Housing Infrastructure Grant Framework Update

Presentation to Council

October 22\textsuperscript{nd}, 2019
Presentation Outline

Housing Infrastructure Grant Framework Update

• Background & Context

• Proposed Changes & Recommendations

• Future Incentives
Housing Vancouver Targets and Delivery Strategy

- Target of 1,200 social housing units per year
  → 12,000 new social housing units over ten years across the city

<table>
<thead>
<tr>
<th>Building Type</th>
<th>Renters</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Income Range</td>
<td></td>
</tr>
<tr>
<td></td>
<td>&lt;$ 15K/yr.</td>
<td>&lt;$ 15-30K/yr.</td>
</tr>
<tr>
<td>Apartment</td>
<td>Progress Towards Targets (# units approved in 2018)</td>
<td>626</td>
</tr>
<tr>
<td></td>
<td>Annual HV Target</td>
<td>520</td>
</tr>
<tr>
<td></td>
<td>% Of Total Annual Target</td>
<td>120%</td>
</tr>
</tbody>
</table>

Figure 1.1.6. Social and supportive housing approvals by income ranges served, 2018
Housing Vancouver Targets and Delivery Strategy

Non-profits play a key role in delivery of new affordable housing:

- Creation of new projects through development or redevelopment of their own land → increasing affordable homes on-site
- Operating partners over the life of the building on City or Provincial/Federal land
- Non-profit-owned projects are expected to deliver approximately **2,500** social housing units over 10 years
Supporting Non-Profit Partners

- Tenant relocation policy for non-profits/co-ops – June 11, 2019

- Updated housing grant stream – October 22, 2019

- New policies for (re)development of:
  - Non-market Housing (non-profit and co-op)
  - Places of Worship
  - Community Serving Spaces

- Additional resources for non-profit applicants to navigate City regulatory processes
Funding Context
Partnerships

Federal Government (CMHC)

Provincial Government (BC Housing)

Municipal Government (City of Vancouver)
Current Grant Program Process

- Rolling Application Intake – reviewed individually
- Grant amount calculated on “per-door” basis
- Grant request submitted to Council for approval following RZ/DP
- Grant agreement and housing agreement created
- Grant payable upon Building Permit issuance
Impact of City Grant (2015-2019)

- 10 projects funded since 2015
- Creation of 780 homes
- $10.8M in grants disbursed
- Funding towards capital construction costs
- Contributes towards project viability
Engagement Initiatives

How?
• Online survey
• Workshop discussion
• One-on-one meetings

Who?
• BC Non-Profit Housing Association
• Co-operative Housing Federation
• Non-profit housing providers
• Development partners and lenders
Feedback – Key Themes

- Grant Timing
- Pre-Development Support
- Grant Amount
- Prioritization
Proposed Changes
What changes are recommended?

**Target support for deepening affordability**

- Signal intent to commit grant support earlier
- Defining the City’s role in supporting affordable housing
- Equity, access and Reconciliation
- Update and clarify grant process
Target Support for Deepening Affordability

Overall goal:

- Create a targeted approach that is consistent with Housing Vancouver and enhance grant amounts for projects with deeper affordability

<table>
<thead>
<tr>
<th>Unit Types</th>
<th>Proposed New Grant *Note 1</th>
<th>2015-2019 Grant Program per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>Up to $35,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>1-bedroom</td>
<td>Up to $60,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>2-bedroom</td>
<td>Up to $100,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>3-bedroom</td>
<td>Up to $100,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Overall max per unit</td>
<td>$75,000</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*Note 1: Grant $$ may vary from project to project subject to rental rate & unit mix
How will future grant amounts be calculated?

**Costs**
- Construction
- Development
- Other Capital Costs

**Revenue**
- Mortgage
- Rents
- Provincial/Federal Government Funding
- DCL/DCC exemptions

**City Grant Contribution**
Incorporate Equity, Access and Reconciliation into Application Process

Overall goal:

• Better understand what projects the City is funding
• Will not be scored in year 1 but potential for targeting of funds or new grants streams in years 2 and beyond

Sample questions:

• Describe how the project serves priority populations, including Urban Indigenous, people with mental health and addiction challenges, vulnerable children and youth, newcomers, seniors, women and girls, LGBTQ2+ and TGV2S, and persons with disabilities
• Describe how the development is appropriate for the target client and program needs. For example, location, unit design and mix respond to the needs of the resident population.
Raise Profile of Grant Program

Overall goal:

• Make information on the program and application process publicly available
  • Create an online presence with application guide for non-profit partners
  • Initial launch with non-profit partners (i.e. workshop) prior to the anticipated funding call next Spring 2020

Preliminary Funding Letter Confirmation

Overall goal:

• Increase non-profits ability to leverage provincial and federal government funding: goal is to be “first-in”
  • Provide preliminary in-principle funding commitment from City earlier in the process (subject to final Council approval)
Future Incentives
Affordable Housing + Community Space Incentive Program (AHCSIP)

**Council Direction:** Support non-profit societies, co-ops, and places of worship to deliver affordable housing on existing sites

**Objectives:**
- Develop incentives for non-profit societies, co-ops, and places of worship to deliver affordable housing on their sites
- Retain and enhance community space and childcare (Community-Serving Spaces Study)
- Support + build capacity among non-profits, co-ops, and places of worship
- Create a policy that is clear, achievable, and economically viable
Longer-term Considerations for Exploration

- Potential new grant streams or targeting of future grants
- Pre-development funding opportunities for portfolio planning
- Framework to partner with non-profit and co-op housing providers to acquire properties adjacent to existing sites to achieve more homes
Thank you