

TO: CHIEF ADMINISTRATIVE OFFICER **DATE:** 2022 October 17

FROM: GENERAL MANAGER **FILE:** 16000-20
PLANNING AND DEVELOPMENT *Reference: Elizabeth Fry Society /
CMHC Rapid Housing Initiative*

SUBJECT: GRANTING OF FEDERAL RAPID HOUSING INITIATIVE FUNDING RECEIVED BY CITY TO NON-PROFIT PARTNER

PURPOSE: To obtain Council approval to grant \$11,043,309 received by the City from the Canada Mortgage and Housing Corporation Rapid Housing Initiative to the Elizabeth Fry Society of Greater Vancouver, the selected non-profit partner developing non-market housing on the City-owned site located at 8305 11th Avenue.

RECOMMENDATION:

1. **THAT** Council approve a grant of \$11,043,309, the amount secured by the City under the Canada Mortgage and Housing Corporation Rapid Housing Initiative Major Cities Stream, to the Elizabeth Fry Society of Greater Vancouver for the development of non-market housing at 8305 11th Avenue.

1.0 INTRODUCTION

On 2021 July 07, Canada Housing and Mortgage Corporation (CMHC) announced funding for the Rapid Housing Initiative (RHI) under two funding streams:

- **Major Cities Stream:** Immediate support for 30 pre-determined municipalities based on metrics including the levels of renters in severe housing need and of people experiencing homelessness; and
- **Projects Stream:** A competitive application process for projects from provinces, territories, municipalities, Indigenous governing bodies and organizations, and non-profit organizations.

Burnaby was identified as a pre-determined municipality under the Major Cities Stream and was allocated funding of \$11.0 million to develop a minimum of 22 modular affordable housing units for vulnerable populations, subject to the submission of a formal application that meets program criteria. The City-owned site at 8305 11th Avenue was selected as the site to support this initiative.

On 2021 July 28, Council approved the Elizabeth Fry Society of Greater Vancouver (EFry) as the preferred non-profit housing partner to develop and operate the proposed housing for women and children at risk of homelessness. As the City's partner, EFry supported City staff to submit an

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application under the RHI Major Cities Stream. To maximize the number of non-market units on the site, the City, with EFry's support, further submitted an application under the Projects Stream seeking an additional \$8.0 million of capital funding to develop more units on the site.

In October 2021, the City was informed it was successful in its application under the Major Cities Stream, but was not awarded funding under the Projects Stream. On 2022 January 24, Council approved a grant of \$8.0 million from the Community Bonus Benefit Affordable Housing Reserve to EFry to support delivery of a modular non-market housing development with a maximum of 58 units. Council had previously supported a grant of \$773,300 from the Community Bonus Benefit Affordable Housing Reserve towards capital development costs, resulting in a total City contribution of \$8,773,300 for this project.

As it was always intended that any funding secured by the City under CMHC RHI would be disbursed to the City's selected non-profit partner to develop the non-market housing project at 8305 11th Avenue, the purpose of this report is to obtain formal Council approval to grant to EFry the \$11,043,309 received by the City from CMHC under the RHI Major Cities Stream. Approval of this approximately \$11.0 million grant will bring total project funding from the City and CMHC to \$19,816,609. It should be noted that no additional project funding is being sought at this time. The request in this report involves only disbursement of funds.

2.0 POLICY CONTEXT

There are several City policies that support the provision of non-market housing, particularly in partnership with other levels of government and the community housing sector, including the *Corporate Strategic Plan (2022)*, *HOME: Housing and Homelessness Strategy (2021)*, *Burnaby Housing Needs Report (2021)*, *Mayor's Task Force on Community Housing Final Report (2019)*, *Burnaby Social Sustainability Strategy (2011)*, *Burnaby Economic Development Strategy (2007)* and *Official Community Plan (1998)*.

3.0 DISCUSSION

EFry, as the City's selected non-profit partner, has been involved with the project since July 2021 and has made significant progress constructing this development in an expedited timeframe. To date, EFry has finalized the lease agreement with the City, received the required development approvals to start construction, and has completed work on site in advance of the craning of the modules anticipated for the week of 2022 October 17. Under the terms of the ground lease with the City, the development will consist of 49 units, with sizes ranging from studios to three-bedrooms and rents set at deep subsidy levels or rent-geared-to-income for women and children at risk of homelessness. As the City's partner, the disbursement of the CMHC RHI funding, along with the \$8.773 million from the City's Community Bonus Benefit Affordable Housing Reserve, is needed for EFry to complete construction of the development. As such, this report serves to seek Council approval of the transfer of the \$11.0 million CMHC RHI grant received by the City for construction of the non-market housing at 8305 11th Avenue.

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4.0 NEXT STEPS

With Council direction to issue a disbursement for the funding of \$11,043,309 received by the City from CMHC RHI to EFry, the City will continue to issue payments to EFry, based on actual project expenditures, upon receipt of a monthly invoice submitted to the City. The \$11.0 million is currently held in a City account for the express purpose of funding construction of the non-market housing at 8305 11th Avenue.

City staff will continue to work closely with EFry to deliver this new non-market housing development. This project has advanced in an expedited timeframe with occupancy anticipated in mid-January 2023, approximately 16 months from project inception. While the project is slightly delayed from the initial occupancy date of 2022 October 31 due to global supply chain issues and other delays, the advancement of this project from inception to occupancy in 16 months is unprecedented.



E.W. Kozak, General Manager
PLANNING AND DEVELOPMENT

WT:sa

Copied to: Acting Chief Financial Officer
General Manager Corporate Services
General Manager Land and Facilities

City Solicitor
Sr. Manager Legislative Services