



## ADMINISTRATIVE REPORT

Report Date: May 17, 2013  
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Meeting Date: June 25, 2013

TO: Vancouver City Council

FROM: General Manager of Community Services

SUBJECT: Grant to Kitsilano Neighbourhood House for 15 Affordable Housing Units for Seniors - 2305-2325 West 7th Avenue

### **RECOMMENDATION**

THAT Council approve a grant of \$150,000 to Kitsilano Neighbourhood House (KNH) for the construction of a 15-unit affordable senior's housing project at 2305-2325 West 7<sup>th</sup> Avenue [Lot A Block 282 Plan BCP 48533 District Lot 526 NWD Group1. PID: 028-617-975]; source of funding to be the 2012-14 Capital Plan for New Non-market Housing Projects (Capital from Revenue) to be added to the 2013 Capital Budget.

### **REPORT SUMMARY**

This report seeks approval of a capital grant of \$150,000 (\$10,000 per door) to Kitsilano Neighbourhood House (KNH) for the construction of a 15-unit affordable senior's housing project at 2305-2325 West 7<sup>th</sup> Avenue. The construction of this housing is consistent with Council's Affordable Housing and Homelessness Strategy.

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

On December 14, 2010, following a Public Hearing, Council approved in principle a rezoning for this site to CD-1 District to allow a four storey mixed-use infill building connecting two heritage buildings, to be used for low-income senior's housing and improved space for the Kitsilano Neighbourhood House at 2305 -2325 West 7<sup>th</sup> Avenue, subject to conditions. One of the condition of rezoning enactment was that a Housing Agreement be entered into and registered securing the 15 units as social housing for 60 years or the life of the building, whichever is greater. This condition was met and on July 12, 2011 Council enacted the CD-1 By-law for this site.

On July 28, 2011 Council endorsed the Housing & Homelessness Strategy 2012-2021 which includes:

- Strategic Direction 1: Increase the supply of affordable housing
- Strategic Direction 2: Encourage a housing mix across all neighbourhoods that enhances quality of life, and;
- Strategic Direction 3: Provide strong leadership and support partners to enhance housing stability.

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.

The approval of grants requires eight affirmative votes of Council.

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

This project enables the City to partner with KNH to provide needed affordable seniors housing at 2305-2325 West 7<sup>th</sup> Avenue.

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 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***

KNH is a non-profit organization meeting a variety of community needs in Vancouver's westside community through a range of programs and services for persons on low incomes, children, youth, families, seniors and newcomers. KNH also operates childcare and affordable housing for seniors and individuals with spinal cord injuries. KNH's main site at 7<sup>th</sup> and Vine is currently undergoing re-development that will address the core community need for Neighbourhood House programs and services, daycare and will add 15 units of affordable seniors housing. Non-market rental (social

housing) for seniors is identified as an integral part of the housing continuum in the Housing & Homelessness Strategy 2012-2021. The target residents for the 15 units will be low income seniors in core need, with priority given to vulnerable seniors and senior living in substandard housing.

Vancouver is home to a large number of residents over the age of 65, and the seniors' population continues to grow. The average age of seniors is also rising, resulting in a greater demand for a robust social support system, and programs that are accessible and affordable. While the number of seniors living under the poverty line has steadily been falling over the last 20 years, economic security for many Vancouver seniors is still at risk; Vancouver continues to report higher proportions of low-income seniors and of senior renters than in the rest of the province. As of the 2011 census, there are 4,480 seniors aged 65+ in Kitsilano, which is 11% of the local area's population (41,375).

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 15 units of affordable housing in Kitsilano. These units are included in the total under Current Projects (All Other Non-Market Units) presented in the table below.

Table 1: City of Vancouver Housing and Homelessness Strategy (2011) Targets (as of May 6, 2013)

	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	1,844	306
<b>All Other Non-Market Housing Units</b>	5,000	1,500	1,377	123
<b>Total Non-Market Housing Units</b>	7,900	3,650	3,221	429

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

The total cost of construction for the 15 units of senior housing is estimated to be \$5.1 million, which includes the cost premium associated with renovation and repurposing of the onsite heritage house with dwelling units. KNH has secured approximately \$4.8 million from BC Housing and various community partners, with a funding shortfall of \$243,000.

Staff recommend that Council approve a grant of \$150,000 (\$10,000 per unit) which is a standard contribution amount offered by Council to non-profit projects facing a funding shortfall. Approval of this grant will help KNH lever the residual funding requirement of \$93,000 from other levels of government and community partners.

### ***Financial Implications***

Should the grant be approved, the City's \$150,000 contribution would be approximately 3% of the overall construction costs, representing a leverage ratio of 33:1 (i.e. \$33 leveraged for \$1 contributed by the City). The source of funding would be the 2012-14 Capital Plan for Non-market Housing Projects (Capital from Revenue) to be added to the 2013 Capital Budget.

### ***CONCLUSION***

This report seeks approval of a capital grant of \$150,000 to KNH to contribute to the construction of 15 unit Seniors Affordable Housing Project at 2305-2325 West 7<sup>th</sup> Avenue, for low income seniors.

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