

COMMUNITY DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: COMMUNITY BENEFIT BONUS HOUSING FUNDS
MARGUERITE DIXON TRANSITION HOUSE
REZONING REFERENCE #06-42**

RECOMMENDATION:

1. **THAT** Council provide a grant in the amount of \$100,000 to the Marguerite Dixon Transition Society's Second Stage Housing Project from the Community Benefit Bonus Housing Funds.

REPORT

The Community Development Committee, at the Open meeting held on 2008 May 26, received an application from the Marguerite Dixon Transition Society seeking consideration for Community Benefit Bonus Housing funds related to the cost of constructing a nine unit not-for-profit second stage transition housing project (Rezoning Reference #06-42).

The Committee recommends that Council grant \$100,000 to the Marguerite Dixon Transition Society as the application meets Council's adopted policies and criteria for use of Community Benefit Bonus Housing funds for Community Sponsored projects.

Respectfully submitted,

Councillor C. Jordan
Chair

Councillor D. Johnston
Vice Chair

Councillor G. Evans
Member

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| Copied to: | City Manager Director Finance Director Planning and Building City Solicitor |
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TO: CHAIR AND MEMBERS
COMMUNITY DEVELOPMENT
COMMITTEE

DATE: 2008 May 20

FROM: DIRECTOR PLANNING & BUILDING

FILE: 49500 20
Reference: Rez #06-42

**SUBJECT: COMMUNITY BENEFIT BONUS HOUSING FUNDS
MARGUERITE DIXON TRANSITION HOUSE**

PURPOSE: To seek the Committee's consideration of an application for Community Benefit Bonus Housing Funds to support the Marguerite Dixon Transition Society's Second Stage Housing Development.

RECOMMENDATION:

1. **THAT** the Committee receive this report for information.

REPORT**1.0 BACKGROUND**

The Marguerite Dixon Transition Society is proposing to construct a nine-unit Second Stage Transition House as part of Rezoning Reference #06-42 on two presently City-owned lots in Central Burnaby. These lots are to be sold to the Marguerite Dixon Transition Society at market value through the rezoning process. A Section 219 Covenant will be registered on the title of the consolidated site noting that the site will be used as non-profit housing for women and children in need of transitional support.

The proposed development consists of a nine-unit, three storey apartment building with communal indoor spaces and offices as well as a communal patio and children's play area. It will provide women and children in need of transitional support with both a safe place to stay and various supportive services (eg., on-site counselling and assistance with life skills such as parenting and budgeting). The project is expected to accommodate nine to eleven families per year, with each family staying an average of one year, with the maximum stay being eighteen months.

Rezoning Reference #06-42 received Second Reading of the Rezoning Bylaw by Council on 2008 April 07. The applicant is now pursuing completion of the outstanding prerequisites. The applicant is also seeking consideration of the Community Development Committee for an allocation of Community Benefit Bonus Housing Funds in order to finalize the budget for the project.

To: Community Development Committee
From: Director Planning & Building
Re: Community Development Bonus Housing Funds
Marguerite Dixon Transition House
Central Administration Community Plan
2008 May 20 Page 2

On 2007 December 18, Council adopted recommendations from the Community Development Committee regarding the use of funds obtained for housing purposes through the Community Benefit Bonus Program. The adopted approach is to allow both City Initiated and Community Sponsored Projects to be considered for support through the allocation of Community Benefit Bonus Housing Funds. A report received by Council on 2008 May 05 provided further discussion and guidance on the use of Community Benefit Bonus Housing Funds to offset costs for non-market housing projects. With respect to Community Sponsored initiatives, such as the one being advanced by the Marguerite Dixon Transition Society, bonus housing funds are intended to augment the development budget and enhance the overall viability of the project.

On 2008 May 14, the Marguerite Dixon Transition Society submitted a request for grant funding to offset specific development costs under Council's Community Benefit Bonus Program. Under the approach adopted by Council, the Committee receives requests for consideration to determine recommended grant amounts for approval of Council. This report presents the funding request received from the Marguerite Dixon Transition Society.

2.0 FUNDING REQUEST

The Marguerite Dixon Transition Society has submitted the attached letter to the Planning and Building Department, dated 2008 May 14. The letter outlines the Society's request for a Community Benefit Housing Fund allocation to be used towards the costs for the project. The proposed Second Stage Housing Development being advanced under Rezoning Reference #06-42 meets the criteria for consideration by Committee and Council for an allocation of Community Benefit Bonus Funds.

The Society has estimated that the total City-related costs for the project totals \$221,603 (see breakdown of costs below). Specifically, the Society is requesting a \$100,000.00 allocation of bonus funds, equivalent to approximately half the total estimated servicing costs.

The breakdown of the \$221,603 costs presented by the Society includes:

1. \$38,350 for the Parkland Acquisition Fee (\$3.84/ sq.ft. of residential floor area).

Staff Comment: The Committee and Council are able to give consideration to use of Community Benefit Bonus Funds to off-set all or part of this development charge.

2. \$144,960 currently estimated by the applicant for various engineering related costs, including a new 8" water line and a new sidewalk and boulevard landscaping from the cul-de-sac to Godwin Avenue, sewer connections, the 4% inspection fee, city connections and signage, storm water management report and best practices implementation and minimum two year letter of credit. The applicant notes that the servicing estimate is based on input from their contractor.

Staff Comment: The 2007 June 06 City estimate for site servicing costs is \$112,252. \$5,000 of the engineering costs estimated by the applicant are a refundable letter of

To: Community Development Committee
From: Director Planning & Building
Re: Community Development Bonus Housing Funds
Marguerite Dixon Transition House
Central Administration Community Plan
2008 May 20..... Page 3

credit, bringing the applicant's non-refundable estimate to \$139,960. The Committee and Council are able to give consideration to use of Community Benefit Bonus Funds to offset all or part of these servicing costs.

3. Other direct costs attributable to the proposed development, which are not part of the Society's request, include:

| | |
|--|---------------------------|
| Application Fees: | |
| (Rezoning & Subdivision) | \$ 3,793 (paid) |
| Estimated PPA & Building Permit Fee | \$28,000 (pending) |
| <u>Estimated Document and Examination Fees</u> | <u>\$ 6,500 (pending)</u> |
| Total | \$38,293 |

The items requested as part of the servicing costs generate a total amount of \$150,602, based on the City's servicing estimate. In addition, the project has or will accrue an estimated \$38,293 in permit fees, for a total estimated non-refundable servicing and permit cost of \$188,895 based on the City's estimate. The Society has requested \$100,000 in City funds.

3.0 COMMUNITY BENEFIT BONUS HOUSING FUND

The Marguerite Dixon Transition Society proposal is generally consistent with the objectives established for use of the Community Benefit Bonus Housing Funds. The current unallocated balance of available funds on deposit in the account for non-market affordable housing purposes is \$792,756. In determining an allocation for this application, the Committee may also wish to consider the concurrent application for an allocation of funds from the Royal Canadian Legion Branch 83 for its supportive housing project appearing elsewhere on this agenda, and a potential future application from the Norman Bethune Housing Co-operative should that project advance.

In summary, the Committee may wish to give consideration to the above referenced items and those outlined in Section 2.0 in the determination of an allocation of Community Benefit Bonus Housing Funds to the Marguerite Dixon Transition Society Housing project.

4.0 DISBURSMENT AND CONDITIONS OF FUNDING

With Committee and Council approval of a specific allocation, the funds would be released to the applicant on issuance of the Building Permit for the project. Should a Building Permit not be issued within the two year period of approval of Council for the allocation of funds, the applicant would need to seek Committee and Council approval to have the funding commitment extended for a further period; otherwise the reservation of the approved allocation of funds would be cancelled.

To: Community Development Committee
From: Director Planning & Building
Re: Community Development Bonus Housing Funds
Marguerite Dixon Transition House
Central Administration Community Plan
2008 May 20..... Page 4

To secure the City's investment of Community Benefit Bonus Funds in the project, the applicant would also be required to execute the applicable Section 219 Covenant and legal agreements which would indicate that:

- a) the project is in receipt of the Community Benefit Housing Funds from the City;
- b) the property is intended to be used for non-market housing purposes serving women and children in need of transitional support in accordance with its adopted plan of development; and
- c) if the project fails to advance to completion within a five year period, or if the project reverts to a use other than non-market affordable housing at a future date, the City would be repaid the funds received with applicable interest.

5.0 CONCLUSION

The Marguerite Dixon Transition Society has requested funding through the Community Benefit Bonus Housing Fund to assist in off-setting the costs of constructing a nine-unit not-for-profit Second Stage Transition Housing project for women and children in need of transitional support proposed for two presently City-owned lots (Rezoning Reference # 06-42). This report has summarized the Society's request and assessed its concurrence in relation to funding considerations established by Council in the adopted approach for the use of Community Benefit Bonus Housing Funds and a subsequent housing report received by Council on 2008 May 05.

It is concluded that the Society's request generally meets the Council adopted criteria for Community Sponsored projects under the community Benefit Housing Fund. While not all aspects of the Society's request are supportable, the Society has specifically requested grant funding in the amount of \$100,000. As outlined in this report, the funding amount consistent with Council's general direction for the use of amenity bonus funds totals \$188,895 based on the City's servicing estimate of 2007 June 06. This information is presented for the Committee to take into consideration in the establishment of a recommended grant amount for Council consideration.

This is for the information of Committee.


B. Luksun, Director
PLANNING & BUILDING

FA:gk/tn

Attachment

cc: City Manager

Director of Finance

City Solicitor



Marguerite Dixon Transition House

250 Willingdon Avenue, Suite 31
Burnaby, British Columbia
Canada V5C 5E9

Tel: (604) 433-4165
Fax: (604) 433-1487

May 14, 2008

City of Burnaby
Planning and Building Department
Long Range Planning
4949 Canada Way
Burnaby, B.C. V5G 1M2

Attn: Basil Luksun, Director Planning and Building

**Re: Density Bonus Program Housing Fund
REZ#06-42**

Organization:

The Marguerite Dixon Transition Society, founded in 1973, is a Burnaby based registered non-profit charitable organization that provides services to women and children who have experienced or witnessed abuse. These services include: a ten-bed transition house for women and children directly fleeing abuse; a second stage program in which a woman and her children who have left a transition house can reside in a supportive affordable housing program for up to one year; an outreach program that assists women who are leaving the transition house and second stage programs in finding safe, affordable, and suitable, housing and connecting with their new community; an STV counselling program for women in our community who have experienced violence in their relationships, sexual assault or childhood abuse; and a counselling program for Burnaby residents who are low-income and have children in their care. In addition, through several projects, we actively work towards the elimination of violence within our community. In general, we strive to provide a continuum of services for abused women and their children, all in an honest attempt to allow them the opportunity to lead safe, healthy and productive lives.

Problem:

There are 22 transition houses in the Lower Mainland, each of which provide a safe haven for women and children fleeing violence in their relationships. Each transition house has the capacity to house between 10 to 20 women and children who are seeking emergency shelter and support, and each of these families may stay at the transition house for up to 30 days. Within that 30-day period, these women are expected to recover from the trauma, assist their children in dealing with their own emotional experiences, establish legal arrangements for custody and access proceedings, attain income assistance, and in some cases, learn job related skills and even struggle with learning the English language. Near the end of their stay (approx 2 ½ weeks after they arrive), they begin their search for more permanent housing arrangements where they may start new lives for themselves and their children.

Due to the many difficulties these women face in establishing a new life for themselves and their children in only 30 days, second stage housing programs which offer women and children a place to stay for up to one year have been created to meet the need. These programs provide an affordable housing option plus counselling and support to allow the women a chance to fully recover from the abuse and move on with their lives. Second stage housing programs have experienced a huge success rate for women trying to move forward with their lives within the few years they have been available in BC. However, there are only 5 second stage housing programs in the Lower Mainland to serve all the women and children leaving 22 transition houses. The demand is very large and the supply of second stage programs is extremely limited.

Serving The Community Since 1973

Affordable housing is very difficult to find at the best of times in the Lower Mainland, but affordable housing in a safe environment is even more difficult. These women are in hiding from their abusive partners and require more security features than regular affordable housing options provide. As a result of the many obstacles placed in front of women leaving transition houses, many of the women choose to go back to the abuse rather than face homelessness, poverty and the inability to feed their children.

Activities:

The Marguerite Dixon Transition Society runs one of the second stage housing programs in the Lower Mainland with 5 units of second stage housing units. Our new second stage housing project involves expanding this program by building a 9-unit second stage housing facility beside our existing transition house. Our current program is located away from the transition house which results in many administrative and logistic problems facilitating the program. The housing units are also separated from each other, which is not conducive to the creation of a supportive environment. The women in our current program feel isolated in the existing units and have expressed the desire for there to be more of a program focused environment in which services could be enhanced. We've listened to these remarks from our clients and plan on building a facility which incorporates both housing and program space. The new facility will enable the women to attend support and counselling sessions on-site, within a safe and secure community-based setting.

The second stage program does more than just provide women and children with a safe place to stay. The program also provides a healing component through supportive counselling and assistance with parenting, budgeting and other life skills. In this way the program is designed to move the women forward with their lives by empowering them to make better choices in the future so that they may lead independent and fulfilling lives, rather than creating more dependency on social assistance. Our new second stage housing project will provide housing for 9 to 11 families per year, with each family staying an average of one year to a maximum stay of 18 months.

Our plan also includes converting the existing second stage housing units to third-stage affordable housing where the women may have a chance to live after they leave our second stage housing program. This will be the first third-stage housing program in the Lower Mainland, and in fact, BC.

Our development application (REZ#06-42) has passed the public hearing and second reading stage of the rezoning process. We are currently looking at fulfilling the prerequisites to move forward with the re-zoning and title transfer. We have received an estimate for the costs associated with the servicing of the two properties and are finishing the working drawings for submission to the City.

Request:

The total city-related cost for servicing the two lots has been estimated at \$183,895 by the City's Engineering Department and \$221,603 by our builders, Andreas Development (see cost estimate table). **We are requesting from the City of Burnaby a grant from your Density Bonus Housing Program Fund in the amount of \$100,000 that could be used towards the servicing costs for our second stage housing development project** (a preliminary discussion with the Mayor indicated the figure of \$100,000 may be supportable). We are asking the City of Burnaby to assist us with the costs associated with servicing the lots, which include the off-site servicing requirements established by your Engineering Department, as we feel this is a good fit for the City due to a portion of these costs going back to the Engineering Department for their off-site servicing work. Any assistance the City of Burnaby may offer in this regard is appreciated.

Project Viability

We have been granted a \$2,300,000 forgivable loan from BC Housing, a \$600,000 grant from Service Canada, a \$300,000 grant from BC Real Estate Foundation, a \$100,000 grant from the Ministry of Public Safety and Solicitor General and a \$10,000 grant from the Canada Mortgage and Housing Corporation. A \$40,000 grant from the HYDRECS Foundation is pending with a presentation to their selection committee scheduled for the beginning of May (we are one of three short-listed projects). For the remaining half million, we are counting on the City to participate as well as seeking corporate sponsorships and community donations. Any remaining amount required to complete the project will come directly from the

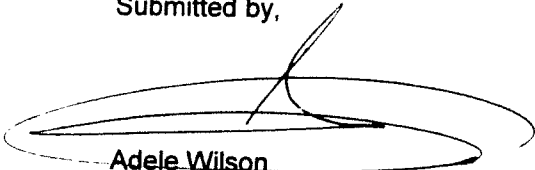
society. In addition, we have just signed an operating agreement with BC Housing, which has agreed to provide the project with ongoing operational funding support for building maintenance.

-See attached budget-

Any assistance the City of Burnaby can provide our project will contribute to our goal of completing the development with no debt serving arrangement, and will contribute to a project that is being strengthened through multiple funding partnership agreements.

If you have any questions regarding the above, please contact Adele Wilson at 604-433-4165 or by email at adele@dixonhouse.ca.

Submitted by,

A handwritten signature in black ink, appearing to read 'Adele Wilson', is written over a large, hand-drawn oval scribble.

Adele Wilson
Executive Director
Marguerite Dixon Transition Society
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Burnaby, BC V5C 5E9
Website: www.dixonhouse.ca