VANCOUVER AFFORDABLE HOUSING AGENCY -

Update to Council

May 31st, 2016

Mukhtar Latif
CEO
• Mission and Objectives
• Guiding Principles
• Target Groups and Affordability
• Report Back on 2015-2016 Key Activities
• Key Activities for 2016-2017
VAHA will act as a catalyst for new affordable housing across the housing continuum.

City and partner land, assets and resources will be leveraged using innovative partnerships to: build more affordable housing units, renew existing affordable housing units and deepen affordability wherever possible.

**Key objectives**

- Facilitate redevelopment of select City sites and partner land to deliver 2,500 affordable housing in Vancouver
- Accountability, value for money and alignment with City’s housing policy
- Centre of expertise to expedite housing delivery through innovative approaches and partnerships
Guiding principles for development of affordable housing

1. High priority for family suitable units – 2 and 3 bedroom and townhomes where feasible

2. Working with local communities to optimise density on each site

3. Maximise design and construction cost-efficiencies

4. Secure lowest-cost financing possible

5. Shorten development period to reduce holding costs

6. Contract with efficient and effective housing operators
Target resident groups – Aligned with Housing Policy Objectives

- SRO RESIDENTS: 15%
- FAMILIES WITH CHILDREN: 45%
- SINGLES AND COUPLES, INCLUDING SENIORS, LOW/MODERATE INCOME: 40%
- SINGLES, PEOPLE WITH DISABILITIES: 15%
Target affordability

SHELTER RATES
(INCOME ASSISTANCE)
Rent at Shelter Rate level, typically part of DTES SRO replacement projects

AFFORDABLE MARKET RENTS
At or Below DCL Bylaw thresholds

SUBSIDISED RENTS
Range from shelter to low end of market, based on Provincial Housing Income Limits HILs
Report Back on VAHA key activities 2015 - 2016
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<tbody>
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<td><strong>1</strong></td>
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<tr>
<td><strong>PREQUALIFY DEVELOPERS AND HOUSING OPERATORS</strong></td>
<td><strong>FACILITATE FUNDING &amp; FINANCING</strong></td>
<td><strong>PHASE 1 DEVELOPMENT PARTNERS</strong></td>
<td><strong>PHASE 1 REGULATORY APPROVALS</strong></td>
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<tr>
<td><em>Issue RFQ to prequalify developers and housing operators for VAHA projects</em></td>
<td><em>Work with senior government agencies, charitable foundations, financial institutions and/or pension funds to secure grants, and construction and mortgage lending facilities</em></td>
<td><em>RFPs calling for developers to secure short-term financing and construct housing, and negotiate development agreements with selected proponents</em></td>
<td><em>Work with developer and operator partners to secure rezoning (if required) and development permit approvals. Engage local communities</em></td>
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<td><strong>PHASE 1 HOUSING OPERATORS</strong></td>
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<td><em>Issue separate RFPs calling for operators to operate housing and secure equity contributions and long-term mortgage financing</em></td>
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**Ongoing Research on Best Practice and Specific Issues (eg. vacant homes study)**
1. Pre-Qualify Developers

Boffo Developments
Bosa Properties
Boston Construction Group
Concert Properties
Concord Pacific
Cressey Development
Eighth Avenue Group
Intracorp
Lang Wilson – Kindred
Lark Group
Marcon Developments
VanMar Constructors Inc.
Ventana Construction Corporation
Wesgroup
Westbank Corp
Solterra Group of Companies
Third Properties
1. Pre-Qualify Housing Operators

• RFQ issued to select a shortlist of non-profit housing operators by housing team

• Evaluation being undertaken
2. Funding and Financing

Delivery of 1,350 housing units for 2015-2018
Capital Plan requires approx:

- $100m land contribution (est. market value)
- $250m construction financing
- $150m mortgage financing
- $100m gap funding – senior government capital contributions / strategic partnerships
2. Funding and Financing

2016 Federal Budget
• $150 million over two years: new and existing affordable housing

Provincial Budget
• $355 million: 2,000 units of affordable housing for people with low-to-moderate incomes over five years

• Working with senior levels of government / strategic partners to match fund City contribution of $100m to bridge the funding gap for the current program of 1,350 affordable housing units
20 Sites, 3,500 Affordable Homes, $500m Capital Subsidy
## 3. Progress on Designated Sites

### A - VAHA Development Sites

<table>
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<tr>
<th>Address</th>
<th>Status</th>
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<tr>
<td>EFL - Parcel 3</td>
<td>DP application pending subject to ODP amendments</td>
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<td>EFL - Parcel 5A</td>
<td>DP application pending subject to ODP amendments</td>
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<tr>
<td>EFL - Parcel 8A</td>
<td>DP application pending subject to ODP amendments</td>
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<tr>
<td>EFL - Parcel 43A</td>
<td>Option to be exercised</td>
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<tr>
<td>58 W Hastings</td>
<td>Partnership options being explored due to funding gap</td>
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<tr>
<td>177 W Pender</td>
<td>RFP issued for design and planning work</td>
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<tr>
<td>1015 E Hastings</td>
<td>Next phase of RFPs</td>
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<tr>
<td>2221 Main St</td>
<td>RFP issued for design and planning work</td>
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<tr>
<td>3510 Fraser St</td>
<td>RFP issued for design and planning work</td>
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<tr>
<td>55-79 &amp; 87-115 SW Marine Dr</td>
<td>RFP issued for design and planning work</td>
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<td><strong>TOTAL</strong></td>
<td><strong>1,350 subject to council approval</strong></td>
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4. Regulatory Approvals

Work commenced and projects being designed and submitted over the next 6 months
Parcel 8A – East Fraser Lands – Family and Seniors
Parcel 5A – East Fraser Lands – Family Rental
Modular Housing
Existing examples of Modular Housing
Strategic Partnerships
The Housing Agency can help support partners in;

- Early assessment of land holding
- Identifying housing needs and affordability requirements
- Supporting organizations in developing a business case
- Facilitating funding opportunities
- Securing development partners
VAHA key activities 2016 - 2017
<table>
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<tr>
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<th>FACILITATE FUNDING &amp; FINANCING</th>
<th>START CONSTRUCTION OF 500 UNITS</th>
<th>PHASE 2 DEVELOPMENT PARTNERS</th>
<th>SELECT HOUSING OPERATORS</th>
<th>DEVELOP INNOVATION IN DEVELOPING MORE AFFORDABLE HOUSING</th>
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<tr>
<td>1</td>
<td>Work with senior government agencies, charitable foundations, financial institutions and/or pension funds to secure grants, and construction and mortgage lending facilities</td>
<td>Work with developer and operator partners to secure rezoning (if required) and development permit approvals to start construction on 500 units. Engage local communities</td>
<td>RFPs calling for developers to secure short-term financing and construct housing, and negotiate development agreements with selected proponents on next round of sites</td>
<td>Issue separate RFPs calling for operators to operate housing and secure equity contributions and long-term mortgage financing</td>
<td>Complete Modular housing pilots and scale up if appropriate</td>
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<td>Work with partners to secure new land opportunities to develop affordable housing</td>
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Ongoing Research on Best Practice and Specific Issues (eg. Modular Housing)
We will continue to seek innovative funding and land opportunities with our partners;

• Federal Government

• Provincial Government / BC Housing

• Private Sector

• Philanthropic Trusts

• Land owners with potential sites available
Summary

• 250 affordable housing units due to be submitted
• 400 affordable housing units about to commence design
• 600 affordable housing units being prepared for next stage
• 120-150 affordable modular units pilot
• Target construction starts of 500 units in 2017 and 2018
• Additional sites being identified