

COMMUNITY DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: ASSIGNMENT OF CITY LAND LEASE – 485 MACDONALD AVENUE –
WEST COAST COMMUNITY HOMES SOCIETY TO NEW CHELSEA
SOCIETY**

RECOMMENDATIONS:

1. THAT Council approve assignment of the lease for City land used for the Hastings Village non-market housing development at 485 MacDonald Avenue (specifically Lot 1 Except: Part Subdivided by Airspace Parcel Plan LMP20583 District Lot 116; Group 1; New Westminster District Plan LMP 11653) from the West Coast Community Homes Society to the New Chelsea Society with the New Chelsea Society assuming all responsibilities and obligations of the lease.
2. THAT as a condition of assignment of the land lease, New Chelsea Society also assume the responsibilities and obligations of West Coast Community Homes Society under an existing agreement for the management of the parking facility.
3. THAT a copy of this report be sent to:
 - a. Ms. Deborah Goodfellow, BC Housing, 1701-4555 Kingsway, Burnaby, BC, V5H 4V8
 - b. West Coast Community Homes Society, 201-1646 W. 7th Avenue, Vancouver, BC, V6J 1S5
 - c. Mr. Pat Buchannon, New Chelsea Society, 101-3640 Victoria Drive, Vancouver, BC, V5N 5P1

Copied to:	City Manager City Solicitor Director Parks, Recreation & Cultural Services Director Finance Director Engineering Director Planning & Building
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To: His Worship, the Mayor and Councillors
From: Community Development Committee
Re: Assignment of City Land Lease - 485 MacDonald
Avenue - West Coast Community Homes Society to
New Chelsea Society
2010 April 27 Page 2

REPORT

The Community Development Committee, at its meeting held on 2010 April 27, received and adopted the *attached* report seeking Council consent to assign the lease for City land used for a non-market housing project at 485 MacDonald Avenue.

Respectfully submitted,

Councillor C. Jordan
Chair

Councillor D. Johnston
Vice Chair

Councillor P. Calendino
Member

TO: CHAIR AND MEMBERS
COMMUNITY DEVELOPMENT
COMMITTEE

DATE: 2010 April 15

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 4500 30
*Reference: Lease-Hastings Village
485 MacDonald Avenue*

SUBJECT: ASSIGNMENT OF CITY LAND LEASE - 485 MACDONALD AVENUE -
WEST COAST COMMUNITY HOMES SOCIETY TO NEW CHELSEA
SOCIETY

PURPOSE: To obtain Council consent to assign the lease for City land used for a non-market housing project at 485 MacDonald Avenue.

RECOMMENDATIONS:

1. **THAT** Council consent to the assignment of the lease for City land used for the Hastings Village non-market housing development at 485 MacDonald Avenue (specifically Lot 1 Except: Part Subdivided by Airspace Parcel Plan LMP20583 District Lot 116; Group 1; New Westminster District Plan LMP 11653) from the West Coast Community Homes Society to the New Chelsea Society with the New Chelsea Society assuming all responsibilities and obligations of the lease.
2. **THAT** as a condition of assignment of the land lease, New Chelsea Society also assume the responsibilities and obligations of West Coast Community Homes Society under an existing agreement for the management of the parking facility.
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To: Community Development Committee
From: Director Planning and Building
Re: Assignment of City Land Lease - 485 MacDonald Avenue
2010 April 15.....Page 2

REPORT

1.0 BACKGROUND

BC Housing has requested assignment (i.e. transfer) of the lease for City land used for a non-market housing project at 485 MacDonald Avenue (*see Attachment #1*) from the West Coast Community Homes Society (WCCHS) to the New Chelsea Society (NCS). The purpose of this report is to obtain Council consent to the assignment of the lease.

2.0 DISCUSSION

The subject site is located at 485 MacDonald Avenue and is within the Hastings Street Area Plan. The site is developed with 43 units of non-market housing, 258 sq.m. (2,777.18 sq.ft) of commercial space and a 57 stall public parking facility. The Hastings Village non-market housing project serves households in need and is managed by WCCHS. The project was developed as part of the Federal-Provincial Non-Profit Housing Program in partnership with VanCity Enterprises and WCCHS. Council approved the development on the City-owned site on the basis that the value of the public parking facility to be constructed for the City was equal to the leasehold value of the residential and commercial components. The provision of the public parking spaces constituted payment of the lease.

Upon completion of the development in 1994, air space parcels were created for the public parking facility and the commercial space. The City holds title to both air space parcels and the remainder lot on which the Hastings Village project is located.

WCCHS holds a 60 year lease (effective 1993 July 27) for the remainder lot on which the housing project is located. The air space parcel for the commercial space was leased to VanCity for 60 years although the lease has now been assigned to Hastings Village Medical Clinic. It is noted that the City owns all improvements on the lots although the lessees "effectively" own the structures through the 60 year leases.

As part of the original lease terms, WCCHS was responsible for the management of the housing project. The City was responsible for the cleaning, non-structural maintenance and lighting of the public parking facility. The commercial space is maintained by the commercial lessee.

WCCHS was formed in 1989 to provide affordable housing to families in need; however, the Board has decided to dissolve the Society and transfer all of their seven housing projects to NCS. The lease between the City and WCCHS for the Hastings Village project requires that the lessee obtain City consent for assignment of the lease. BC Housing, on behalf of WCCHS, is requesting assignment of the lease to NCS. BC Housing is involved because it provides operating funding for the project through a 35 year agreement.


To: Community Development Committee
From: Director Planning and Building
Re: Assignment of City Land Lease - 485 MacDonald Avenue
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It is recommended that Council authorize the lease assignment on the condition that NCS assume all responsibilities and obligations currently held by WCCHS. NCS was founded in 1952 as a joint venture of Royal Canadian Legion branches in the Vancouver area to provide affordable housing for Veterans and seniors. The organization is a respected non-profit operator of housing for families, seniors, and people with disabilities. They manage over 750 units in 13 projects in Vancouver and Burnaby. The Burnaby projects of NCS include Chelsea Towers at 5895 Kincaid Street which is a 209 unit seniors housing development and Chelsea Heights at 204 Alpha Avenue and 205 Beta Avenue which is a 38 unit family development purchased by the Provincial Government in 2007. NCS will also manage the Legion housing project currently under construction at 5289 Grimmer Street. The addition of the Hastings Village project to the NCS portfolio will complement the organization's plans to expand its mandate to provide affordable housing. Under the lease requirements the project would continue to operate for households in need and in line with the NCS objectives to provide housing for families, seniors and people with disabilities.

It is noted that on 2009 July 20 Council considered a report on the public parking garage. Arising from the report, Council endorsed a management approach for the facility which included an allocation of \$40,000 from Capital Contingency for installation of a gate. The report also authorized staff to enter into an agreement with WCCHS for maintenance of the parking facility. The agreement was subsequently completed with WCCHS. As such, with Council consent to assignment of the land lease to NCS, it is recommended that NCS also assume the WCCHS obligations under this recent agreement.

3.0 CONCLUSION

BC Housing, on behalf of WCCHS, is requesting assignment of the lease for the City-owned property at 485 MacDonald Avenue, from WCCHS to the NCS. The site is currently used for a non-market housing project, a public parking facility, and commercial space. The NCS is a respected operator with over 50 years of experience in managing non-market affordable housing. It is recommended that Council consent to assignment of the lease for the remainder of the lot on which the housing is located (i.e. excluding the commercial air space parcel) subject to NCS assuming all responsibilities and obligations currently undertaken by WCCHS including the recently signed agreement for management of the parking facility.

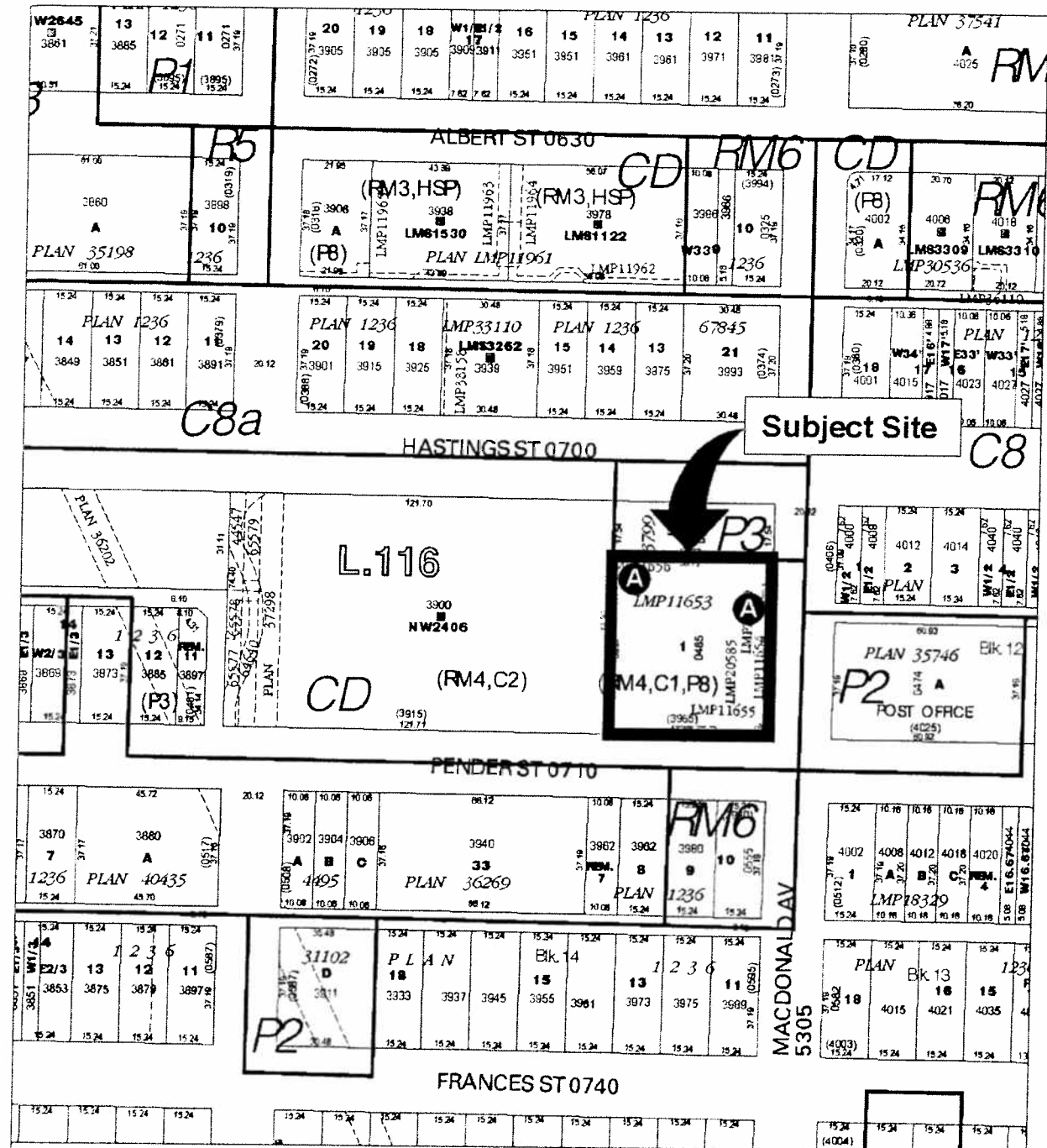


B. Luksun, Director
PLANNING AND BUILDING

SF/sa
Attachment

Copied to: City Manager
City Solicitor
Director Parks, Recreation & Cultural Services
Director Finance
Director Engineering

Attachment #1 – Location Map



485 MacDonal Avenue

A denotes air space parcels for parking facility and commercial space