

CITY OF BURNABY

COMMUNITY PLANNING & HOUSING COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

RE: GUIDELINES TO EVALUATE REQUESTS FOR CITY ASSISTANCE WITH COSTS ASSOCIATED WITH ENVIRONMENTAL OR HERITAGE ENHANCEMENTS TO AFFORDABLE HOUSING PROJECTS

RECOMMENDATION:

1. **THAT** Council authorize the Community Planning and Housing Committee to review requests by non-profit societies for assistance from the City to help pay for environmental improvements or heritage enhancements associated with affordable housing projects in accordance with the guidelines and process outlined in this report.

REPORT

The Community Planning and Housing Committee, at its Open meeting held on 2000 November 28, approved the *attached* report providing guidelines to evaluate requests for City assistance to help offset the costs of extraordinary environmental or heritage enhancements which are part of affordable housing projects. The Finance and Economic Development Committee, at its Open meeting held on 2000 December 18, approved this report as well. Accordingly, the Community Planning and Housing Committee, at its meeting held on 2001 January 23, requested that this report be forwarded to Council for endorsement.

Respectfully submitted,

Councillor C. Redman
Chair

Councillor G. Begin
Member

Councillor D. Johnston
Member

<p>: COPY - CITY MANAGER - DIRECTOR ENGINEERING - DIRECTOR FINANCE - DIR. PLNG. & BLDG. - DIR. PARKS, REC. & CULT. SERV.</p>
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TO: MAYOR AND COUNCIL

2000 NOVEMBER 27

FROM: CHAIRMAN AND MEMBERS
COMMUNITY PLANNING AND HOUSING COMMITTEE

SUBJECT: GUIDELINES TO EVALUATE REQUESTS FOR CITY ASSISTANCE WITH COSTS ASSOCIATED WITH ENVIRONMENTAL OR HERITAGE ENHANCEMENTS TO AFFORDABLE HOUSING PROJECTS

PURPOSE: To develop guidelines to review requests for City assistance to help offset the costs of extraordinary environmental or heritage enhancements that are part of affordable housing projects.

RECOMMENDATION:

1. **THAT** Council authorize the Community Planning and Housing Committee to review requests by non-profit societies for assistance from the City to help pay for environmental improvements or heritage enhancements associated with affordable housing projects in accordance with the guidelines and process outlined in this report.

R E P O R T

1.0 BACKGROUND

Under Section 176(1) (c) of the Local Government Act, the City is empowered to provide assistance for the purpose of benefiting the community. Assistance is broadly defined in the Act and can be, for example, in the form of a grant, exemption from a fee or disposing of land below market value. The general rule is that the assistance cannot be provided to business, industrial or commercial undertakings.

At its meeting held on 2000 July 25, the Community Planning and Housing Committee requested that guidelines be developed to help evaluate requests by non-profit societies for assistance from the City to help pay the costs associated with extraordinary environmental improvements or heritage enhancements that are required by the City as part of the development approval process for affordable housing projects.

Sites for multiple family development are generally designated through the development of community plans. For the most part, the land use designations contained in such plans cover an area and do not specifically take into account individual site characteristics such as the presence of watercourses, wetlands or other environmental features, nor the presence of structures that have heritage significance. The costs associated with enhancement or preservation of environmental features or renovations to heritage structures located on development sites are borne by the developer. These costs can be onerous to the developers of non-profit housing where there are strict budgetary limitations and unanticipated costs can work against the objective of affordability. In these cases, assistance from the City to help offset such costs may be appropriate.

This report provides the guidelines by which the requests for assistance could be evaluated by the Community Planning and Housing Committee.

2.0 GUIDELINES FOR AFFORDABLE HOUSING

It is suggested by the Community Planning and Housing Committee that in some instances, it may be appropriate for the City to help offset the costs of environmental improvements or heritage enhancements that the City may require or desire in the development of affordable housing projects. This could assist in the long term affordability of the housing through helping to pay for the extra costs associated with such enhancements or help with the initial feasibility of the project itself.

Extraordinary environmental improvements may include those that are beyond typical development requirements such as the construction of an urban trail or environmental improvements that are needed to address specific site conditions such as watercourses. Costs associated with the enhancement, renovation or improvements to heritage buildings and structures that the City wish to protect could also be considered for assistance. For example, the costs of renovating a heritage house that is part of a non-profit housing development could be eligible for assistance.

The following are proposed guidelines that the Committee could consider to evaluate affordable housing proposals that request assistance from the City.

Eligible Affordable Housing Projects:

1. The affordable housing project should be developed under the auspices of a non-profit society and funded through a recognized senior government non-profit

housing program or equity provided by a non-profit society through fund-raising and donations.

2. The project should be developed for people who cannot afford adequate housing through the private housing market.
3. The housing project should ensure that the housing is affordable (less than market rent or mortgage payments) in the longer term. Ownership housing must be developed by a non-profit society, and may be eligible for assistance if the housing mortgage payments are affordable to households making less than the average income for households in Burnaby. As well, there must be provision in the society's proposal to prevent recapture of the subsidy by the individual through selling the property within a ten year period.
4. Assistance to be used to offset costs of development required by the City:
 - a) for extraordinary environmental requirements or enhancements related to a housing project; or
 - b) to assist with the costs associated with the renovation or rehabilitation of a heritage structure that has been identified as being significant by Council, and that is part of a non-profit housing development providing affordable housing.
 - c) for capital cost of environmental or heritage enhancements that do not result in ongoing funding requirements by the City.

3.0 PROCESS FOR CONSIDERING REQUESTS FOR CITY ASSISTANCE TO AFFORDABLE HOUSING PROJECTS

Requests for City assistance for affordable housing projects would first be forwarded the Community Planning and Housing Committee to determine whether the proposed project satisfies the guidelines outlined above. A recommendation would then be forwarded to Council for consideration of the request for assistance including the type of assistance considered appropriate.

4.0 CONCLUSION

If Council concurs with the guidelines outlined in this report, requests for assistance from the City would be reviewed by the Community Planning and Housing Committee. If

Community Planning and Housing Committee

*Re: Guidelines to Evaluate Requests for City Assistance with
Costs Associated with Environmental or Heritage Enhancements to
Affordable Housing Projects*

2000 November 27 Page 4

supported, the Committee would forward a report to Council to assist with paying for environmental or heritage enhancements that associated with affordable housing developments. The type of assistance would be determined by the specific challenges being faced by the project.

Chair and Members Housing Committee

