



TO:

CHIEF ADMINISTRATIVE OFFICER

DATE:

2022 July 11

FROM:

**GENERAL MANAGER** 

FILE:

49500 20

PLANNING AND DEVELOPMENT

Reference:

REZ #17-09

**SUBJECT:** 

L'ARCHE FOUNDATION OF GREATER VANCOUVER

HOUSING AGREEMENT BYLAW

7401 SUSSEX AVENUE

**REZONING REFERENCE #17-09** 

**PURPOSE:** 

To seek Council authorization to bring forward a Housing Agreement bylaw for the

non-market housing development, including units for people with developmental

disabilities, at 7401 Sussex Avenue.

#### **RECOMMENDATION:**

1. THAT Council direct the City Solicitor to bring forward a bylaw to authorize entering into a Housing Agreement in respect to the non-market housing development, including units for people with developmental disabilities, at 7401 Sussex Avenue, substantially on the terms outlined in this report.

### REPORT

# 1.0 INTRODUCTION

On 2021 November 08, Council granted Final Adoption to Rezoning Reference #17-09, which provides for a new multi-age residential care facility and non-market rental housing at 7401 Sussex Avenue. A site map is *attached*. The project is a three-storey building with 39 residential units of non-market housing and 22 bedrooms for people with developmental disabilities and their live-in caregivers. The property is owned by the L'Arche Foundation of Greater Vancouver (L'Arche) and will be operated by L'Arche once complete.

Pursuant to Section 483 of the *Local Government Act*, local governments may secure non-market or special needs housing through a Housing Agreement. Housing Agreements secure details such as rent levels, income testing requirements, and target populations, and are filed on land title under Legal Notations. Housing Agreements are the legal instrument that can be used to secure provisions when the local government does not own the land; otherwise, the conditions could be secured in a lease that is registered on title. All current and future owners of the development are subject to the terms of a Housing Agreement. Housing Agreements are adopted by bylaw and generally, are accompanied by Section 219 covenants for enforcement.

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Staff recommend this non-market housing project be secured through a Housing Agreement bylaw and Section 219 covenant. This recommendation was included as a condition of rezoning in the Public Hearing Report received by Council on 2018 August 28.

#### 2.0 POLICY CONTEXT

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

# 3.0 DISCUSSION

The purpose of this report is to provide an overview of key terms in the proposed Housing Agreement and to seek Council direction to bring forward a bylaw to authorize the Housing Agreement between the City and L'Arche. L'Arche has been awarded funding under BC Housing's Community Housing Fund, which generally requires that 20% of the units are offered at Deep Subsidy rates, 50% are offered at Rent-Geared-to-Income rates, and 30% are offered at Affordable Market Rates. The Housing Agreement terms align with BC Housing's approved rent levels and the Operating Agreement under the Community Housing Fund program, including a term of 60 years.

The key terms reviewed by the parties for the Housing Agreement are listed below.

- Housing Agreement Term: The Housing Agreement will be in effect for 60 years.
- Operations: Resident selection and management will be undertaken by L'Arche, in accordance with its Operating Agreement with BC Housing.
- Rental Units and Rates
  - o Deep Subsidy Units: Generally, rent levels for 22 bedrooms are limited to Deep Subsidy Unit rates, for Deep Subsidy Income households who are also persons with disabilities and their live-in caregivers. Households receiving income assistance will be deemed as having a Deep Subsidy Income.
    - 14 bedrooms are for Persons with Disabilities and 8 bedrooms are for their livein caregivers
  - o Rent Geared to Income Units: Generally, rent levels for 24 dwelling units are limited to Rent-Geared-to-Income rates for Low Income Households earning at or below BC Housing's Housing Income Limits, including 10 semi-independent units for persons with disabilities and 14 units for other Low Income Households.
  - o Affordable Market Units: Generally, rent levels for 15 dwelling units are limited to Affordable Market Rates for Moderate Income Households as defined in the Operating Agreement with BC Housing.
- Tenant Eligibility: Units may only be occupied by residents who meet income eligibility requirements for the type of unit they are renting.

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- Rent Adjustments: Rental rates are permitted to be adjusted as per the Operating Agreement with BC Housing.
- No Additional Fees/Charges: L'Arche will not require the tenant or any permitted occupant
  to pay any extra charges or fees for the use of any common areas, facilities, amenities, however,
  L'Arche may charge the tenant or permitted occupant for parking, laundry, cable television,
  telephone and other fees in accordance with the operating budget approved by BC Housing.
- Insurance: L'Arche will obtain and maintain insurance as required by the City including "all risks" and commercial general liability insurance.
- Reporting: On an annual basis, L'Arche will deliver copies of the annual operating budget and annual financial review as required by BC Housing to the City.

### 4.0 CONCLUSION

Staff recommend that Council direct the City Solicitor to bring forward a bylaw to authorize the City to enter into the Housing Agreement and prepare the accompanying Section 219 covenant, described in this report. The purpose of the Housing Agreement and Section 219 Covenant is to secure L'Arche's obligation to provide and maintain affordable housing at 7401 Sussex Avenue in accordance with the requirements of Rezoning Reference #17-09.

E.W. Kozak, General Manager

PLANNING AND DEVELOPMENT

DP:sa

Attachment

Copied to:

Acting Chief Financial Officer

City Solicitor City Clerk

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