



## ADMINISTRATIVE REPORT

Report Date: October 5, 2010  
Contact: Dennis Carr  
Contact No.: 604.873.7207  
RTS No.: 08783  
VanRIMS No.: 08-2000-20  
Meeting Date: November 2, 2010

TO: Vancouver City Council  
FROM: Managing Director, Social Development  
SUBJECT: Grant to Lu'ma Native BCH Housing Society  
Aboriginal Children's Village; 2960 -2990 Nanaimo Street

### *RECOMMENDATION*

THAT Council approve a grant of \$240,000 (\$10,000 per unit) to Lu'ma Native BCH Housing Society (Lu'ma) towards the construction of 2960-2990 Nanaimo Street [Lot A Block U Section 45 Plan BC P42761 District Lot THSL NWD, PID: 028-068-475]. The source of funds is to be the Affordable Housing Fund.

### *GENERAL MANAGER'S COMMENTS*

The General Manager of Community Services recommends approval of the foregoing.

### *COUNCIL POLICY*

Council policy is to preserve and maintain a stock of market rental housing, and to maintain or increase the stock of affordable and social housing in the city. The City's social housing priorities are for low and modest income families with children; seniors on fixed incomes or in need of support; SRO residents; and the mentally ill, physically disabled, and others at risk of homelessness.

In situations where the development of non-market housing projects are not viable because of high land or construction costs in the city, or where a City contribution will assist in meeting the needs of core-need households, Council has provided grants to non-market sponsors to ensure they can proceed.

The approval of grants requires that eight members of Council vote in the affirmative.

## PURPOSE

This report seeks Council approval of a \$240,000 capital grant to Lu'ma Native BCH Housing Society towards the construction of the Aboriginal Children's Village at 2960-2990 Nanaimo Street to provide 24 housing units for core-need households.

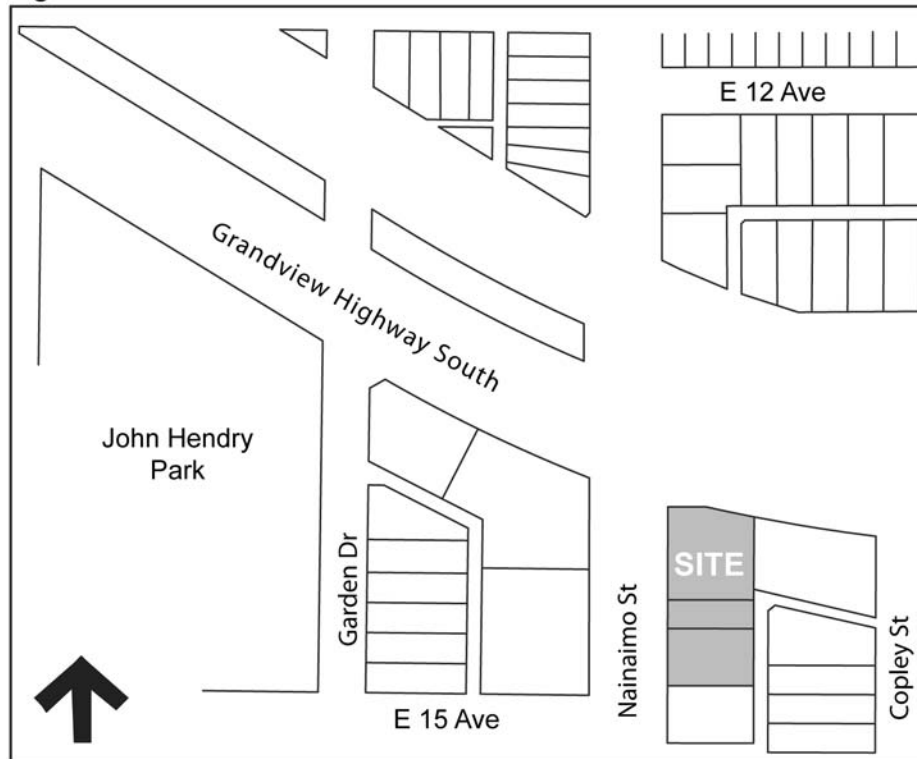
## BACKGROUND

**Society Background:** Lu'ma is a non-profit charitable organization established in 1980 and providing housing for persons of Aboriginal ancestry in the Province of British Columbia, according to their needs. Their clients include low-income families and individuals, seniors, and people with disabilities. Over the past thirty years Lu'ma has successfully developed and operated a significant housing portfolio in 23 different locations with over 300 housing units. Currently they have a wait-list in excess of 3,500 families. Lu'ma is an award winning society for best practice - the First Nation's Patients Lodge.

### Aboriginal Children's Village 2960-2990 Nanaimo Street:

The site is located near the northwest corner of the Renfrew-Collingwood neighbourhood, at the southeast corner of the intersection of Grandview Highway South and Nanaimo Street as shown in Figure 1 below.

Figure 1: Location of 2960 - 2990 Nanaimo St



## *DISCUSSION*

On March 24, 2009, Council approved a rezoning application of the site from C-1 to CD-1 to accommodate the proposed affordable housing development. A condition of the enactment of the CD-1 by-law required a housing agreement to secure the affordable housing on this site. The housing agreement was signed by the City and Lu'ma and registered on title in November 2009 to secure 24 housing units for core-need households on this site for 60 years. The rezoning fee of \$29,100 and the residential portion of the DCL (Development Cost Levies) in the amount of \$217,407.00 were waived.

The objective of Lu'ma's Aboriginal Children's Village is to build a 24-unit affordable housing development that will provide housing, supports, training, life skills, and programs for women and children, and a social enterprise that will support job training for the Aboriginal youth. The project will include 10 large units for foster families and foster children, 3 small units for youth-in-transition, and 11 affordable and culturally appropriate rental units for women, children, and families. Furthermore, it will provide staff support in the building to the foster children. Through partnership with the Vancouver Aboriginal Child and Family Services Society, there will be 4 FTE's of staffing on site to support foster families and children to create a culturally supportive village in the heart of East Vancouver.

Due to the lengthy application process and an increase in interest costs, this project has experienced some financial shortfalls. Lu'ma is requesting the City to provide a grant of \$240,000 as indicated in the attached letter in Appendix A.

This project, which is being built under the auspices of the BC/Federal Aboriginal Housing Initiative, includes contributions from the Homelessness Partnership Initiative and the City of Vancouver (through relief of DCLs, rezoning fees and the grant recommended by this report).

Overall cost for the residential development is \$12,671,790. Key financial contributions to the project are as follows:

|  |                |
|--|----------------|
| ▪ BC Housing Aboriginal Housing Initiative | \$5,250,000    |
| ▪ Homelessness Partnership Initiative      | 710,000        |
| ▪ City of Vancouver:                       |                |
| • DCL exemption                            | 217,407        |
| • Rezoning Fee Waiver                      | 29,100         |
| • Proposed Grant                           | <u>240,000</u> |
| ▪ Total City of Vancouver                  | 486,507        |

The project has proceeded to the building permit stage and BU444421 was issued on September 29, 2010.

Staff recommend that Council approve a grant of \$240,000 (\$10,000 per unit) to Lu'ma Native BCH Housing Society to support the development at 2960-2990 Nanaimo Street known as Aboriginal Children's Village.

***FINANCIAL IMPLICATIONS***

The source of funds for the City's grant of \$240,000 to Lu'ma Native Housing Society would be the Affordable Housing Fund. As of September 30, 2010, there was an unallocated balance of \$343,953.47 in the Affordable Housing Fund, after the proposed grant, the balance will be \$103,953.47.

***CONCLUSION***

The Managing Director of Social Development recommends that the City assist Lu'ma Native Housing Society to facilitate the construction of 2960-2990 Nanaimo Street. If Council approves this grant application, the City's contribution would be \$240,000 in addition to exemptions of \$217,407 of DCL and \$29,100 of rezoning fee, totalling \$486,507 in contributions from the City.

\* \* \* \* \*



## Lu'ma Native BCH Housing Society

*(translated from Salish as: New Beginnings)*

June 25, 2009

City of Vancouver  
Social Development Department  
310, East Tower, 555 W. 12th Avenue  
Vancouver BC V5Z 3X7

**Attention:** Jill Davidson, Assistant Director, Social Infrastructure

Dear Jill:

**Re:** Lu'ma Native BCH Housing Society, 2960-2990 Nanaimo Street, Vancouver

Thank you for the opportunity to make an application for a \$240,000 grant to Lu'ma Native BCH Housing Society's Aboriginal Children's Village project located at 2960-2990 Nanaimo Street, in Vancouver.

Over the past twenty-seven (27) years Lu'ma has successfully developed and operated a housing portfolio with a market value of approximately forty (40) million dollars. The annual operating budget including our homelessness budget is in excess of ten (10) million dollars. Our housing portfolio includes 23 different projects and provides in excess of 300 housing units to Aboriginal families. Our wait-list is in excess of 3,500 families. We are an award winning society for our best practice – the First Nation's Patients Lodge.

The Aboriginal Children's Village project at 2960-2990 Nanaimo will provide 24 units of affordable housing including 10 large units for foster families, 3 youth in transition units and 7 affordable rental units. An operating partnership with VACFSS will provide dedicated staffing to support the youth and foster families to create a culturally supportive village in the heart of East Vancouver.

We have committed funding from various partners including the Aboriginal Homelessness Initiative through BC Housing, City of Vancouver DCC waivers, Homelessness Partnership Initiative and cash equity from Lu'ma. The project will also include a loan from BC Housing. Our project has experienced some cost increases as we have spent the last year working through the City process. We are looking to improve the success of the project by reducing the amount equity necessary from Lu'ma by \$240,000 through a City of Vancouver contribution in the amount of \$10,000 per unit similar to the Circle of Eagles project.

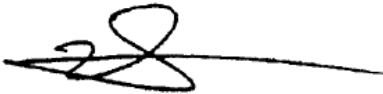
We have responded to our Development Permit prior to conditions and expect to make a Building Permit application in July with construction starting later in the summer.

A few weeks ago Armin Amrolia spoke with Cameron Gray about the possibility of a City Grant of \$10,000 per bed to assist with financing for the Circle of Eagles project. I understand that Cameron was open to the idea. Since there was a favorable response to the request and this is a similar project we thought it prudent to make a similar request.

We look forward to a positive response to this proposal that will build our capacity to meet the Aboriginal community's needs in the heart of East Vancouver.

Should you have any questions, please do not hesitate to contact the undersigned or Terra Housing Consultants.

Yours truly,

A handwritten signature in black ink, appearing to be 'MS', with a long horizontal line extending to the right.

Marcel Swain, LL.B.  
CEO, Lu'ma Native BCH Housing Society

Cc: Simon Davie, Terra Housing