


IN-CAMERA COUNCIL MEETING

MAY 30, 2017

DECISIONS AND REPORTS RELEASED

946-950 Main Street Lease Terms

A. That Council authorize the General Manager of Real Estate Services and Facilities Management to negotiate and execute a ground lease (the "Lease") for City-owned property situated at 946 Main St (PID: 005-749-239, Lot 10, Block 24, District Lot 196, Plan 184) and 950 Main St (PID: 005-749-484, Lot 11, Block 24, District Lot 196, Plan 184)) to Lu'Ma Native Housing Society (Lu'Ma) to enable the development of a social housing project which will provide for:

- i) a term of 60 years;
 - ii) a nominal prepaid rent;
 - iii) at least one-third of social housing units must be rented at shelter component of Income Assistance for low-income households who are eligible for Income Assistance or a combination of Old Age Pension and Guaranteed Income Supplement. The target rents and affordability for the remaining two-thirds will be for one of these thirds to be up to "Housing Income Limits" or HILs, and the remaining third to be at affordable market rents;
 - iv) requirement to reinvest all revenues generated from the project (both commercial/retail space and social housing) to: i) maintain and enhance housing affordability throughout the life of the project and/or ii) create or acquire net new affordable housing within the City of Vancouver;
 - v) reporting requirements, including an annual rent roll and periodic building condition report;
 - vi) requirement to create, implement and comply with a capital asset plan;
 - vii) requirement to maintain a capital replacement reserve to be funded at a prescribed per-unit-per-month amount;
- s.17(1)
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- ix) an option in favour of the Provincial Rental Housing Corporation to assume the rights and obligation of the lessee in the event of specified defaults as contemplated by the City's Standard Lease Charge Terms for bare land leases of this kind; and,
 - x) will be otherwise in accordance with the terms and conditions outlined in this report and to the satisfaction of the General Manager of Community Services, the General Manager of Real Estate and Facilities Management and the Director of Legal Services.

- B. THAT Council approve a multi-year capital project budget in the amount of \$3.0 million for the compensation to the Property Endowment Fund for the use of the site for social housing purposes; source of funds to be City-wide DCL's for Housing, to be added to the 2015-2018 Capital Plan. Expenditures will be managed within the current overall approved Annual Capital Expenditure Budget.
- C. THAT no legal rights or obligations will arise or be created by Council's adoption of A or B above, unless and until all legal documentation has been executed and delivered by the respective parties.

The Administrative Report dated May, 25, 2017, refers. RTS #12065

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