

## ADMINISTRATIVE REPORT

Report Date: March 19, 2013  
Contact: Jim De Hoop/Dennis Carr  
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VanRIMS No.: 08-2000-20  
Meeting Date: April 9, 2013

TO: Vancouver City Council

FROM: General Manager of Community Services

SUBJECT: Grant to Salsbury Community Society for 26 Social and Supportive Housing Units (1870 East 1<sup>st</sup> Avenue/1723 Victoria Drive)

### RECOMMENDATION

THAT Council approve a grant of \$260,000 to Salsbury Community Society to help realize the construction of a 26 unit social housing development including supportive housing and co-housing at 1870 East 1<sup>st</sup> Avenue / 1723 Victoria Drive (*Lots 4, Amended Lot 1 and Amended Lot 3 of Block B, Block 144, District Lot 264A, Plans 1315 and 1771; PID: 004-877-934, 015-076-431 and 015-076-458 respectively*); source of funding for the \$260,000 grant is as follows:

- \$108,000 from the approved 2013 Capital Budget for Grants to new non-market housing projects, carried forward from 2012 and
- \$152,000 of new funding from the 2012-2014 Capital Plan for Grants to new non-market housing projects (Capital from Revenue). This \$152,000 of new funding is to be added to the 2013 Capital project budget.

FURTHER THAT the grant be subject to the funding commitment from Salsbury Community Society and other community partners being secured, and subject to the registration of a Housing Agreement securing all 26 units as social housing for 60 years or the life of the building, whichever is greater; subject to the enactment of the CD-1 District schedule approved in principle for this site and on the condition that at least 18 of the supportive housing units within the development be prioritized for the street and sheltered homeless, and vulnerable individuals at a high risk of homelessness, consistent with Council's Affordable Housing and Homelessness Strategy.

### REPORT SUMMARY

This report seeks approval of a capital grant of \$260,000 (\$10,000 per unit) to Salsbury Community Society (Salsbury) for the construction of a 26 unit supportive housing /

affordable co-housing development at 1870 East 1<sup>st</sup> Avenue/1723 Victoria Drive on the condition that at least 18 of the supportive housing units within the development be prioritized for the street and sheltered homeless, and vulnerable individuals at a high risk of homelessness, consistent with Council's Affordable Housing and Homelessness Strategy.

### ***COUNCIL AUTHORITY/PREVIOUS DECISIONS***

On July 28, 2011 Council endorsed the Housing & Homelessness Strategy 2012-2021 which includes Strategic Direction 1: Increase the supply of affordable housing and Strategic Direction 2: Encourage a housing mix across all neighbourhoods that enhances quality of life. The 3-Year Action Plan 2012-2014 identifies priority actions to achieve some of the Strategy's goals. The priority actions that relate to this grant request are to optimize the City's use of capital grants to lever and support housing partnerships.

Following a Public Hearing on April 16, 2012, Council approved the rezoning of this site, and one of the conditions was that a Housing Agreement be registered on title securing all the dwelling units proposed as social housing on this site.

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

### ***CITY MANAGER'S/GENERAL MANAGER'S COMMENTS***

This project enables the City an opportunity to partner with Salsbury Community Society to provide much needed affordable supportive housing for street and sheltered homeless, and those vulnerable and at a higher risk of homelessness. The project includes a majority of units which will rent at or near the shelter component of welfare.

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

### ***REPORT***

#### ***Background/Context***

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

In situations where the development of non-market housing projects are not viable, or where a City contribution will assist in addressing the issue of street homelessness, or meeting the needs of low income and core-need households, Council has provided capital grants to non-market housing sponsors. Such contributions help ensure the projects can proceed, and help ensure that rents in these properties can be reduced

to be affordable to persons on income assistance or who are otherwise low-income / core-need income households.

### *Strategic Analysis \**

The City's Supportive Housing Strategy supports provision of social and supportive housing throughout the city in locations where there is accessibility to transit, shopping and community services. The City's Housing and Homelessness Strategy, approved in July 2011, reaffirmed Council's housing priorities to maintain and expand housing opportunities in Vancouver for low and modest income households, with priority for those who are homeless or at risk of homelessness.

The proposed project consists of a four-story multiple dwelling building, providing non-market housing, with a total floor area of approximately 1 723 m<sup>2</sup> (18,546 sq. ft.). The housing provider for this project is the Salsbury Community Society, a non-profit society affiliated with the nearby Grandview Calvary Baptist Church. Salsbury Community Society's "Co:Here Community Housing Initiative" has been providing supportive community housing since 1997.

Salsbury presently operates five supportive housing projects in the area, which are also "community-oriented" in nature, but smaller in size than this proposal. They also operate, with affiliates in the neighbourhood, a number of programs, such as skills and job training and a social enterprise designed to assist those in need. This proposal will serve a Council priority by providing homes with support services for those who are homeless or who are vulnerable and at risk of homelessness.

The three upper levels of the proposed building include 26 non-market residential units, consisting of 18 studios (4 of which are accessible for the disabled), four one-bedroom units, and four two bedroom units. Communal amenity space, as well as a kitchen, guest room, counseling and office spaces, are located on the main floor. A large outdoor amenity space, including garden space, is found on the south side of the building. Eighteen to twenty units in the building will be occupied by low income people needing housing supports with a priority to locally homeless persons or persons who are at risk of homelessness but who do not need higher levels of support than the community within the building offers. In addition to these core residents, six to eight of the units will be occupied by people providing support to them by facilitating community building, providing spiritual and emotional support, and serving as a link to other service providers in the community. The building will be operated and maintained by Salsbury affiliated staff and volunteers, with an on-site Building and Maintenance Manager and a Community Support Worker

This is a privately initiated project aimed at helping address the need for affordable and supportive housing. Salsbury and its affiliated charities and donors have privately raised 70% of the funds and are requesting federal, provincial, municipal grants, as well as further private fundraising to fill the capital budget gap. Operating funds are achieved through the mix of rents within the building, though nearly all of the units are anticipated to be rented at or below Housing Income Limit rent levels, and most will rent at shelter component of income assistance.

The Housing and Homelessness Strategy 2012-2021 identifies a need for 5,000 social housing units. If this grant is approved, it will facilitate the completion of 26 units of affordable housing including at least 18 units of supportive housing within Grandview Woodlands. These units are included in the total under Current Projects (Supportive Housing and all other Non-Market Units) presented in the table below.

	TARGETS		CURRENT PROJECTS	GAP
	Long Term (2021)	Near Term (2014)	Proposed, In Progress and Completed	(2014 Target)
<b>Supportive Housing Units</b>	2,900	2,150	1,845	305
<b>All Other Non-Market Housing Units</b>	5,000	1,500	1,200	300
<b>Total Non-Market Housing Units</b>	7,900	3,650	3,045	605

(1) Targets are established in the 2011 City of Vancouver Housing and Homeless Strategy.

Staff recommend that Council approve a grant of \$260,000 (\$10,000 per unit) to Salsbury to facilitate the construction of at least 18 units of supportive housing within a 26- unit affordable supportive co-housing community/development . Subject to Council approval, the City will be providing support to this project through this grant.

### *Financial Implications*

The total project cost is estimated at \$5 million. Should Council approve a grant of \$260,000, the City's contribution would be approximately 5%, representing \$10,000 per unit and a leverage ratio of 19:1 (i.e. \$19 leveraged for every \$1 contributed by the City).

The source of funding for the \$260,000 grant to Salsbury would be:

- \$108,000 from the approved 2013 Capital Budget for Grants to new non-market housing projects, carried forward from 2012 and
- \$152,000 of new funding from the 2012-2014 Capital Plan for Grants to new non-market housing projects (Capital from Revenue). This \$152,000 of new funding is to be added to the 2013 Capital project budget.

The disbursement of the grant is subject to the funding commitment from Salsbury Community Society and other community partners being secured.

***CONCLUSION***

General Manager of Community Services recommends that the City provide a grant to Salsbury Society towards the development of 1870 East 1<sup>st</sup> Avenue / 1723 Victoria Drive which will add affordable supportive housing for street and sheltered homeless, and those who are vulnerable and at risk of homelessness in the Grandview Woodlands neighbourhood.

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