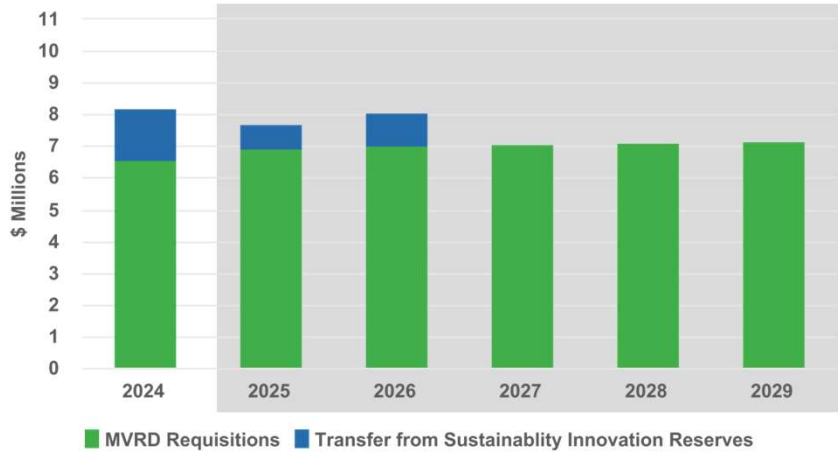
2024 Operating Budget: **\$9.4M**  
 2025 Operating Budget: **\$7.7M**

**17.7% decrease**

**Drivers for Change:**

- MVRD Requisition is largely inflationary over the 5 years
- Completion of reserve funded SIF projects in 2026

2025 - 2029 MVHC Financial Plan





## OPERATING HIGHLIGHTS

### Housing Planning and Policy 2025 - 2029

Budget Year	Initiative	Description
2025	Planning and partnerships	10-Year Plan and Regional Affordable Housing Strategies. Advance partnership model (4+ projects)
2026	Phase 3 development	Advance concept work and partnership agreements on all Phase 3 projects
2027	Phase 3 development	Support all active projects through to construction stage.
2028	Plan implementation	Advance next phase of projects and partnerships to be identified per revised 10-Year Plan and policy initiatives.
2029	Ongoing implementation and policy work.	Advance next phase of expansion projects and partnerships to be identified per revised 10-Year Plan and policy initiatives.

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## HOUSING PLANNING AND POLICY FINANCIAL PLAN SUMMARY

### Housing Planning and Policy 2025 - 2029

	2024	2025	2026	2027	2028	2029
Total Expenditures (\$ Millions)	\$9.4	\$7.7	\$8.1	\$7.1	\$7.1	\$7.1
% Change		(17.7%)	4.9%	(12.7%)	0.6%	0.7%
MVRD Requisitions (\$ Millions)	\$6.6	\$6.9	\$7.0	\$7.1	\$7.1	\$7.1
Houshold Impact (\$)	\$5	\$6	\$6	\$6	\$5	\$5
% Change		4.3%	(0.4%)	(1.3%)	(1.3%)	(1.2%)
Prior Cycle Hopusehold Impact Change (%)		3.4%	(3.4%)	(1.8%)	(0.9%)	N/A



# 2025 – 2029 FINANCIAL PLAN

## METRO VANCOUVER HOUSING CORPORATION

Michael Epp

Director, Housing Planning and Development

Housing Committee – October 4, 2024  
68638512

**metro**vancouver



Somerset Gardens Complex

## MVHC OVERVIEW

Metro Vancouver Housing over the next 5 years

Guided by the Metro Vancouver Housing's 10-Year Plan: **Provide** safe, inclusive, diverse and affordable homes in communities throughout the region; **Preserve** existing portfolio through capital maintenance to support affordability & improve sustainability and accessibility; **Expand** through redevelopment and partnerships with member jurisdictions and other levels of government.

## PERFORMANCE METRICS

### MVHC

Key Performance	Past Performance (Average)	Expected Performance 2025
Total RGI units rented to subsidized tenants	32% (2024)	30% Target
Vacancy rate (based on percentage of rentable units)	0.1% (3-year average)	0.1%
Number of tenant programs offered in MVHC communities	237 (2024, of targeted 230)	265

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## PERFORMANCE METRICS

### MVHC

Key Performance	Past Performance (Average)	Expected Performance 2025
Reduce GHG emissions (grams of CO2 Emissions per square metre)	10.2 grams CO2 E psm (2010 baseline) 7.45 grams CO2 E psm (2024)	7.1 grams CO2 E psm; on track for 45% reduction from 2010 levels by 2030
Kingston Gardens Phase I, Salal Landing, and Heather Place B Redevelopments	2024: 65% - 95% construction	100% Completion, Occupancy
The Connection, The Steller, Heron's Nest New and Redevelopments	2024: 5% construction	40% - 45% construction

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## CONTINUOUS IMPROVEMENT – 2024 COMPLETE OR ONGOING

MVHC

Initiative	Outcomes
Rental Housing Blueprint reference building design	<ul style="list-style-type: none"> <li>Reduced time to develop concepts and more easily constructible designs</li> </ul>
Partnership delivery model	<ul style="list-style-type: none"> <li>Delivery of more MVH projects than could otherwise be delivered (+1 new project in 2024)</li> </ul>
Owners specifications and project management standards	<ul style="list-style-type: none"> <li>Documented, clear project requirements reducing time and complexity</li> </ul>
Explore property management software that will better meet the needs of the department	<ul style="list-style-type: none"> <li>Conducted a detailed gap analysis of current system in collaboration with IT.</li> </ul>

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## CONTINUOUS IMPROVEMENT – 2025 NEW

MVHC

Initiative	Outcomes
Rental Housing Blueprint reference building design	Reduced time to develop concepts and more easily constructible designs
Partnership delivery model	Delivery of more MVH projects than could otherwise be delivered (+4 new projects planned)
Reviewing procurement approaches	Reduce delivery times and project costs
Community Development Framework	Enhanced services to residents and improved use of staff resources.

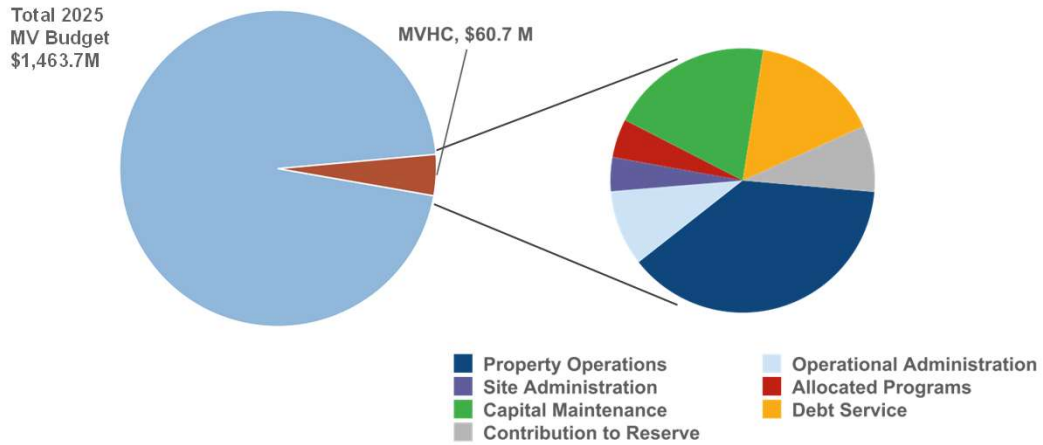
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# BUDGET OVERVIEW

MVHC Financial Plan

## 2025 Operating Budget Breakdown – MVHC



# OPERATING EXPENDITURES

MVHC Financial Plan

### Overview:

2024 Operating Budget: **\$60.3M**

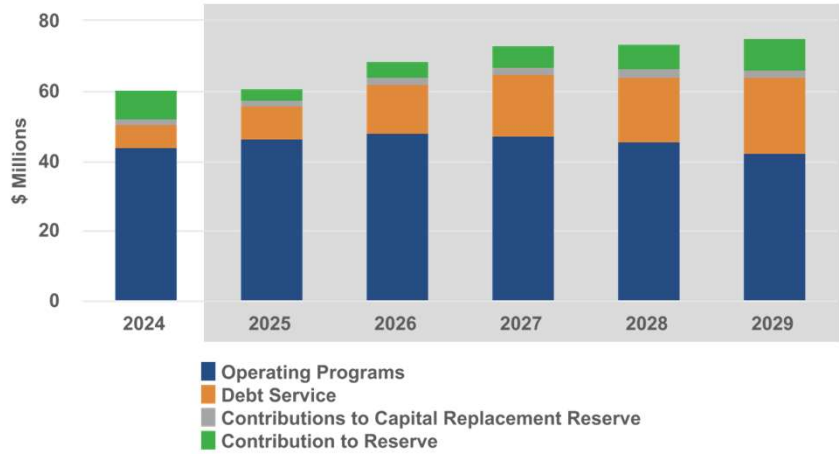
2025 Operating Budget: **\$60.7M**

**0.6% increase**

### Drivers for Change:

- Inflationary increases in operational expenses
- Contracts increase
- Mortgage debt servicing

## 2025 – 2029 MVHC Financial Plan



# OPERATING FUNDING

## MVHC Financial Plan

### Overview:

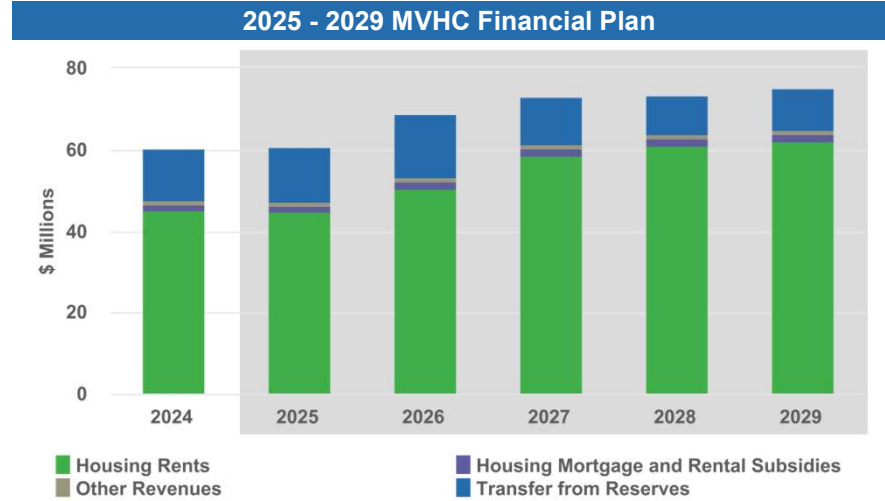
2024 Operating Budget: **\$60.3M**

2025 Operating Budget: **\$60.7M**

**0.6% increase**

### Drivers for Change:

- Additional rents from seven new projects over the five year period
- Increased transfer from reserve



# HOUSING CAPITAL DEVELOPMENT

## 2025 – 2029 CAPITAL DEVELOPMENT EXPENDITURES

### Overview:

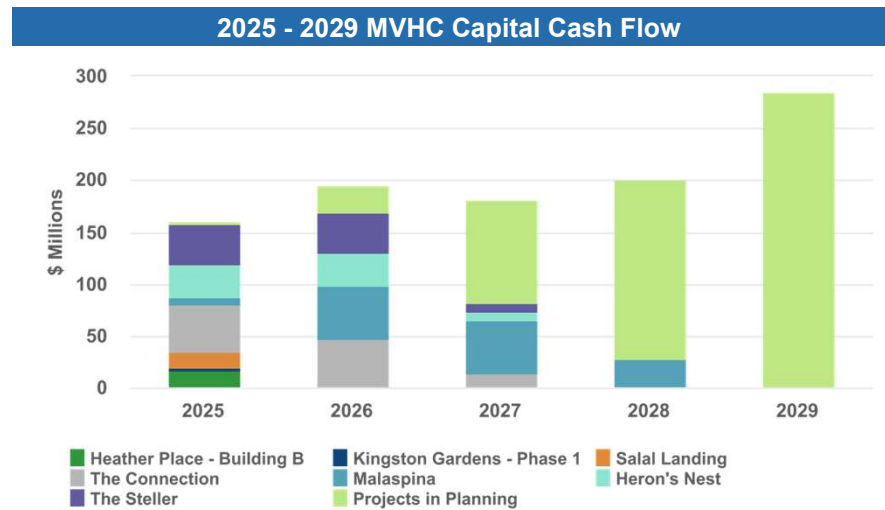
2024 Capital Cash Flow: **\$108.2M**

2025 Capital Cash Flow: **\$160.4M**

**48.3% increase**

### Drivers for Change:

- Partnerships at the Municipal, Provincial and Federal level to deliver additional affordable housing sites across the region
- Increased estimated construction costs.



# CAPITAL DEVELOPMENT FUNDING

## MVHC Capital Plan

### Overview:

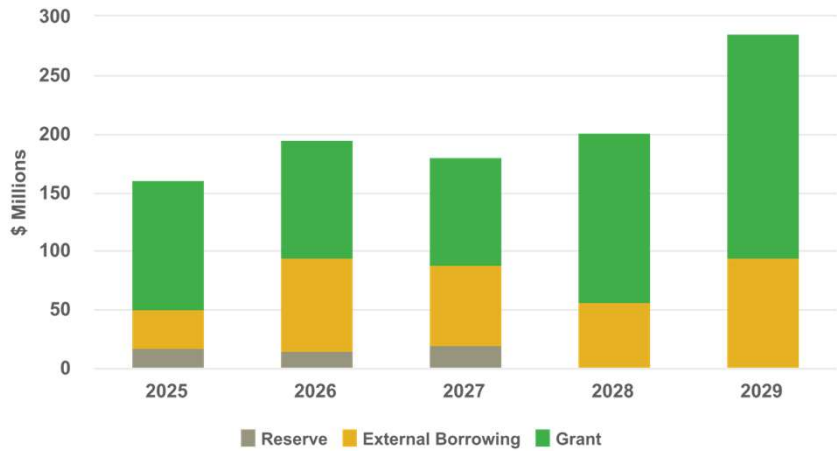
2024 Capital Cash Flow: **\$108.2M**  
 2025 Capital Cash Flow: **\$160.4M**

**48.3% increase**

### Drivers for Change:

- Confirmed BC Housing grants for Phase 1 projects and commitment to grants for Phase 2 and 3.
- Other confirmed funding sources (childcare grants, CMHC grants)

### 2025 – 2029 MVHC Capital Funding



# MVHC CAPITAL PROJECT BUDGET

### Overview:

- 7 redevelopment projects
- 3 partner projects with members
- 816 units underway and additional 1,290+ in planning

### Drivers for Change:

- Funding and partnerships to enable expanded delivery to achieve and exceed targets.

### 2025 MVHC Capital Budget

Heather Place - Building B	87 units	\$55,800,000
Kingston Gardens - Phase 1	85 units	\$44,700,000
Salal Landing	63 units	\$36,100,000
The Connection	174 units	\$120,800,000
Malaspina – Phase 1	170 units	\$140,596,000
Heron's Nest	115 units	\$79,377,000
The Steller	122 units	\$93,900,000
Projects in Planning	1,290+ units	\$690,253,000
<b>Total</b>	<b>2,106 units</b>	<b>\$1,261,526,000</b>



# HOUSING CAPITAL RENEWAL

## 2025 – 2029 BUILDING RENEWAL PLAN EXPENDITURES

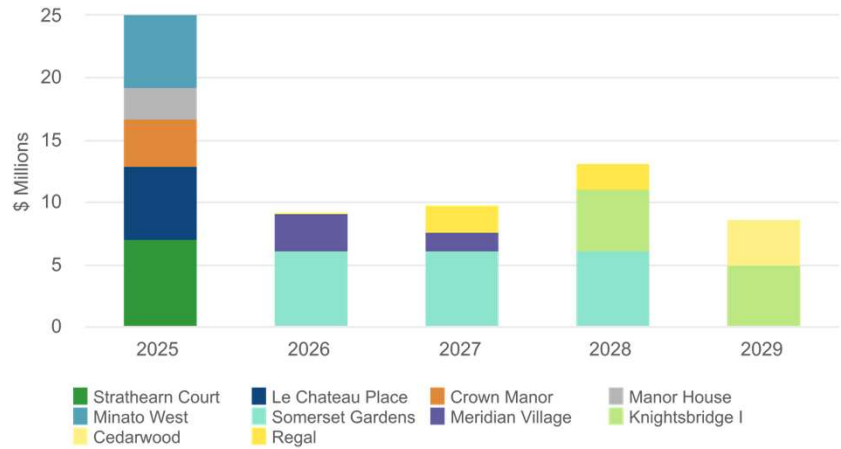
### Overview:

2024 Capital Cash Flow: **\$23.1M**  
 2025 Capital Cash Flow: **\$25.7M**

### Drivers for Change:

- Strategy of advancing revitalization projects for favorable grant contributions
- Asset Facility Condition Index
- Preservation and revitalization of existing affordable housing
- Reduce GHG emissions by 45% (from 2010 levels) by 2030

2025 - 2029 MVHC Capital Cash Flow



# TENANT SERVICES AND COMMUNITY BUILDING

### Community Building

- Community Champions
- Events and Programs
- Tenant newsletters & information
- Crime Prevention
- Emergency Preparedness
- Community Gardens
- Healthy Living Programs
- Reducing Energy Use
- Free Food Program
- Bursary Program
- Poverty Alleviation

### Tenant Operations

- Tenant Placement
- Tenant Support Services and Partnerships
- Tenant Relocation Support for Redevelopment





## OPERATING and CAPITAL HIGHLIGHTS

MVHC 2025 - 2029

Budget Year	Initiative	Description
2025	Deliver major renewal projects. Rent up 3 projects.	515 units being renewed with reduced GHGs 235 new/redeveloped homes added to portfolio
2026	Complete construction Connection, Steller, Heron's Nest	An additional 411 new/redeveloped homes
2027	Rent up of The Connection, Heron's Nest and The Steller	Occupancy of new homes
2028	Rent up of Malaspina Village Phase 1 and Riverside	An additional 248 new/redeveloped homes
2029	Rent up of Heather Place C	An additional 198 new/redeveloped homes

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## MVHC FINANCIAL PLAN SUMMARY

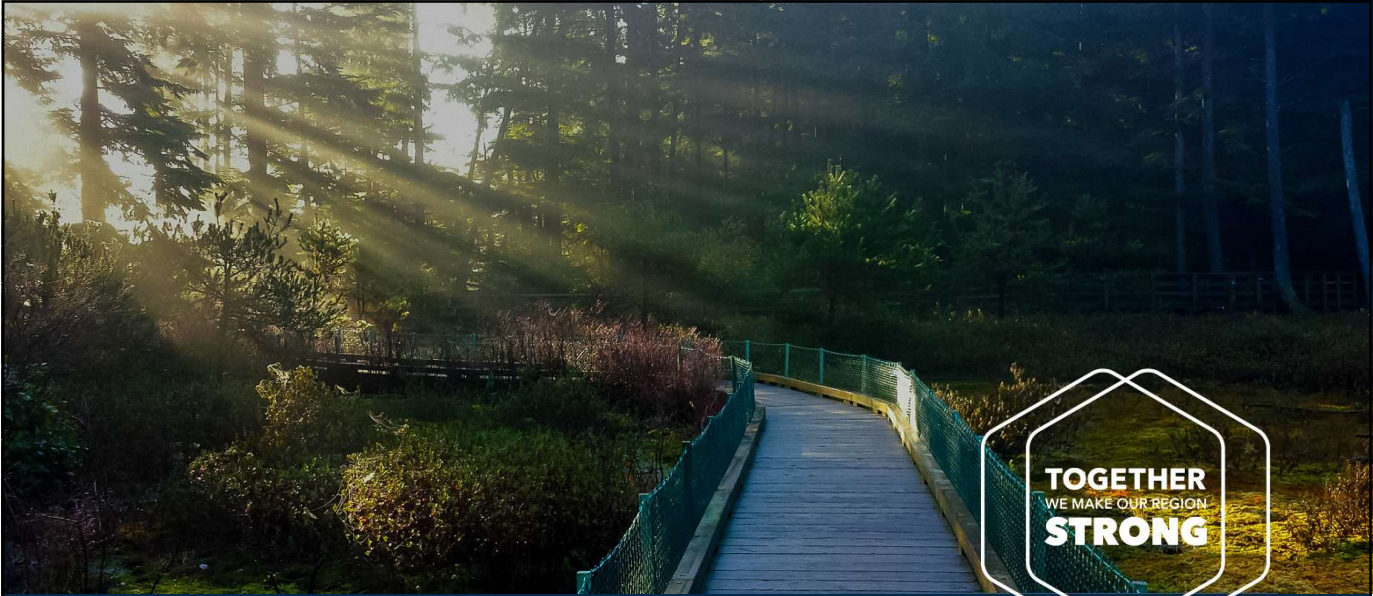
MVHC 2025 - 2029

	2024	2025	2026	2027	2028	2029
Total Expenditures (\$ Millions)	\$60.3	\$60.7	\$68.6	\$72.9	\$73.3	\$75.0
% Change		0.6%	13.1%	6.2%	0.6%	2.3%
Housing Rents (\$ Millions)	\$45.2	\$44.6	\$50.5	\$58.5	\$60.9	\$61.9
Other Revenues *	\$15.1	\$16.1	\$18.1	\$14.4	\$12.4	\$13.2
% Change		6.4%	12.7%	(20.5%)	(13.8%)	6.0%
Total Capital Expenditures (\$ Millions)	\$131.3	\$186.2	\$204.2	\$190.2	\$213.6	\$293.5

\*includes subsidies, other revenues, financing proceeds, transfer from reserves

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Questions?

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To: Housing Committee

From: Michael Epp, Director, Housing Planning and Development, Metro Vancouver  
Housing

Date: September 27, 2024 Meeting Date: October 6, 2022

Subject: **2025 - 2029 Financial Plan – Metro Vancouver Housing Corporation (MVHC)**

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### **RECOMMENDATION**

That the Housing Committee endorse the 2025 - 2029 Financial Plan for the Metro Vancouver Housing Corporation as presented in the report dated September 27, 2024, titled “2025 - 2029 Financial Plan – Metro Vancouver Housing Corporation (MVHC)”, and forward it to the Metro Vancouver Board Budget Workshop on October 16, 2024 for consideration.

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### **EXECUTIVE SUMMARY**

The 2025 - 2029 Metro Vancouver Financial Plan has been prepared following direction from the Financial Plan Task Force and from the Board at the Board Budget Workshops. The 2025 Budget has come under the household impact targets that were recommended by the Financial Plan Task Force and endorsed by the Board, which has resulted in an overall consolidated household impact for 2025 to be 9.9%, down from the 11.0% projected for 2025 in the prior financial planning cycle.

In 2025, the operating budget for MVHC is proposed to increase by \$0.4 million (0.6%) for a total of \$60.7 million. Due to active renewal and redevelopment projects, additional vacancies are projected, which will result in a decrease of rents collected of \$0.6 million (1.3%) in 2025. MVHC operations are funded primarily through rental revenues and do not have an impact on the overall MVRD tax requisition.

MVHC’s 5-year financial plan supports its goals of supporting healthy engaged communities, preserving existing housing to maintain affordability and improve energy efficiency, growing strategically through redevelopment and new developments and partnering to expand affordable rental housing across the region.

### **PURPOSE**

To present the 2025 - 2029 Financial Plan for the Metro Vancouver Housing Corporation (MVHC) for consideration by the Housing Committee.

### **BACKGROUND**

Metro Vancouver’s annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the four Metro Vancouver legal entities (Metro Vancouver Regional District, Metro Vancouver Housing Corporation, Greater Vancouver Water District and Greater Vancouver Sewerage and Drainage District).

Three Board Budget Workshops were held in the spring with the objective to seek direction for the preparation of the 2025 - 2029 Financial Plan. This has resulted in a plan that maintains the goals and objectives of Metro Vancouver while minimizing the impact on ratepayers through evaluation and optimizing the capital and operating programs. This report focuses on the Metro Vancouver Housing function including both operating and capital budget elements for 2025 to 2029.

## METRO VANCOUVER HOUSING CORPORATION

MVHC is a not-for-profit entity with the Metro Vancouver Regional District as its sole shareholder. MVHC operates 49 housing sites that provide over 3,400 units of affordable rental housing for low to moderate income households across the region.

MVHC's operations and maintenance are primarily financed through the collection of tenant rents and supplemented by BC Housing operating subsidies for nine of the 49 sites. Housing Operations, which includes Tenant Programs & Services, Finance, Administration, and Capital & Technical Maintenance, maintains and renews MVHC assets, runs tenant programs and services, and calculates subsidy and collects rents.

The Housing Development team manages the strategic redevelopment of existing sites, and expansion to new sites through partnerships with member jurisdictions, provincial and federal governments and others to develop additional affordable homes across the region.

MVHC initiatives planned over the next five years are guided by direction provided in the *Board Strategic Plan* and *Metro Vancouver Housing 10-Year Plan*, specifically:

- **Providing** safe, inclusive, diverse and affordable homes in communities throughout the region;
- **Preserving** the existing portfolio through capital maintenance to support affordability and improve sustainability and accessibility; and
- **Expanding** Metro Vancouver Housing's portfolio through redevelopment and partnerships with member jurisdictions and other public, private, and non-profit sectors.

## WORK PLAN PERFORMANCE INDICATORS

High level performance indicators have been developed across the organization to evaluate trends, determine key actions for the coming year, and to assist in long-term planning. The 2025 Work Plan for MVHC is presented in this report. Within the MVHC Work Plan, performance indicators have been developed and are being tracked, many from the MVH 10 Year Plan. These include:

- Percentage of total units rented to Rent Geared to Income tenants (deeper subsidy);
- Vacancy rate (percentage based on number of available units);
- Number of tenant program activities delivered;
- Reduction of GHG emissions (45% below 2010 levels by 2030);
- Redevelopment projects including: Kingston Gardens (Surrey), Salal Landing (Port Coquitlam), Heather Place – Building B and Building C (Vancouver), The Connection (Burnaby), and Malaspina Village Phase 1 and Phase 2 (Coquitlam);
- New development projects including: Heron's Nest (Pitt Meadows), The Steller (Burnaby), and Riverside Drive (District of North Vancouver); and

- Renewal projects including: Strathearn Court (Vancouver), Manor House (North Vancouver), Crown Manor (New Westminster), Le Chateau Place (Coquitlam), Minato West (Richmond), Somerset Gardens (Surrey), Meridian Village (Port Coquitlam), and Knightsbridge I (Richmond), Cedarwood Place (Richmond), and Regal Place (Vancouver).

MVHC will continue to provide 30% of the tenant portfolio with deeper subsidized rents, maintain a very low vacancy rate (0.1%), increase tenant programs and activities, and continue the decrease in GHG emissions from MVHC operations. Seven redevelopment projects at existing MVHC sites, three new projects on member jurisdiction lands, and other partnership projects and early redevelopment concepts underway, put MVHC on track to exceed the 10-Year Plan target of 1,350 new and redeveloped affordable rental homes in MVHC's portfolio. Retrofit and renewal is planned for 870 homes, with major building renewal planned at ten sites, demonstrating the commitment to preserve and revitalize existing homes while also enhancing sustainability.

### **CONTINUOUS IMPROVEMENT**

MVHC has been reviewing and updating its standards and procedures. Notable updates include Project Management Standards for capital development projects that ensure the consistent and efficient delivery of projects. In addition, a review of Operations has been completed and recommendations are now being implemented.

Further improvement initiatives include:

- Exploring innovative partnerships to deliver new affordable homes;
- Reviewing procurement approaches and exploring alternatives to expedite cost effective delivery of projects;
- Installing high efficiency mechanical equipment, making thermal improvements to building structures, and improving indoor air quality and ventilation;
- Updating Project Management Standards for Capital Maintenance and Renewal projects;
- Delivering projects approved through the Sustainability Innovation Fund:
  - Step Code Implementation Impacts for Building Envelope Rehabilitation of Existing Buildings
  - Panelized Mass-timber for Retrofits
  - Adding Resiliency and Additional Units for Retrofits
  - Living Building Challenge Certification Feasibility for Rehabilitation
  - Rental Housing Blueprint project which seeks to streamline the delivery of mid-rise rental housing through standardized regulation and off-site manufacturing of pre-approved designs
- Implementing MVH Owners Specifications to deliver quality, livable, and sustainable homes in a cost effective manner;
- Implementing a work order system and digital portal for tenants, and incorporating mobile technology into day-to-day field operations;
- Implementing the new community development framework to deliver joy-based healing, culture of kindness, ecosystems of support, investments in youth social capital, and poverty alleviation and food security infrastructure;
- Mapping existing facility sites to improve preventative maintenance of underground services;
- Thermal scanning electrical components to improve preventative maintenance and reduce risks of failure.

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## 2025 BUDGET AND 2025 - 2029 FINANCIAL PLAN

The five-year financial plans for this cycle have been updated to address five central priorities identified by the Metro Vancouver Board in its Strategic Plan to guide the development of plans and budgets. The five priorities are:

- Financial Sustainability and Regional Affordability
- Climate Action
- Resilient Services and Infrastructure
- Reconciliation
- Housing

Each Metro Vancouver function has an Annual Work Plan that includes strategic directions, performance indicators and key actions to guide the work for the coming year. Each function also has a “What’s Happening” summary that presents program highlights for the next five years.

The 2025 - 2029 MVHC Financial Plan is included as Attachment 1. The 2025 Annual Work Plan for the MVHC presented in this report is included in Attachment 3 and the “What’s Happening” highlights for the years 2025 - 2029 are included in Attachment 4.

### Operating Budget Highlights

The MVHC 2025 operating budget is proposed to increase by \$0.4 million for a total budget \$60.7 million (Attachment 1). This increase is due to additional units coming online and minor increases in operating and maintenance costs.

The 2025 operating budget includes the following key actions:

- Continue implementation of the *Metro Vancouver Housing 10-Year Plan* and asset management program;
- Apply for currently available CMHC, FCM, FortisBC, BC Hydro, and CleanBC grants and other partnerships for our capital maintenance projects that target green building retrofits and the preservation of affordable housing. Any grants received will be applied to decrease the costs of projects, including financing where required;
- Continue to develop and implement innovative tenant programs such as community gardens, free food programs, complimentary spring flowers programs, murals, bursaries, volunteer opportunities, and poverty alleviation programs;
- Continue to support tenants through relocation to support redevelopment;
- Develop and begin implementation of a new internal and external work order system;
- Enhance the online housing application process for tenants; and
- Continue to build brand awareness with key industry stakeholders and residents of the region; and
- Continue to support the non-profit housing industry through educational workshops and presentations on topics related to capital maintenance and development.

Over the next five years, the MVHC annual budget is expected to increase an average of \$2.9 million or 4.6% per year, primarily due to the expansion of the housing portfolio as more units come online.

### Communications Program

The 2025 MVHC Communications Program of \$40,880 is focused on tenant and public engagement, video and graphic documentation of new and existing MVHC sites and programs for partner and tenant engagement, and marketing materials to help raise awareness and presence of MVHC as a leading provider of affordable housing in the region.

### Capital Budget Highlights

The MVHC capital projects cash flow for 2025 is \$186.2 million with a total estimated spend of \$1,087.7 million over the next five years (Attachment 2). The capital program is funded by mortgage financing, reserve funding, and grant funding from various levels of government. The capital projects planned and ongoing for 2025 are:

- The redevelopment and construction of Kingston Gardens - Phase I (Surrey), Salal Landing (Port Coquitlam), Heather Place - Building B (Vancouver), The Connection (Burnaby), The Steller (Burnaby), Heron's Nest (Pitt Meadows), and Malaspina Village Phase 1 and Phase 2 (Coquitlam);
- Detailed design for development projects at Heather Place – Building C (Vancouver) and Riverside Drive (District of North Vancouver); and
- Construction for renewal projects at Strathearn Court (Vancouver), Minato West (Richmond), Le Chateau Place (Coquitlam), Manor House (North Vancouver), and Somerset Gardens (Surrey) building envelope renewals and energy improvements.
- Continued exploration of potential partnership sites to expand MVHC affordable units across the region.

#### Redevelopment/New Development Projects:

- Kingston Gardens – Phase 1 (Surrey) and Salal Landing (Port Coquitlam) are on track for construction completion in early 2025;
- Heather Place – Building B (Vancouver) is on track for construction completion by the end of 2025;
- The Connection (Burnaby), The Steller (Burnaby), and Heron's Nest (Pitt Meadows) will begin construction in late 2024 and continue construction throughout 2025, with completion dates in early 2027;
- Malaspina Village – Phase 1 (Coquitlam) will begin construction in late 2025;
- Detailed design for Heather Place – Building C (Vancouver), Riverside Drive (District of North Vancouver), and Malaspina Village – Phase 2 (Coquitlam) will begin in 2024 and continue throughout 2025.

#### Renewal Projects:

- Some renewal projects will be funded through a combination of reserves, grants, and financing in order to accelerate projects and take advantage of current grant funding opportunities. These projects are considered part of the capital plan due to the financing element while other renewal projects remain in the operations plan, as Capital Maintenance.
- Renewal projects involving financing in 2025 include: Manor House, Strathearn Court, Le Chateau Place, Crown Manor, Somerset Gardens and Minato West. Financed projects for 2026-2029 include Meridian Village, Regal Place and Knightsbridge I.

- Strathearn Court and Minato West are scheduled to be 90% constructed by the end of 2025 while Le Chateau and Crown Manor are to be 95% completed. Somerset Gardens will start a 3-year period construction in 2026, with feasibility and design work starting in 2025. Meridian Village, Cedarwood, Regal Place and Knightsbridge I will begin planning and design and move to construction within the five-year plan.

### **Capital Development and Capital Replacement Reserve Funds**

The application of reserve funding in MVHC is in accordance with the *Operating, Statutory and Discretionary Reserves Policy* and is primarily made through its Capital Development and Capital Replacement Reserves.

In 2025, the financial plan includes \$31.2 million in reserve usage and transfers, including

- \$17.7 million from the MVHC Capital Development Reserve to fund housing development
- \$12.5 million from the MVHC Capital Replacement Reserve and \$0.9 million from MVHC Restricted Capital Replacement Reserve for capital replacement activities

A one-time grant of \$20 million from the Growing Communities Fund is being applied to the Capital Development Reserve to assist with infrastructure costs associated with expanding affordable housing. The grant will be provided to MVH over 3 years, starting in 2025. The 2025 - 2029 Projected Reserves for MVHC is included in Attachment 5.

### **APPROVAL PROCESS**

The proposed 2025 - 2029 Financial Plan and Annual Work Plan is presented for consideration and endorsement before being forwarded to the Board for consideration.

The next steps of the process are:

- The 2025 - 2029 Financial Plan and Annual Work Plan will be presented for consideration at the Metro Vancouver Board Budget Workshop on October 16, 2024; and
- The Board will consider adoption of the 2025 Budget and endorsement of the 2025 - 2029 Financial Plan on October 16, 2024.

### **ALTERNATIVES**

1. That the Housing Committee endorse the 2025 - 2029 Financial Plan for the Metro Vancouver Housing Corporation as presented in the report dated September 27, 2024, titled "2025 - 2029 Financial Plan – Metro Vancouver Housing Corporation (MVHC)", and forward it to the Metro Vancouver Board Budget Workshop on October 16, 2024 for consideration.
2. That the Housing Committee amend the 2025 - 2029 Financial Plan for the Metro Vancouver Housing Corporation as follows: \_\_\_\_\_; and forward the amended Financial Plan to the to the Metro Vancouver Board Budget Workshop on October 16, 2024 for consideration.

### **FINANCIAL IMPLICATIONS**

MVHC operations are funded primarily through rental revenues and do not have an impact on the overall MVRD tax requisition. If the MVRD Board endorses the 2025 - 2029 Financial Plan for the MVHC, as presented under Alternative 1, in 2025 the rental revenues are expected to generate a



surplus from operations ranging from \$3.1 million in 2025 to \$9.1 million in 2029. This surplus has decreased moderately from prior projections owing to increases in operating costs exceeding increases in rents. The capital plan includes ten redevelopment/new development projects, partnership projects in the exploration stage, and ten renewal projects.

Over the next five years, the MVHC annual budgeted revenue is expected to increase an average of \$2.9 million or 4.6% per year as the portfolio grows. The projected capital cash flow for 2025-2029 totals \$1,087.7 million, or an average of \$217.5 million per year. The advancement of new development projects, and the acceleration of building renewal work result in projected 2025 capital expenditures of \$25.7 million for capital maintenance and \$160.4 million for capital development, supported by debt, grants and MVHC's Capital Development and Capital Replacement reserve. MVHC operations are funded primarily through rental revenues and do not have an impact on the overall MVRD tax requisition.

Under Alternative 2, the Committee may wish to consider recommending amendments to the 2025 Budget and Five-year Financial Plan for consideration at the Metro Vancouver Board Budget Workshop. Any amendments to the plan may have an impact on the MVRD Financial Plan.

## CONCLUSION

The MVHC 2025 Budget and Five-year Financial Plan was prepared following direction received at the May 31, 2024 Metro Vancouver Board Budget Workshop and to respond to direction provided in the *Board Strategic Plan*. It is presented to Committee and Board members to provide overview information on activities and financial impacts for the years 2025 to 2029 for MVHC.

The presentation of the 2025 budget and five-year financial plan for MVHC provides the opportunity for Metro Vancouver to share with its member jurisdictions the proposed capital projects and operating programs, and the financial impact of these projects, over the next five years. The financial plan illustrates how Metro Vancouver proposes to pay for MVHC investments that will be required to maintain our assets and to respond to our region's growing population. It is intended to be used as a guiding document for member jurisdictions in the development of their five-year financial plans.

Staff recommends endorsing the 2025 - 2029 Financial Plan and Annual Work Plan for MVHC as presented under alternative one.

## ATTACHMENTS

1. 2025 - 2029 Financial Plan
2. 2025 - 2029 Capital Portfolio – Housing Development
3. 2025 Work Plan
4. 2025 - 2029 What's Happening
5. 2025 - 2029 Projected Reserves – Metro Vancouver Housing Corporation

**METRO VANCOUVER HOUSING CORPORATION**  
**HOUSING**  
**2025 BUDGET REVIEW**  
**2025 - 2029 FINANCIAL PLAN**

	2024 BUDGET	2025 BUDGET	% CHANGE	2026 FORECAST	% CHANGE	2027 FORECAST	% CHANGE	2028 FORECAST	% CHANGE	2029 FORECAST	% CHANGE
<b>REVENUES</b>											
Housing Rents	\$45,207,881	\$ 44,610,986	(1.3%)	\$ 50,502,924	13.2%	\$ 58,499,464	15.8%	\$ 60,920,380	4.1%	\$ 61,876,177	1.6%
Housing Mortgage and Rental Subsidies	1,254,012	1,530,721		1,709,210		1,815,948		1,852,808		1,879,592	
Other External Revenues	1,002,083	1,088,434		1,127,323		1,160,093		1,181,403		1,138,132	
Transfer from Reserves	12,856,377	13,457,688		15,279,850		11,418,083		9,368,585		10,134,774	
<b>TOTAL REVENUES</b>	<b><u>\$60,320,353</u></b>	<b><u>\$ 60,687,829</u></b>	<b>0.6%</b>	<b><u>\$ 68,619,307</u></b>	<b>13.1%</b>	<b><u>\$ 72,893,588</u></b>	<b>6.2%</b>	<b><u>\$ 73,323,176</u></b>	<b>0.6%</b>	<b><u>\$ 75,028,675</u></b>	<b>2.3%</b>
<b>EXPENDITURES</b>											
Operating Programs:											
Property Operations	\$21,958,187	\$ 23,075,099		\$ 24,190,218		\$ 26,845,103		\$ 27,930,409		\$ 25,087,175	
Maintenance	1,221,612	1,454,729		1,499,233		1,545,356		1,592,409		1,641,356	
Housing Finance Operations	1,154,578	1,163,144		1,199,620		1,328,350		1,369,968		1,412,978	
Tenant Program and Services	874,407	901,440		927,641		954,609		982,345		1,010,957	
Site Administration	2,521,088	2,511,686		2,678,006		3,443,443		3,541,173		3,618,898	
Engineers in Training	10,273	20,551		21,198		21,864		22,551		23,261	
Administration and Department Support	1,543,513	2,056,672		2,022,371		2,079,667		2,138,558		2,199,265	
	<u>\$29,283,658</u>	<u>\$ 31,183,321</u>	6.5%	<u>\$ 32,538,287</u>	4.3%	<u>\$ 36,218,392</u>	11.3%	<u>\$ 37,577,413</u>	3.8%	<u>\$ 34,993,890</u>	(6.9%)
Communications Program	40,000	40,880	2.2%	41,698	2.0%	42,532	2.0%	43,382	2.0%	44,250	2.0%
Allocation of Centralized Support Costs	<u>\$ 2,697,141</u>	<u>\$ 2,866,136</u>	6.3%	<u>\$ 2,920,989</u>	1.9%	<u>\$ 2,872,123</u>	(1.7%)	<u>\$ 2,942,371</u>	2.4%	<u>\$ 2,795,941</u>	(5.0%)
Total Operating Programs	<u>\$32,020,799</u>	<u>\$ 34,090,337</u>	6.5%	<u>\$ 35,500,974</u>	4.1%	<u>\$ 39,133,047</u>	10.2%	<u>\$ 40,563,166</u>	3.7%	<u>\$ 37,834,081</u>	(6.7%)
Capital Maintenance	12,032,204	12,100,948	0.6%	12,402,026	2.5%	8,001,256	(35.5%)	5,037,534	(37.0%)	4,557,946	(9.5%)
Debt Service:											
Mortgage Payments	5,478,117	8,231,015	50.3%	11,354,762	38.0%	14,152,877	24.6%	14,175,866	0.2%	16,075,995	13.4%
Capital Maintenance Financing	824,173	1,356,740	64.6%	2,877,824	112.1%	3,416,827	18.7%	4,331,051	26.8%	5,576,828	28.8%
Contribution to Capital Replacement Reserve	1,911,397	1,842,898	(3.6%)	1,919,672	4.2%	2,109,831	9.9%	2,163,100	2.5%	1,842,898	(14.8%)
Contribution to Reserve	8,053,663	3,065,891	(61.9%)	4,564,049	48.9%	6,079,750	33.2%	7,052,459	16.0%	9,140,927	29.6%
<b>TOTAL EXPENDITURES</b>	<b><u>\$60,320,353</u></b>	<b><u>\$ 60,687,829</u></b>	<b>0.6%</b>	<b><u>\$ 68,619,307</u></b>	<b>13.1%</b>	<b><u>\$ 72,893,588</u></b>	<b>6.2%</b>	<b><u>\$ 73,323,176</u></b>	<b>0.6%</b>	<b><u>\$ 75,028,675</u></b>	<b>2.3%</b>

**METRO VANCOUVER HOUSING CORPORATION  
CAPITAL PORTFOLIO  
HOUSING DEVELOPMENT  
2025 CAPITAL BUDGET AND 2025 - 2029 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2029 CAPITAL CASH FLOW	2025 TO 2029 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
<b>CAPITAL EXPENDITURES</b>									
<b>Capital Development</b>									
Heather Place - Building B	\$ 55,800,000	\$ 16,468,000	\$ -	\$ -	\$ -	\$ -	\$ 16,468,000	Construction	Expand/Re-develop
Kingston Gardens - Phase 1	44,700,000	3,500,000	75,000	-	-	-	3,575,000	Construction	Expand/Re-develop
Salal Landing	36,100,000	14,305,000	-	-	-	-	14,305,000	Construction	Expand/Re-develop
The Connection	120,800,000	46,248,000	46,248,000	13,268,000	75,000	-	105,839,000	Construction	Expand/Re-develop
Malaspina	140,596,000	6,000,000	51,956,000	51,956,000	28,069,000	-	137,981,000	Detailed Design	Expand/Re-develop
Heron's Nest	79,377,000	32,000,000	32,000,000	8,587,000	-	-	72,587,000	Construction	Expand/Member Partnerships
The Steller	93,900,000	38,554,000	38,554,000	7,240,000	75,000	-	84,423,000	Detailed Design	Expand/Member Partnerships
Projects in Planning	690,253,000	3,371,000	26,179,000	99,388,000	172,284,000	284,830,000	586,052,000	Planned	Expand/Re-develop
<b>Total Capital Development</b>	<b>\$1,261,526,000</b>	<b>\$160,446,000</b>	<b>\$195,012,000</b>	<b>\$180,439,000</b>	<b>\$200,503,000</b>	<b>\$284,830,000</b>	<b>\$1,021,230,000</b>		
<b>Building Renewal</b>									
Strathearn Court	10,000,000	7,000,000	-	-	-	-	7,000,000	Construction	Preserve
Le Chateau Place	7,300,000	5,900,000	-	-	-	-	5,900,000	Detailed Design	Preserve
Crown Manor	4,800,000	3,840,000	-	-	-	-	3,840,000	Detailed Design	Preserve
Manor House	11,000,000	2,470,000	-	-	-	-	2,470,000	Construction	Preserve
Minato West	8,900,000	5,900,000	-	-	-	-	5,900,000	Construction	Preserve
Somerset Gardens	18,850,000	500,000	6,100,000	6,100,000	6,100,000	-	18,800,000	Schematic	Preserve
Meridian Village	-	-	3,000,000	1,500,000	-	-	4,500,000	Planned	Preserve
Knightsbridge I	-	-	-	-	5,000,000	5,000,000	10,000,000	Planned	Preserve
Cedarwood	-	-	-	-	-	3,650,000	3,650,000	Planned	Preserve
Regal	4,400,000	100,000	100,000	2,200,000	2,000,000	-	4,400,000	Planned	Preserve
<b>Total Building Renewal</b>	<b>\$ 65,250,000</b>	<b>\$ 25,710,000</b>	<b>\$ 9,200,000</b>	<b>\$ 9,800,000</b>	<b>\$ 13,100,000</b>	<b>\$ 8,650,000</b>	<b>\$ 66,460,000</b>		
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$1,326,776,000</b>	<b>\$186,156,000</b>	<b>\$204,212,000</b>	<b>\$190,239,000</b>	<b>\$213,603,000</b>	<b>\$293,480,000</b>	<b>\$1,087,690,000</b>		

**METRO VANCOUVER HOUSING CORPORATION  
CAPITAL PORTFOLIO  
HOUSING DEVELOPMENT  
2025 CAPITAL BUDGET AND 2025 - 2029 CAPITAL PLAN**

	CAPITAL BUDGET FOR APPROVAL	2025 CAPITAL CASH FLOW	2026 CAPITAL CASH FLOW	2027 CAPITAL CASH FLOW	2028 CAPITAL CASH FLOW	2029 CAPITAL CASH FLOW	2025 TO 2029 TOTAL CAPITAL CASH FLOW	ACTIVE PHASE	PRIMARY DRIVER
<b>CAPITAL FUNDING</b>									
Grants	\$ 662,803,900	\$111,101,000	\$101,587,000	\$ 92,610,000	\$144,626,000	\$190,600,000	\$ 640,524,000		
External Borrowing	582,256,000	57,335,000	88,051,000	77,728,000	68,677,000	98,930,000	390,721,000		
Reserve	81,716,100	17,720,000	14,574,000	19,901,000	300,000	3,950,000	56,445,000		
<b>Total</b>	<b>\$1,326,776,000</b>	<b>\$186,156,000</b>	<b>\$204,212,000</b>	<b>\$190,239,000</b>	<b>\$213,603,000</b>	<b>\$293,480,000</b>	<b>\$1,087,690,000</b>		
<b>SUMMARY BY DRIVER</b>									
Expand/Re-develop	\$1,088,249,000	\$ 89,892,000	\$124,458,000	\$164,612,000	\$200,428,000	\$284,830,000	\$ 864,220,000		
Expand/Member Partnerships	173,277,000	70,554,000	70,554,000	15,827,000	75,000	-	157,010,000		
Preserve	65,250,000	25,710,000	9,200,000	9,800,000	13,100,000	8,650,000	66,460,000		
<b>Total</b>	<b>\$1,326,776,000</b>	<b>\$186,156,000</b>	<b>\$204,212,000</b>	<b>\$190,239,000</b>	<b>\$213,603,000</b>	<b>\$293,480,000</b>	<b>\$1,087,690,000</b>		

**METRO VANCOUVER HOUSING CORPORATION**

**Description of Services**

Metro Vancouver Housing Corporation (MVHC) is a not-for-profit entity with the Metro Vancouver Regional District as its sole shareholder. MVHC operates 49 housing sites that provide 3,400 units of affordable rental housing for low to moderate income households across the region. MVHC is primarily financed through the collection of tenant rents. Operations maintains MVHC assets, manages tenants and builds communities within the housing portfolio and surrounding neighborhoods.

**Strategic Directions and High Level Goals Supported**

- Provide safe, affordable rental homes to individuals and families across the region
- Implement the *Metro Vancouver Housing 10-Year Plan* to provide, preserve and expand affordable housing in the region
- Support or lead funding applications for MVHC development projects including project-specific funding calls and broader portfolio funding with provincial and federal governments;
- Continue to implement innovative tenant programs to engage healthy, livable communities
- Continue the implementation of the *MVH Redevelopment Plan* and asset management program. These plans:
  - Identify a pipeline of housing developments and building rehabilitations that are prioritized to create new units and maintain existing affordable rental homes
  - Identify areas for environmental and energy sustainability improvements
  - Create an agreed standard of service and delivery for core building infrastructure

**Performance Indicators**

<b>Indicator</b>	<b>Historical and/or industry benchmark (2023)</b>	<b>Current performance (2024)</b>	<b>2025 performance objective</b>
Total units rented to subsidized tenants	30% Target	32%	30%
Vacancy percentage (based on number of units)	0.1%	0.1%	0.1%
Number of Active Tenant Programs	180	Target - 230 Delivered - 239	265
Reduce GHG emissions	7.96 grams CO <sup>2</sup> Emissions per square metre (2023)	7.45 grams CO <sup>2</sup> Emissions per square metre	7.1 grams CO <sup>2</sup> Emissions per square metre
Kingston Gardens (Surrey) Redevelopment	90% (construction)	95% (construction)	100% (construction) 100% (rent up)
Salal Landing (Port Coquitlam) Redevelopment	50% (construction)	90% (construction)	100% (construction) 100% (rent up)

Heather Place B (Vancouver) Redevelopment	100% (design) 15% (construction)	65% (construction)	100% (construction) 100% (rent up)
The Connection (Burnaby) Redevelopment	100% (design)	5% (construction)	40% (construction)
Heron's Nest (Pitt Meadows) New Development	100% (design)	5% (construction)	40% (construction)
The Steller (Burnaby) New Development	80% (design)	5% (construction)	45% (construction)
Malaspina Phase 1 (Coquitlam) Redevelopment	50% (design)	65% (design)	100% (design) 5% (construction)
Strathearn Court (Vancouver) Renewal Project	100% (design)	10% (construction)	95% (construction)
Minato West (Richmond) Renewal Project	100% (design)	10% (construction)	95% (construction)
Crown Manor (New Westminster) Renewal Project	100% (design)	75% (design)	95% (construction)
Le Chateau Place (Coquitlam) Renewal Project	100% (design) 0% (construction)	75% (design)	100% (construction)
Manor House (North Vancouver) Renewal Project	100% (design) 15% (construction)	75% (construction)	100% (construction)
Somerset Gardens (Surrey) Renewal Project	5% (design)	50% (planning)	100% (design)
Regal Place (Vancouver) Renewal Project	n/a	70% (planning)	50% (design)

## MVHC

## 2025 to 2029 – WHAT’S HAPPENING

Below is a summary of the significant initiatives to be undertaken by MVHC over the next 5 years.

Initiative	Description	Theme
<b>2025</b>		
Metro Vancouver Housing 10-Year Plan	Continue the exploration and implementation of actions identified in the 10-Year Plan	Housing, Climate Action, Financial Sustainability and Regional Affordability
Kingston Gardens – Phase 1 Redevelopment	Complete construction and rent-up, shift to Operations	Housing, Climate Action
Salal Landing - Redevelopment	Complete construction and rent-up, shift to Operations	Housing, Climate Action
Heather Place B - Redevelopment	Complete construction and rent-up, shift to Operations	Housing, Climate Action
Heron’s Nest – New Development	Continue construction	Housing, Climate Action
The Connection – Redevelopment	Continue construction	Housing, Climate Action
The Steller – New Development	Continue construction	Housing, Climate Action
Malaspina Village Phase 1 – Redevelopment	Complete permitting, start construction	Housing, Climate Action
Malaspina Village Phase 2 – Redevelopment	Progress design and permitting	Housing, Climate Action
Projects in Planning - Heather Place C – Redevelopment	Progress design, rezoning, and permitting	Housing, Climate Action
Projects in Planning - Riverside – New Development	Progress design and permitting	Housing, Climate Action
Strathearn Court - Renewal	Continue construction	Housing, Climate Action
Manor House - Renewal	Continue construction	Housing, Climate Action
Crown Manor - Renewal	Complete design and start construction	Housing, Climate Action
Le Chateau Place - Renewal	Complete design and start construction	Housing, Climate Action
Minato West - Renewal	Continue construction	Housing, Climate Action
Somerset Gardens - Renewal	Continue design and permitting	Housing, Climate Action
Regal Place – Renewal	Preliminary feasibility and design work	Housing
Process development	Review and refine preventative maintenance procedures	Housing
<b>2026</b>		

Metro Vancouver Housing 10-Year Plan	Continue the exploration and implementation of actions identified in the 10-Year Plan	Housing, Climate Action, Financial Sustainability and Regional Affordability
Heron’s Nest – New Development	Complete construction and begin planning for rent-up in early 2027	Housing, Climate Action
The Connection – Redevelopment	Complete construction and begin planning for rent-up in early 2027	Housing, Climate Action
The Steller – New Development	Complete construction and begin planning for rent-up in early 2027	Housing, Climate Action
Malaspina Village Phase 1 – Redevelopment	Continue construction	Housing, Climate Action
Heather Place C – Redevelopment	Progress design, rezoning, and permitting	Housing, Climate Action
Riverside – New Development	Complete design and permitting, start construction	Housing, Climate Action
Projects in Planning – Moray Place - Redevelopment	Advance design and permitting	Housing
Projects in Planning – Malaspina Village Phase 2 - Redevelopment	Advance design and permitting	Housing
Somerset Gardens - Renewal	Complete design and permitting, start construction	Housing, Climate Action
Meridian Village - Renewal	Complete design and permitting, start construction	Housing, Climate Action
Regal Place - Renewal	Continue design and permitting	Housing, Climate Action
<b>2027</b>		
Metro Vancouver Housing 10-Year Plan	Continue the exploration and implementation of actions identified in the 10-Year Plan	Housing, Climate Action, Financial Sustainability and Regional Affordability
Heron’s Nest – New Development	Complete rent-up and shift to Operations	Housing, Climate Action
The Steller – New Development	Complete rent-up and shift to Operations	Housing, Climate Action
Malaspina Village Phase 1 – Redevelopment	Continue construction and plan for rent-up in early 2028	Housing, Climate Action
Projects in Planning - Heather Place C – Redevelopment	Complete design, rezoning, and permitting, start construction	Housing, Climate Action
Projects in Planning - Riverside – New Development	Continue construction	Housing, Climate Action
Projects in Planning – Moray Place - Redevelopment	Continue design and permitting	Housing



Projects in Planning – Malaspina Village Phase 2 - Redevelopment	Continue design and permitting	Housing
Somerset Gardens - Renewal	Continue construction	Housing, Climate Action
Meridian Village - Renewal	Complete construction	Housing, Climate Action
Regal Place - Renewal	Complete design and permitting, start construction	Housing, Climate Action
<b>2028</b>		
Metro Vancouver Housing 10-Year Plan	Continue the exploration and implementation of actions identified in the 10-Year Plan	Housing, Climate Action, Financial Sustainability and Regional Affordability
Malaspina Village Phase 1 – Redevelopment	Complete construction and rent-up, shift to Operations	Housing, Climate Action
Projects in Planning - Heather Place C – Redevelopment	Continue construction	Housing, Climate Action
Projects in Planning - Riverside – New Development	Complete construction and rent-up, shift to Operations	Housing, Climate Action
Projects in Planning – Moray Place - Redevelopment	Start construction	Housing
Projects in Planning – Malaspina Village Phase 2 - Redevelopment	Complete design and relocate tenants into Phase 1 building once complete, start construction	Housing
Somerset Gardens - Renewal	Complete construction	Housing, Climate Action
Knightsbridge I - Renewal	Complete design and permitting, start construction	Housing, Climate Action
Regal Place - Renewal	Complete construction	Housing, Climate Action
<b>2029</b>		
Metro Vancouver Housing 10-Year Plan	Continue the exploration and implementation of actions identified in the 10-Year Plan	Housing, Climate Action, Financial Sustainability and Regional Affordability
Projects in Planning - Heather Place C – Redevelopment	Complete construction and rent-up, shift to Operations	Housing, Climate Action
Projects in Planning – Moray Place - Redevelopment	Continue construction	Housing
Projects in Planning – Malaspina Village Phase 2 - Redevelopment	Continue construction	Housing

Knightsbridge I - Renewal	Complete construction	Housing, Climate Action
Cedarwood - Renewal	Complete design and permitting, start construction	Housing, Climate Action

## METRO VANCOUVER DISTRICTS

## 2025 - 2029 PROJECTED RESERVES - METRO VANCOUVER HOUSING CORPORATION

## OPERATING RESERVES

	2024 ENDING BALANCE	2025 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE	2029 ENDING BALANCE
Metro Vancouver Housing Corporation	\$ 3,189,924	\$ 3,189,924	\$ -	\$ -	\$ 79,748	\$ 3,269,672	\$ 3,351,414	\$ 3,435,199	\$ 3,521,079	\$ 3,609,106

## DISCRETIONARY RESERVES

	2024 ENDING BALANCE	2025 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE	2029 ENDING BALANCE
<b>Housing</b>										
MVHC Capital Replacement Reserve	\$ 21,314,672	\$ 21,314,672	\$ 4,500,637	\$ (12,514,104)	\$ 432,698	\$ 13,733,903	\$ 7,273,636	\$ 2,571,075	\$ 4,740,578	\$ 2,839,323
MVHC Capital Development Reserve	52,358,465	52,358,465	28,000,000	(17,720,000)	1,437,462	64,075,927	56,996,650	45,359,304	52,264,537	59,342,400
<b>Total</b>	\$ 73,673,137	\$ 73,673,137	\$ 32,500,637	\$ (30,234,104)	\$ 1,870,160	\$ 77,809,830	\$ 64,270,286	\$ 47,930,379	\$ 57,005,115	\$ 62,181,723

## STATUTORY RESERVES

	2024 ENDING BALANCE	2025 OPENING BALANCE	CONTRIBUTION	WITHDRAWALS	INTEREST	2025 ENDING BALANCE	2026 ENDING BALANCE	2027 ENDING BALANCE	2028 ENDING BALANCE	2029 ENDING BALANCE
MVHC Restricted Cap. Replacement Reserve	\$ 4,248,936	\$ 4,248,936	\$ 420,267	\$ (943,584)	\$ 99,682	\$ 3,825,301	\$ 1,796,404	\$ 3,438,572	\$ 1,268,236	\$ 480,039

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To: Housing Committee

From: Jade Hume, Division Manager, Housing Development, Metro Vancouver Housing  
George Kavouras, Director, Procurement, Procurement and Real Estate Services

Date: September 10, 2025 Meeting Date: October 4, 2024

Subject: **Award of the Construction Contract Component of RFP 22-167 for Construction Management for Services and Construction (At-Risk) for The Steller Affordable Housing and Childcare Development**

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### RECOMMENDATION

That the MVHC Board:

- a) Approve the award of the construction contract component of RFP 22-167 for Construction Management for Services and Construction (At-Risk), in the amount of up to \$69,781,556 (exclusive of taxes) to Kinetic Construction Ltd., subject to final review by the Chief Administrative Officer; and
  - b) Authorize the General Manager, Procurement and Real Estate to execute the required documentation once the General Manager, Procurement and Real Estate is satisfied that the award should proceed.
- 

### EXECUTIVE SUMMARY

The Steller Affordable Housing and Childcare project is a 122-unit affordable rental development with an integrated commercial childcare facility, located in Burnaby.

This project uses a CCDC-5B contract type that involves hiring a Construction Manager At-Risk (CMAR) early on in the process. The RFP No. 22-167 for Pre-Construction and Construction Management At-Risk (CMAR) services was awarded to Kinetic Construction Ltd. (Kinetic). Kinetic's proposal ranked highest overall and demonstrated best value overall for Metro Vancouver. Kinetic supported the project pre-construction, and then sought pricing from qualified subcontractors which was reviewed with MVH. Now approaching the construction stage, Metro Vancouver Housing staff are seeking to award the construction contract component of RFP No. 22-167 to Kinetic for a stipulated price of up to \$69,781,556.

Following a value engineering process with the CMAR, MVH is able to deliver the total project for \$90.7M, 3.4% (\$3.2M) less than the Board approved budget of \$93.9M which was based on a Class C cost estimate. Additionally, given a more favourable funding context with additional grants and lower interest rates, MVH is able to reduce its equity input from the MVH Development Fund by \$10M from the previous estimate. This will allow MVH to further leverage its resources to support more affordable housing projects across the region.

### PURPOSE

To seek MVHC Board authorization to award the construction contract component of RFP No. 22-

167 for Construction Management for Services and Construction (At-Risk) for The Steller housing development project. Pursuant to the MVHC, by Resolution and Board Policy No. FN-031, procurement contracts that exceed a value of \$10 million require the approval of the MVHC Board.

## **BACKGROUND**

The Steller housing development project was authorized by the MVHC Board to proceed with design and applications to funding partners in October 2020. The Steller Affordable Housing and Childcare development project is a result of a 2020 Expression of Interest call issued by MVH where member jurisdictions were asked to put forth potential project sites to lease to MVH for a nominal rate to develop and operate affordable housing. The project, located in Burnaby, consists of 122 units and an integrated commercial childcare facility. The site is owned by the City of Burnaby in fee simple, and will be leased to Metro Vancouver Housing Corporation (MVHC) at a nominal cost, with MVH designing, constructing and operating this affordable housing development. The site is currently vacant. Cost estimates were produced by both an independent quantity surveyor engaged by MVH, and Kinetic (CMAR) at specified design milestones, with the most recent Class B cost estimate provided in April 2024. The project was tendered by Kinetic to the prequalified subcontractor list in July 2024.

Now approaching the construction stage, staff are seeking Board approval to award the construction contract component (Stage Gate 3) as per Metro Vancouver's Procurement Policy.

## **PROCUREMENT SUMMARY**

RFQ 22-058 was issued March 2022 to prequalify proponents to participate in RFP 22-167. Fourteen (14) proposals were received and seven (7) proponents were shortlisted and invited to respond to RFP 22-167. A Construction Manager at Risk (CMAR) delivery model was utilized in RFP 22-167 and makes use of a Fixed Stipulated Price contract via industry standard CCDC 5B contract forms. This is one of the required contract forms by BC Housing, which is a funding partner for this Project.

After a comprehensive and detailed evaluation of the compliant proposals, the evaluation team concluded that the proposal submitted by Kinetic Construction Ltd (Kinetic) ranked highest overall, provided and demonstrated best value overall for Metro Vancouver Housing for The Steller housing development project.

In April 2023, concluding RFP No. 22-167, Kinetic Construction Ltd. (Kinetic) was engaged to provide construction management for services and construction for The Steller, in the form of a CCDC-5B contract. This contract includes a pre-construction phase where the construction manager reviewed and provided feedback on the project design at specified milestones.

On May 14 2024, a Request for Proposal for Design-Assist services for framing and formwork was issued. The RFP closed on May 24, Kinetic evaluated the RFP submissions and provided a summary of the results and recommendations to proceed with design assist, Building Information Modelling services, with future award of Stipulated Lump-Sum Contract for Construction Services for the construction of The Steller. Following the award of the Design Assist RFP, the development of the

design continued in order to produce the tender documents. In July 2024, following review and approval from Metro Vancouver Procurement, Kinetic conducted a tender process to the prequalified trade subcontractors. After a comprehensive and detailed evaluation, Kinetic presented the package of compliant proposals, with all individual project scopes of work receiving competitive pricing from a minimum of three subcontractors. The package submitted by Kinetic demonstrates best value overall for MVH, and is supported by review and approvals from an independent quantity surveyor and funding partners. The result of this tender process is to be a fixed price contract between MVH and Kinetic, to provide construction services to complete The Steller affordable housing project and integrated commercial childcare facility, for which staff are currently seeking approval through this report.

### **ALTERNATIVES**

1. That the MVHC Board:
  - a) Approve the award of the construction contract component of RFP 22-167 for Construction Management for Services and Construction (At-Risk), in the amount of up to \$69,781,556 (exclusive of taxes) to Kinetic Construction Ltd. for The Steller, subject to final review by the Chief Administrative Officer; and
  - b) Authorize the General Manager, Procurement and Real Estate to execute the required documentation once the General Manager, Procurement and Real Estate is satisfied that the award should proceed.
  
2. That the MVHC Board receive for information the report dated September 10, 2024 titled, "Award of the Construction Contract Component of RFP 22-167 for Construction Management for Services and Construction (At-Risk) for The Steller Affordable Housing and Childcare Development".

### **FINANCIAL IMPLICATIONS**

The total contract value will support MVH to deliver the project for \$90.7M, \$3.2M under the Board approved budget of \$93.9M. Additionally, given a more favourable funding context, with additional grant opportunities and lower interest rates, MVH is able to reduce its equity input from \$22.5M to \$12.6M. This savings will allow MVH to further leverage its resources to support more affordable housing projects across the region.

The Metro Vancouver Housing Development Fund has sufficient funds to support this project and the project is accounted for in the Board endorsed 5-year financial plan. Metro Vancouver Housing continuously examines the reserve balances to support development projects, and if necessary will adjust scope and project planning timelines of future projects to ensure sufficient financial capacity to deliver the housing development plans.

If Alternative 1 is not approved, the project will face increased costs due to escalation and design team delays. Additionally, funding from partners may be jeopardized.

## **CONCLUSION**

It is recommended that MVHC Board approve the award of the construction contract component of RFP 22-167 for Construction Management for Services and Construction (At-Risk), in the amount of \$69,781,556 (exclusive of taxes) to Kinetic Construction Ltd. for The Steller Affordable Housing and Childcare Development, subject to final review by the Chief Administrative Officer and authorize the General Manager, Procurement and Real Estate to execute the required documentation for the contract award. The construction is anticipated to start late November 2024, with a duration of 26 months.

67073732

To: Housing Committee

From: Michael Epp, Director, Housing Planning and Development, Metro Vancouver Housing

Date: September 6, 2024 Meeting Date: October 4, 2024

Subject: **Manager's Report**

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### **RECOMMENDATION**

That the Housing Committee receive for information the report dated September 6, 2024, titled "Manager's Report".

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### **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.

### **HOUSING OPERATIONS UPDATE**

Operations staff continue to respond to residents and tend to maintenance requests. Summer projects, such as fencing repairs, have completed and focus is shifting to getting sites ready for the rainy season.

Fifteen new families were welcomed into Metro Vancouver Housing in the month of August at sites in Surrey, Richmond, Vancouver, Port Coquitlam and Burnaby. Tenant Programs and Services delivered back-to-school supplies as a part of poverty alleviation programming to 60 students. Outreach to returning tenants has begun at Kingston Gardens as we get ready to welcome them into their new homes.

Capital and Technical Maintenance is currently working on 13 capital renewal and capital maintenance projects as well as many smaller maintenance projects.

- Phase 1 of our Manor House Renewal project is nearing completion with scaffolding coming down and new mechanical systems being commissioned. Phase 2 of the project is in design which is considering significant investment in a community space in the building's courtyard.
- Construction of Strathearn Court and Minato West renewal projects is ramping up with demolition and repairs to the buildings base structure currently underway.
- The 75% design milestone has been passed for the deep retrofit renewals at Crown Manor and Le Chateau, projects with innovative design aspects including pre-fabricated panelized exterior walls and unit density increases.
- The tender process is starting and is well underway for the Tivoli Gardens re-roofing and targeted exterior renewal projects, Alderwood roof deck and patio renewal, and Semlin Gardens targeted balcony and cladding renewal projects.



In addition, a significant public request for proposals is nearing completion which will allow staff a more streamlined procurement approach to engaging design consultants for future renewal projects.

**ATTACHMENT**

1. Housing Committee 2024 Work Plan

70401676

**Housing Committee 2024 Work Plan**  
 Report Date: September 6, 2024

**Priorities**

<b>1<sup>st</sup> Quarter</b>	<b>Status</b>
Housing Committee 2024 Work Plan Adoption	Complete
MVH 10-Year Plan Update – Project Scope	Complete
MVHC Subsidy Program – Update	Complete
Tenant Programs & Services – Update	Complete
Capital Rehabilitation Projects – Update	Complete
Capital Development & Redevelopment Projects – Update	Complete
<b>2<sup>nd</sup> Quarter</b>	<b>Status</b>
MVHC Subsidy Program – Update	Complete
Tenant Programs & Services – Update	Complete
Capital Rehabilitation Projects – Update	Complete
Capital Development & Redevelopment Projects – Update	Complete
<b>3<sup>rd</sup> Quarter</b>	<b>Status</b>
MVHC Subsidy Program – Update	Complete
Tenant Programs & Services – Update	Complete
Capital Rehabilitation Projects – Update	Complete
Capital Development & Redevelopment Projects – Update	Complete
<b>4<sup>th</sup> Quarter</b>	<b>Status</b>
MVH 10-Year Plan Update – Project 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