

December 8, 2023

TO: Development Permit Board

CC: Sarah Robin, Housing Planner
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Michelle Au, Assistant Director Permitting Services
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FROM: Jonathan Borsa
Project Facilitator Affordable Housing

SUBJECT: 401 Jackson – DP-2021-00481 – Updated Housing Agreement Condition

SUMMARY

On September 20, 2021, the Development Permit Board approved the above development permit with conditions for this project which contains 172 social housing units. This memorandum recommends changes to the housing agreement condition.

The recommended changes to Condition 1.1.v., which require the applicant, Aboriginal Land Trust (ALT), to enter into a Housing Agreement, reflect updates to their Affordable Leasehold Homeownership model and address requirements of ALT's mortgage lender. ALT has confirmed that the affordability of the project will be maintained. There are no changes proposed to the terms of the 56 shelter rate units. For the remaining units that will be rented to households below the Housing Income Limits (HILs) and Middle Income Limits (MILs), there are proposed changes to how a unit is revalued when it transfers to a new lease-holder. In addition, there are proposed changes to allow for discretion to the qualifying criteria for the social housing leasehold tenants in unlikely situations of a mortgage default.

Housing Regulation & Policy staff, in consultation with Legal Services staff, are supportive of the proposed changes to the housing agreement condition.

The following demonstrates the recommended changes to the housing agreement condition:

Condition 1.1.v. *arrangements shall be made to the satisfaction of the General Manager of Planning, Urban Design and Sustainability (or successor in function), and the Director of Legal Services to enter into a Housing Agreement and Section 219 Covenant securing all dwelling units as social housing for the greater of 60 years and the life of the building, which will contain the following terms and conditions:*

- i. *a no stratification covenant;*
- ii. *that the social housing units will be legally and beneficially owned by a non-profit corporation, or by or on behalf of the City, the Province of British Columbia, or Canada as a single legal entity and used only to provide rental housing for terms of not less than one month at a time and prohibiting the separate sale or transfer of fee simple ownership of any such units;*
- iii. *requiring such units to be used for "social housing", as that term is defined in the Vancouver Development Cost Levy By-law No. 9755;*
- iv. *not less than one-third of the social housing units will be:*
 - a. *occupied by persons eligible for either Income Assistance or a combination of Old Age Pension and Guaranteed Income Supplement and subject to paragraph (vii), will be rented at rates no higher than the shelter component of Income Assistance; and*
 - b. *rented to seniors, meaning at least one member of the household is aged 55 or older, or to be rented to persons with special needs, meaning at least one member of the household is a person with special needs*
- v. *for the remaining social housing units, subject to paragraph (vii), the intended monthly aggregate housing costs will be at rates of no more than 30% of the household income and are prioritized for individuals identifying as Indigenous and:*
 - a. *not less than 23% of such units will are intended to be rented to qualifying households with incomes below the housing income limits as set out in the then current "Housing Income Limits" (HILs) table published by the British Columbia Housing Management Commission or equivalent metric or publication and who will prepay not more than 30% of the fair market value of the leasehold interest, or if the owner determines that no qualified households are available to rent a social housing unit qualified renters as determined by the owner;*
 - b. *the remaining units will are intended to be rented to households with incomes below the moderate income limits as set out in the then current "Middle Income Limits" (MILS) table published by*

*the by the British Columbia Housing Management Commission or equivalent **metric or publication** and who will prepay not more than 50% of the fair market value of the leasehold interest, or if the owner determines that no qualified households are available to rent a social housing unit qualified renters as determined by the owner; and*

- c. if such units are being leased under a long term lease registered at the Land Title Office by way of an explanatory leasehold plan, an initial payment for the leasehold interest may be charged to the renter at the beginning of the lease up to a maximum of 10% of the **fair market** value of the leasehold interest, or such other amount as approved by the General Manager of Planning, Urban Design and Sustainability;*

- vi. such other terms and conditions as the General Manager of Planning, Urban Design and Sustainability (or successor in function), and the Director of Legal Services may in their sole discretion require;*

RECOMMENDATION

Staff recommend that the Development Permit Board resolve as follows:

That the Original Prior to Letter Condition 1.1.v. in DP-2021-00481 regarding 401 Jackson Street be replaced with the Updated Prior to Letter Condition 1.1.v. set out in the memorandum to the Development Permit Board entitled “401 Jackson – DP-2021-00481 – Updated Housing Agreement Condition”.



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