



City of Richmond

Report to Committee

To: General Purposes Committee

Date: December 2, 2024

From: Peter Russell
Director, Housing Office

File: 08-4057-05/2024-Vol 01

Re: Establishing a Housing Authority - Referral Response

Staff Recommendation

That the staff report titled 'Establishing a Housing Authority - Referral Response', dated December 2, 2024 from the Director, Housing Office, be received for information.

Peter Russell
Director, Housing Office
(604-276-4130)

Att. 6

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF DEPUTY CAO
Law	<input checked="" type="checkbox"/>	
Finance	<input checked="" type="checkbox"/>	
Policy Planning	<input checked="" type="checkbox"/>	
Development Applications	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS:	APPROVED BY CAO

Staff Report

Origin

This report responds to the October 7, 2024 Council referral:

That staff investigate the propriety of establishing a Richmond Housing Authority and report back with an initial report within three months.

This report supports Council's Strategic Plan 2022-2026 Focus Area #2 Strategic and Sustainable Community Growth:

Strategic and sustainable growth that supports long-term community needs and a well-planned and prosperous city.

2.2 Develop and implement innovative and proactive solutions that encourage a range of housing options and prioritize affordability.

The City has been an active leader in supporting the direct delivery of housing across the full housing continuum, including the delivery of 665 built affordable housing units in partnership with senior governments to date. In addition, 2,637 affordable housing rental units have been delivered, secured or are under application, in partnership with private sector developers and their non-profit operators (NPOs). See Attachment 1 for more information.

This report was informed by a number of case studies developed to better understand the key drivers that led other local governments to establish housing authorities, or other similar entities. Summary information for each includes: an overview of the organization; mandate and organizational goals; operating model and functions; governance structure; resourcing; core services; and, key achievements and lessons learned (Attachment 2).

Analysis

While there is no definitive definition, a municipal housing authority in BC is typically a stand-alone municipal corporation, governed by a Board of Directors. Such corporations typically take on the role of designing, building, financing, maintaining, operating and/or tenancing affordable housing developments, directly or through partnership. Typically a local government will first decide on large financial and asset commitments to building or purchasing affordable housing, and then determine from several options whether a housing authority is the best method for delivering on that commitment. The creation of a housing authority in and of itself does not create any fundamentally new or different options for responding to housing needs.

The City has long maintained an in-house function to achieve affordable housing outcomes. City permitting processes support the efficient review for all housing types where 100% rental and affordable housing applications are treated as priorities. The City has successfully relied primarily on policy measures to date, such as the Affordable Housing Strategy, the Low End Market Rental (LEMR) program, and partnerships with senior levels of government to deliver built affordable housing projects. Attachment 3 includes a summary of senior government housing programs, some of which the City has benefitted from. In Q2 2024, to further bolster Council's affordable housing goals, a Housing Office was established as a new in-house department, reallocating staff from an existing

department and adding new staff using grant funding, to grow the scope and scale of affordable housing opportunities across the community.

Maintaining an in-house function is noted for being more inherently flexible and avoids legal aspects of forming a stand-alone corporation. The *'Launching and Maintaining a Local Government Corporation - A Guide for Local Officials'* (Provincial Guidebook) guide notes that while an in-house function is governed directly by Council, advisory roles can be established to augment Council's awareness through an advisory committee or a technical advisory group. These considerations led the City of Vancouver to develop a new centralized in-house department to manage and grow their considerable portfolio of city-owned housing assets. The Provincial Guidebook notes that in-house teams inherently have more direct access to City funding, financing, grants and public land while retaining an ability to quickly adjust to Council and community priorities. Operating an in-house department does not preclude the establishment of a housing authority.

Other options are available to local governments. Beyond maintaining an in-house function, cities can also: enter into a partnering agreement; launch and maintain a local government corporation as outlined below; establish a society; invest in an existing corporation; utilize or establish holding companies and trusts; and, establish a cooperative. Attachment 4 has information for each.

Establishing a Housing Authority

Municipalities can establish a municipal corporation pursuant to the *Community Charter* to achieve desired public benefits under specific terms of reference. The City's wholly owned Lulu Island Energy Company Ltd. (LIEC) and the Richmond Olympic Oval Corporation (Oval) are such entities. LIEC was incorporated in 2013 to provide district energy services on behalf of the City, and the Oval in 2008 to provide facilities, programs and services for recreation and high-performance training and competition. The establishment of a housing authority would have similar but unique considerations as outlined below and fully detailed in Attachment 5, that are needed for a successful approval:

1. **Refine Objectives and Level of Control of Council:** Identify the municipal objectives that the incorporation will help achieve, the degree of control that council will exercise over the corporation, and the financial exposure of the municipal shareholder.
2. **Consultation:** Other parties in the housing ecosystem include senior levels of government, private builders providing rental and LEMR units with NPO partners, and local advocacy groups are important to engage.
3. **Governance:** A board of directors may be composed of elected officials, staff, members of the public, external experts or any combination of the above. Board appointment decisions should be focused on gaining the knowledge, resources and connections the municipal corporation requires to be successful.
4. **Business Name:** The City will be required to select a name for the corporation that reflects both the public nature of the enterprise and its business purpose.
5. **Prepare Articles of Incorporation:** Corporate articles that govern the conduct of the corporation and its shareholders, directors and officers must be created.
6. **Partnering Agreement:** A partnering agreement is a form of contract between the City and a party that agrees to provide a service on behalf of the City.

- 7. Inspector of Municipalities Approval:** The approval process requires a formal request that includes a Council resolution, copies of background reports such as a business plan or feasibility studies, and draft articles.

A comparison of key differences between an in-house department and a housing authority are outlined in Table 1.

Table 1: Comparing In-house Department vs a Housing Authority

	In-house Department	Housing Authority
Delivering of housing	Currently undertaken through partnerships with senior government or developers. Staff are assessing other means to increase the delivery of affordable housing	Undertaken through partnerships or directly
Access to grants	Direct access to grants for planning or process improvement grants (e.g. Housing Accelerator Fund). Indirect access to federal and provincial capital grants in that City-owned land and other costs covered by the City are used to support new projects when the applicant is an NPO/BC Housing	Direct access to federal and provincial capital grants (e.g. Community Housing Fund)
Governance	Directly by Council	Board of Directors; Council appoints Directors and a Council Liaison; Board holds an annual general meeting
Access to City Funding	Direct access; funding generated through cash in-lieu and other sources such as grants	Access to City financing via a Partnership Agreement
Access to financing	Not needed under current approach	Access to City funding via a Partnership Agreement; access to private lending
Control over tenancy	Not needed currently. All roles, responsibilities and risks assumed by NPOs or BC Housing to manage tenancy	Direct involvement or through operating partner
Risk allocation	All risks are transferred to NPOs, developers and senior government partners for all activities, including financial risk	All risks borne by the authority unless transferred through an agreement with NPOs, BC Housing or otherwise
Administrative complexity	Operated as a department, reports directly to Council on all matters, operates directly under City policies and procedures	Operated as a corporation, reports to Board, operates under corporate and/or City policies and procedures, reports financial performance to Council
Access to revenue	Direct access to funding generated through cash in-lieu and other sources. Staff are assessing lease revenue opportunities	Access to rental revenue and land leasing revenue, when applicable. Revenues would need to cover expenditures; City lands can be leased for additional revenue but may be limited to maintain affordability

Financial Considerations

From the case studies examples (Attachment 2), financial considerations include:

- **Access to Capital, Land, and/or Operating Funding and Financing:**
 - The Burnaby Housing Authority notes \$2M annual operating costs for 2024 to 2028; a contribution of \$475,000 in 2024 for capital expenditures; and, access to \$100M in financing from 2024 to 2028.
 - The Metro Vancouver Housing Corporation collects tenant fees to cover costs such as staffing and building maintenance. Their 10-year plan commits to \$190M from their

Housing Reserve Funding and other sources for renewal, redevelopment and supporting partnerships.

- **Board of Directors:** External board members are often provided compensation.
- **Partnering Agreement with the City:** A Partnering Agreement between the City and a new municipal corporation is required for incorporation; the City can provide assistance under the agreement including use of land, and administrative and staffing costs.

Current Commitments and Initiatives Addressing Housing Affordability

Staff are currently focused on a number of initiatives that are expected to address specific issues related to the supply, operations and approvals of all forms of housing. Seeing the below activities through to completion is important due to regulatory or contractual deadlines but does not preclude the City from establishing a housing authority now or at a later date:

- **Effectiveness of In-house Departments:** The City's approach to delivering on affordable housing through partnering with senior governments and leveraging the building expertise of private developers and their non-profit operating partners has delivered meaningful outcomes to date with the least amount of resources to do so. The Housing Office and additional staff resources in Development Applications to review rental-only housing development applications bring an expansion of resources to support the delivery of affordable housing options. Attachment 1 includes a list of current initiatives that are underway. Staff are also currently assessing:
 - Opportunities to better maximize City lands to deliver on housing outcomes, including assessing cost recovery options;
 - Access to federal and/or provincial lands for hosting affordable housing;
 - Partnerships opportunities with other entities, including the private sector, to bring capital funding to scale up the delivery of housing; and,
 - New staff resources in the 2025 budget will be applied to assessing land inventories to address housing needs using GIS tools in time for the affordable housing strategy in 2026.
- **Implementing the Housing Bills on Time:** Staff are currently implementing legislative changes per Bills 44, 46, 47, and 16, initiated to deliver a broader range of housing options. The changes introduced by the Housing Bills affect many aspects of City planning and financing of growth related activities and have statutory timelines for their implementation
- **Implementing the Housing Accelerator Fund Initiatives on Time:** The City was awarded \$35.9M in funding from the Canada Mortgage and Housing Corporation's (CMHC) Housing Accelerator Fund. The first instalment was of \$8.93 was received in March 2024 with the three remaining installments to be received on March 31st in 2025, 2026, and 2027, subject to the City delivering on its commitments in the contribution agreement and senior government funding. A forthcoming annual report to the CMHC, will summarize achievements to date. Delivering these initiatives on time is critical for receiving the next instalment of funding. Attachment 6 summarizes current HAF initiatives in the agreement.
- **Developing the Capacity of NPOs:** New affordable LEMR units are being delivered through partnerships between developers and NPOs. Through this, the LEMR program is supporting a new and growing service sector at no cost to the City. Some developers are also establishing separately governed NPOs for managing LEMR units. This model has the

potential for NPOs to include such activities as securing financing, purchasing or leasing LEMR units and/or land and developing purpose built affordable housing. One of the oft cited examples is in Vienna, Austria, where the co-operative housing sector is functioning as co-op developers and operators, providing both market and ownership opportunities. The forthcoming HAF supported Non-Profit Affordable Housing Partnership Program aims to provide structure, connections and skills development opportunities for participants. A report to Council will be presented in 2025 that will describe the goals of the program.

A housing authority could have merit if Council's objectives are to design, build, finance and operate affordable housing projects, directly or through partnership. Completing an analysis of this option would require an assessment of City's financial capacity and opportunity costs, a review of land costs and availability and considerations noted in Attachment 5.

As further affordable housing strategies, policies and actions are developed for Council consideration, staff will continue to monitor the use of housing authorities in other jurisdictions and identify opportunities for further consideration and benefits of this governance model.

Financial Impact

None.

Conclusion

The newly established Housing Office in tandem with other departments continue to provide a strong focus on housing needs in the community. Implementing the new Housing Bills coupled with the requirements to implement HAF related commitments will transform the City's processes and procedures to be more effective and responsive to meeting housing demand. A housing authority, or any such similar arms-length entity, remains an important tool that the City may pursue to achieve its objectives.



Peter Russell
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- Att. 1: Current and Ongoing Initiatives
- 2: Municipal Case Studies
- 3: The Role of Senior Governments in the Provision of Housing
- 4: Alternative Organizations for Delivering Affordable Housing
- 5: Establishing a Municipal Corporation
- 6: Summary of CMHC Housing Accelerator Fund Initiatives

Achievements and Ongoing Initiatives

Achievements

The City has been an active leader in supporting the direct delivery of housing across the full housing continuum. The City has been a contributor to delivering a total of 665 built units to date, as follows, through providing access to land and/or through financial support:

- 296 units for seniors at 7378/7388 Gollner Ave, owned and operated by Kiwanis Richmond;
- 129 units of below-market rental housing at 8080 Anderson Road (“Storeys”), operated by a consortium of non-profit organizations;
- 80 units of supportive housing on two sites providing housing for people who are at risk of experiencing homelessness, operated by RainCity Housing and Community Builders; a 90 unit building to replace existing buildings was postponed in August 2024. Staff are awaiting further direction from BC Housing on this project;
- 80 units of non-market and affordable market rental housing at 5491 No. 2 Road, to be operated by Pathways Clubhouse Society of Richmond (underway);
- 25 units of affordable rental housing for women and women with children at 4731 Steveston Hwy, to be operated by Turning Point Housing Society (nearing completion);
- 55 shelter beds at 12040 Horseshoe Way, operated by The Salvation Army; and,
- For the 2024/2025 winter season, a total of 35 temporary shelter spaces are available at two locations, 20 at the South Arm Outdoor Pool Building and 15 at the Brighthouse Pavilion.

In addition, 2,637 affordable housing rental units have been delivered, secured or under application, in partnership with private sector developers and their non-profit operators (NPOs), including the following built, secured or in-stream units:

- 546 built, 895 secured, and 845 in-stream units under the Low-End Market Rental (LEMR) program;
- 14 secured modest income market rental units in the West Cambie area; and,
- 246 secured, 393 in-stream moderate income market rental units.

In smaller-scale developments, cash-in-lieu of built LEMR units has amounted to \$7.2 million in revenue since 2020, with \$6.3 million currently allocated to support the delivery of the Pathways and 4731 Steveston Hwy projects.

While not directly involved with the City, there are 989 units across 17 different cooperative housing buildings (COOPs) offering varying levels of affordable home ownership. A forthcoming report will seek Council endorsement for a partnership program with NPOs and COOPs that aims to build their capacity to advance affordable housing across the community.

Ongoing Initiatives Addressing Local Housing Needs

Current initiatives are summarized below including how the Housing Accelerator Fund (HAF) initiatives are aligned with housing outcomes:

- **Housing Office:** The 2024 establishment of the Housing Office as a dedicated department brings additional resources to grow the scope and scale of affordable housing in the community. This new role and team are complementing existing departments also delivering the supply of residential developments for all tenure types throughout the community;
- **Housing Accelerator Funding:** The Government of Canada through the Canada Mortgage and Housing Corporation (CMHC) announced that \$35.9 million was awarded to the City as part of the HAF program. HAF projects include housing grants, technology solutions to expedite the processing of permits, enhanced opportunities to establish working partnerships with non-profit housing operators, housing cooperatives and other agencies;
- **Forthcoming Completion of Built Affordable Housing Projects:** Three built affordable projects totaling up to 195 units, noted above, are underway. Of these, a 90 unit building to replace existing temporary supportive housing units was postponed in August 2024. Staff are awaiting further direction from BC Housing on this project
- **LEMR Rate Review:** Rate changes were recently approved by Council to ensure the viability of delivering affordable housing units, delivered in partnership with private developers;
- **LEMR Management:** An assessment of options for managing LEMR unit access via a registry, or otherwise, is ongoing;
- **Statutory Declarations:** A Statutory Declaration process with current tenants living in LEMR units is concluding. A report will be presented to Council in 2025.
- **Small-scale Housing:** The recent rezoning of approximately 27,000 lots throughout the community to permit small-scale multi-unit housing (SSMUH) per Bill 44;
- **Transit-Oriented Areas (TOAs):** The designation of TOAs in the Official Community Plan to recognize minimum allowable height and density permissions and to waive parking requirements within prescribed distances;
- **Interim Housing Needs Report (IHNR):** The housing needs forecasts, per provincial requirements and per the prescribed methodology, highlights varying housing need components over the next 5 and 20 years;
- **Official Community Plan (OCP) Update:** Related to housing, targeted updates to land use designations and policy to support housing needs is underway;
- **Inclusionary Zoning (IZ) & Density Bonusing (DB):** Creation of an IZ framework to mandate the supply of affordable housing within TOAs, in addition to the creation of a DB framework that could allow for additional density in exchange for affordable housing is

underway. The work would include consultation, a financial feasibility assessment, alignment with long range planning, and reporting as required;

- **Amenity Cost Charge (ACC) Bylaw and Development Cost Charge (DCC) Bylaw:** The City is exploring the implementation of new and updated financing tools to support the delivery of community amenities and infrastructure prompted by population growth arising from development. Assessment of needs and cost forecasts are ongoing to allow the use of the tools;
- **Tenant Protection Bylaw:** The exploration of opportunities to develop a tenant protection bylaw to require a developer to provide additional support for tenants facing displacement as a result of redevelopment is underway; and,
- **Ongoing Advocacy:** The City has been consistent with its messaging to senior levels of government that more funding is needed for affordable housing. Staff have also approached senior levels of government for the use of crown lands for affordable housing projects.

Summary of Municipal Case Studies

Table 5: Summary of Municipal Case Studies

Housing Organization	Organization Type	Established in	Housing Units
Senior Government Housing Organizations			
Canada Mortgage and Housing Corporation (CMHC)	Crown corporation	1946	Funding and financing programs
BC Housing	Crown corporation	1967	Funding and financing programs
Municipal Housing Organizations			
Burnaby Housing Authority	Municipal corporation	2024	0 units
Calgary Housing Company	Municipal corporation	1978	2,700 units
Metro Vancouver Housing Corporation	Municipal corporation	1974	3,400+ units
Whistler Housing Authority	Municipal Corporation	1997	2,400 units
Vancouver Affordable Housing Endowment Fund (VAHEF)	City department	2021 ¹	13,000+ units
Squamish Community Housing Society	Non-profit society	2021	48 units
Kamloops Community Land Trust Foundation	Non-profit society	2023	0 units

¹ The City of Vancouver's housing entities date back to the 1970s. In 2021, VAHEF was established to consolidate its non-market housing properties and initiatives across the organization, including transfers from the Vancouver Affordable Housing Agency and Vancouver Public Housing Corporation (wholly owned not-for-profit subsidiaries of the City).

Burnaby Housing Authority

City of Burnaby

The Burnaby Housing Authority aims to increase the supply of non-market housing options by:

- Acting like a private housing developer, while delivering non-market housing for public benefit,
- Helping fill gaps in Burnaby's housing supply strategically,
- Contributing to the larger housing ecosystem through collaboration, not competition.

Core Services	Operating Model
Create secure, purpose-built housing including: non-market rental units, non-market ownership units (including co-operative housing), market rental units (to support non-market housing through cross-subsidization)	<ul style="list-style-type: none"> • Acquisition: Acquire lands or units to maximize the development potential of its land portfolio while targeting sites in neighbourhoods currently lacking non-market housing • Development: Develop new housing units, with dedicated staff hired or partners as development managers to oversee design, approvals and construction • Operations: Partner with NPOs, government agencies and other qualified entities to operate non-market housing units • Administration: Oversee portfolio, for confirming ongoing compliance with agreements with operating partners and for reporting as required under agreements with its funding, operating, and development partners.

Governance & Staffing	Resourcing
<p>10 Board of Directors as follows:</p> <ul style="list-style-type: none"> • Burnaby Council Member (3) • Burnaby Senior Exempt Staff (1) • Individuals with expertise and experience in the development or operations of private or non-profit housing (4) • Individual with expertise or experience in the financial sector (1) • Individual with expertise or experience in the legal sector (1) <p>Staffing Model: Chief Executive Officer; Chief Operating Officer; Director, Development; Office Manager; Legal, Human Resources and Communications and Services; and Project Specific Consulting Services</p>	<p>\$2M annual operating costs for 2024 to 2028; a contribution of \$475,000 in 2024 for capital expenditures; and, access to \$100M in City financing from 2024 to 2028.</p>

Calgary Housing Company

City of Calgary

The Calgary Housing Company adopted an 8-year strategic plan in 2023, taking it to 2030. The goals of the strategy are listed below, with a few important sub-goals highlighted:

- Empower applicant and resident success, including engaging in partnerships that (1) connect applicants and residents to services that best meet their needs, and (2) to prevent and mitigate the impacts of social isolation and poverty);
- Enhance asset and financial performance, including transitioning portfolios to mixed income to result in financially sustainable operating models; and,
- Become a center of excellence within the affordable housing sector, including working with government partners to advance the delivery of affordable housing.

Core Services	Operating Model
<p>Calgary Housing Company programs cover the following parts of the housing spectrum:</p> <ul style="list-style-type: none"> • Community housing • Affordable rental housing • Market rental housing • Affordable home ownership 	<p>CHC operates 7,100 units of subsidized rentals, including 2,700 Provincially-owned social housing units and 4,100 “mixed income” units. CHC also administers the Provincial rental assistance program. CHC delivers services through funding and operating agreements with the City of Calgary and the Province of Alberta.</p> <ul style="list-style-type: none"> • Social Housing: CHC manages 102 properties owned by the Province, totaling 2,700 units. Rents are tied to income. Income must be at no more than 30% of eligible income and must be below housing income limits (HILs); income is verified annually. The Province funds operating deficits. • Mixed Income: Housing with income limits and rental rates tied to market rates. Affordable housing is rented at 30% below average market rates. It is available to households with incomes below HILs, either via waitlists or advertised to the market. Near-market rentals are rented at 10% below average market rates. Units are available to households with incomes below Maximum Income Limits specific to the program, and are advertised to the market. <p>CHC manages five distinct portfolios of housing in this category, distinguished by ownership, management and the type of funding/subsidy.</p>
Governance & Staffing	Resourcing
<p>The Board of Directors is made up of 11-13 members as follows:</p> <ul style="list-style-type: none"> • City of Calgary Council (2-3) • City Staff (2) • Community Members at Large (6-8) 	<p>CHC has access to the following funding sources:</p> <ul style="list-style-type: none"> • City: capital to rejuvenate City-owned properties, project-specific • Provincial: capital and operating subsidies for social housing

<p>CHC uses an external recruitment agency and a skills matrix to identify potential community board members, creating a strong, balanced and professional group. Membership shifts with organizational needs, e.g. CHC is bringing on directors with development expertise. Conflict of interest is a key consideration in member selection.</p> <p>The Calgary Housing Company has about 200 staff, including operations and maintenance, property management and application processing. About 60% of CHC's activities are provided through private contracts, e.g., for cost savings, for external expertise or to complement limitations of their predominantly union staff. All CHC employees are employees of the City of Calgary.</p>	<ul style="list-style-type: none"> • Federal: maintenance and renewal funding from CMHC \$15M • Internal: mixed-income model balances the proportion of units within an individual building to ensure that new affordable housing developments are financially sustainable • Financing: CHC can seek private financing, but this is limited by City's limit on debt capacity.
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Metro Vancouver Housing Corporation

Metro Vancouver Regional District

The Metro Vancouver Housing Corporation (MVHC) is a non-profit organization that supports mixed-income communities, primarily for families, seniors, and people with special housing needs. Metro Vancouver Housing Corporation provides safe, affordable rental housing to support healthy, engaged communities across the region. Wholly owned by the Metro Vancouver Regional District (MVRD) MVHC has over 3,400 units to support over 9,400 tenants in 49 sites across the region, including 9 sites in the City of Richmond.

Core Services	Operating Model
<p>MVHC's key operating functions are to develop and redevelop new or existing sites, and manage and operate existing buildings.</p>	<p>The MVHC provides affordable rental housing across its member municipalities for very low to moderate income households who can live independently. Around 30% of housing units are Rent-Geared-to-Income in which the rent is not greater than 30% of the tenants' gross household income; the remaining 70% are Low-End-of-Market, which is approximately 10% to 20% below market rents. There is an income limit for both types of housing to ensure that housing supports those who need it most. MVHC manages all of its own units, including building management, waitlist management, and tenant management.</p>
Governance & Staffing	Resourcing
<p>The Board of Directors has the same membership as the Metro Vancouver Regional District with the Board consists of 41 Directors representing 21 Municipalities, one Electoral Area, one treaty First Nation.</p> <p>The administration and operations of the MVHC is integrated into the staff structure and day-to-day operations of the MVRD, including the Chief Administrative Officer of MVRD and MVHC - Metro Vancouver staff facilitate and complete the work required to deliver services to Metro Vancouver and achieve the goals and objectives set out by the Board of Directors. Staff from multiple</p>	<p>MVHC operations, including staffing and building maintenance, are supported primarily by tenants' rents. The organization operates at no cost to the taxpayer, returning operating surpluses to the Housing Reserve Fund. The Metro Vancouver Housing's 10-Year Plan outlines how it will meet its strategic goals and targets by committing \$190 million as follows:</p> <ul style="list-style-type: none"> • \$90 million in renewing existing housing (from the Housing Reserve Fund) • \$60 million in redevelopment and partnerships to acquire or manage new units (from the Housing Reserve Fund) • \$40 million to develop new affordable housing on lands owned by the region and member jurisdictions (from Regional District contributions) <p>As the majority of the housing stock was developed in the 1980s, many of its mortgages are ending, leading to surplus revenues that can be reinvested back into existing and new housing. This will fund renewal and redevelopment</p>

departments, including the planning and policy team, support both the MVRD and MVHC. Housing operations includes 80 dedicated housing staff.	commitments. Development of new affordable rental housing will require additional contributions from the regional district. Metro Vancouver can access additional funding through BC Housing and CMHC, which could further leverage Metro Vancouver investments to increase the number of new affordable rental units.
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Whistler Housing Authority

Resort Municipality of Whistler

The Whistler Housing Authority (WHA) is an independent corporation and is a wholly owned subsidiary of the Resort Municipality of Whistler (RMOW) created to oversee the development, administration and management of resident restricted housing. In 1997, the local government established the WHA to oversee affordable rental housing and homeownership programs to help address workforce housing affordability. The motivation to pursue a program consisting of both rental and affordable homeownership units was to support a stable resident workforce and foster a vibrant community.

Core Services	Operating Model
<p>The Whistler Housing Authority performs the following core services:</p> <ul style="list-style-type: none"> • Manage Long-term Housing for Whistler's workforce via the Employee Housing Rental Program and Employee Housing Ownership Program: Manage the WHA Property Portfolio • Monitor Resident-Restricted Properties • Act as an Employee Housing Resource Centre 	<p>Manage Long-term Housing for Whistler's workforce</p> <ul style="list-style-type: none"> • Employee Housing Rental Program: The WHA manages an inventory of rental properties. Rental units are available to qualified Whistler Employees through the WHA Rental Waitlist on a first-come, first-served basis. The Employee Housing Rental Program allows Whistler's workforce to be able to live in Whistler in long-term, secure housing. <ul style="list-style-type: none"> ○ WHA's rental inventory includes 327 long-term Employee rental units for qualified Whistler Employees, including management of a waitlist. ○ All applicants must be qualified full-time employees or qualified retirees as per the RMOW's Employee Rental Housing Policy. ○ Rental rates are based on 30% of the applicant's gross household income (with minimum and maximum rental rates for each building), and unit selection is restricted by household size to ensure the inventory is optimized. • Employee Housing Ownership Program: The WHA manages an inventory of home ownership properties that are bought and sold to qualified Whistler employees on the WHA Ownership Waitlist. The Employee Housing Program allows Whistler's workforce to be able to live in Whistler in long-term, secure housing. <ul style="list-style-type: none"> ○ WHA's ownership inventory includes 987 Employee Ownership Housing units. ○ All of the Employee Ownership Housing Units have covenants registered on title that require the homes to be occupied by Whistler employees as their primary residence to ensure that the Employee Housing Program inventory is used as intended - for Whistler employees. ○ The employee homes have restrictions on the maximum resale amounts. The current covenants tie the resale value to an appreciation formula based on the Core Consumer Price Index (CCPI).
Governance & Staffing	Resourcing
<p>The WHA is solely owned by the RMOW and governed by a Board of Directors. Council appoints three members of Council, who hold their position on the WHA Board for the Council term. The fourth Municipal designated seat has historically been held by the RMOW's CAO. The</p>	<p>The RMOW funds employee housing capital projects from a number of sources, including:</p> <ul style="list-style-type: none"> • Hotel Tax spending: Municipal and Regional District Tax (MRDT) and MRDT Online Accommodation Provider (OAP) • Land contribution (RMOW received 300 acres of

<p>three Community Members at Large Directors are recruited through a public and transparent process, in which qualified applicants can respond to an Expression of Interest for evaluation. The preferred candidates are selected by the existing WHA Board and a recommendation is submitted to the RMOW for appointment. WHA Directors do not receive remuneration for serving as WHA Director, and no Director can directly or indirectly receive any profit from a position as a Director of the WHA.</p> <p>The administration and operations: General Manager; Director of Finance; Operations Manager; Capital Projects Manager; Housing Administrator; Housing Program Coordinator; WHA Property Management (assisted by an licensed property management company).</p>	<p>Crown land transferred by the Province as part of the 2010 Olympic Games)</p> <ul style="list-style-type: none"> • Employee Restricted Housing Fund (Resort Municipality of Whistler) • Employee Housing Service Charge Bylaw (Resort Municipality of Whistler) <p>WHA operations, including staff and programming, are self-sustaining and are funded by: rental revenue; waitlist fee revenue; interest revenue; other income.</p> <p>WHA's expanded portfolio and assets enables them to receive low-interest financing from CMHC and BC Housing. WHA pursues new housing projects with land from the land bank, and sometimes acquires units as a result of private sector developers using density bonusing that allocates units as their community amenity contribution.</p>
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City of Vancouver

The Vancouver Affordable Housing Endowment Fund is the City of Vancouver's non-market housing portfolio operating as an internal City department. The City of Vancouver (CoV) had established a number of entities over the years to operate non-market housing, hold assets, and manage City-owned land. In 2021, the CoV consolidated its non-market housing properties across the organization, including transfers from the Vancouver Affordable Housing Agency (VAHA) and the Vancouver Public Housing Corporation (VPHC) under one in house housing entity, the Vancouver Affordable Housing Endowment Fund (VAHEF). VAHEF was set up in early 2021 when the CoV decided to consolidate all City-owned non-market housing assets into a single portfolio with a clear mandate to preserve and grow the City's affordable housing stock in a sustainable way to serve Vancouver citizens over the long-term. Its portfolio has more than 230 City-owned sites in Vancouver with over 13,000 units of non-market housing created in partnership with senior government, non-profit housing societies, and housing co-operatives.

Core Services	Operating Model
<ul style="list-style-type: none"> • Create and maintain homes that are affordable to a diversity of residents earning lower incomes and for those living in poverty or at risk of homelessness. • Invest in new affordable housing in line with the demand. • Health and safety: Manage the portfolio of affordable housing assets through appropriate operation, maintenance, renewal, development, and redevelopment to ensure safe and healthy homes. 	<p>The VAHEF non-market housing development and operations team manages the VAHEF portfolio. Their work includes:</p> <p>Acquisition and development:</p> <ul style="list-style-type: none"> • Acquiring new sites to develop non-market housing in Vancouver • Readying undeveloped and under-utilized sites owned by the City for the construction of new affordable housing (carrying on the work completed by the Vancouver Affordable Housing Agency (VAHA)) <p>Partnerships:</p> <ul style="list-style-type: none"> • Forming partnerships with non-profit housing societies, senior government, and the private sector to finance, build, operate, and maintain non-market housing on sites ready for construction • Selecting housing operators for all developer-built housing buildings, also referred to as "turn-key" buildings, where social housing is built by private developers and ownership is transferred to the City as an in-kind Community Amenity Contribution (CAC) <p>Asset management and operations:</p>

<ul style="list-style-type: none"> • Provide long-term homes that support residents' participation in the community and increase their sense of social inclusion and security. • Maintain the financial sustainability of the endowment to continually contribute to meeting housing needs 	<ul style="list-style-type: none"> • Managing and monitoring new and existing contractual agreements with non-profit housing society and co-op housing partners delivering housing on City sites • Maintaining City-owned buildings to provide safe and affordable housing • Managing tenancies in housing buildings owned by the City that are not leased to a non-profit housing society or co-op <p>Capital grants:</p> <ul style="list-style-type: none"> • Providing capital grants to non-profits developing housing on their own land through Vancouver's Community Housing Incentive Program (CHIP)
Governance & Staffing	Resourcing
<p>All VAHEF in-house staff are employed by the City of Vancouver and operate as a distinct department.</p> <p>The VAHEF staff structure includes a director and 15 staff: 7 on the development side, 4 on the planning side, and 4 on the lease and building management side.</p>	<p>VAHEF's budgets and financial statements are integrated into the CoV's.</p> <p>Separate Council approval is not required for the budgets of the Vancouver Affordable Housing Endowment Fund, as it is composed solely of inter-fund transfers approved by Council in the Operating and Capital budgets and an estimate of interest revenue earned on cash balances.</p> <p>As a business unit of the City, VAHEF's budget consists of operating funding for staffing, while the City retains ownership of all land and building assets. New assets are budgeted and approved through the City's Capital Budget. In 2021, all of the City's non-market housing assets, including those enabled by VAHA, were consolidated into one portfolio forming the Vancouver Affordable Housing Endowment Fund. As this consolidation occurred in 2021, the function and staff of VAHA and associated operating funding were transitioned to the Vancouver Affordable Housing Endowment Fund to continue the delivery of social housing on City land along with other key functions for managing the portfolio.</p>

Squamish Community Housing Society

District of Squamish

The Squamish Community Housing Society (SCHS or Society) was incorporated as a non-profit society by the District of Squamish (District) in 2021. The District started to explore the establishment of a housing corporation in 2017. At the time, the District was conducting a land inventory and feasibility analysis to assess the development potential of new affordable housing buildings on District-owned land. An outcome of this work was a recommendation to Council to explore the establishment of a housing corporation to carry out long-term management and operations. In the years following, the District explored a variety of housing entities, including a municipal housing corporation, non-profit society, or in-house department. After a risk and impact analysis, the District decided to incorporate a non-profit housing society that would be entirely independent of the District and would not impact its financial state nor its borrowing limits.

The Society's mandate is to partner at all levels of government, across all sectors, and with the Squamish Nation to build, acquire, and protect affordable housing in the community. These values are reflected in the Board and governance structure.

Core Services	Operating Model
<p>SCHS's operating model includes coordinating, collaborating, and partnering with other organizations to bring new affordable housing units.</p>	<ul style="list-style-type: none"> • Service and delivery coordination including services between housing providers, including a coordinated access portal and supporting the District and private developer partners with income, asset, and employment monitoring for residents living in District-enabled Perpetually Affordable Housing units - units that are delivered by the private sector as community amenity contributions. • Strategic housing implementation to ensure that affordable housing in the community continues in perpetuity, including the operation of Perpetually Affordable Housing units and the development of new affordable housing projects. <ul style="list-style-type: none"> ○ In 2024, SCHS started managing and operating its first housing units, including: 8 family-sized units delivered by the private sector as a community amenity contribution and purchased by BC Housing. ○ 40 apartment units purchased in partnership with Hiyám ta Sk̓w̓x wú7mesh Housing Society through the Province's Rental Protection Fund program. • Monitoring and research with a focus on monitoring housing conditions and compiling housing data to ensure that affordable housing services meet the current and future needs of the District. To help guide delivery of the Society's new strategic plan and operations, a community survey was conducted and report published in 2023 which captured the housing needs, challenges, and opportunities in Squamish. • Education and advocacy with a focus on advocating to members of the public, Council and other levels of government on the importance of and need for affordable housing
Governance & Staffing	Resourcing
<p>The SCHS is a non-profit society operating under the <i>Societies Act</i> and is governed by a Board of Directors.</p> <p>The Board of Directors is made up of eleven Directors of which five are voting members as follows:</p> <ul style="list-style-type: none"> • Voting Members: District Council Member (1) Pearl Space (1); Sea to Sky Community Services Society (1); Squamish Helping Hands Society (1); Squamish Senior Living Society (1); Non-Voting Members: Squamish Nation or Hiyám ta Sk̓w̓x wú7mesh Housing Society (1); Affordable Housing Tenant (1); Private Development Sector (2) Support Services or Housing or Legal Sector (1) Community Member at Large (1) <p>Non-voting members are recruited through a public and transparent process. The Squamish Nation or Hiyám ta Sk̓w̓x wú7mesh Housing Society representative who is appointed by the Nation.</p> <p>SCHS Directors are volunteers and do not receive remuneration.</p>	<p>The District provided initial start-up and operating funding with the goal that the Society will become self-sustaining over time, either through rental revenue, grants, or donations. At time of incorporation, in 2021, the District of Squamish approved a three-year funding contribution agreement to provide the Society with \$225,000 annually, funded through taxation.</p> <p>In 2024, the contribution was increased to \$525,000 for the year to cover operating expenses plus \$300,000 in predevelopment funding so that SCHS could explore and apply for senior-level government grants for two new affordable housing projects on District-owned sites. In anticipation of an expiring contribution agreement in 2025, the Society recently requested an additional \$2,325,000 in District funding to be provided over a 5-year term from 2025-2029. The proposed 2025-2029 operating expenses will be funded by the following District sources:</p> <ul style="list-style-type: none"> • District of Squamish taxation (\$450,000) • CMHC Housing Accelerator Fund (\$1,450,000) • Affordable Housing Reserve (\$425,000) <p>The SCHS staff structure is completely separate and has no affiliation with the District. All administration and operations of the SCHS are conducted by the following staff:</p> <ul style="list-style-type: none"> • Executive Director • Society Operations Manager • Housing Manager <p>In addition, professional, technical, and financial services that support the SCHS operations are typically contracted from the private sector.</p>

Kamloops Community Land Trust Foundation

City of Kamloops

In 2023, the City of Kamloops (City) incorporated the Kamloops Community Land Trust Foundation (Kamloops CLT) under the *Societies Act* to increase the supply of housing and to provide and preserve attainable housing opportunities for those with low to moderate incomes, including seniors. The City began exploring the concept of a land trust in 2017 and in 2022 received grant funding from CMHC to support the launch of the trust. The City also considered a business corporation, a dedicated non-profit society (either of which can be defined as a CLT), and an in-house department. The Kamloops CLT is still in its start-up phase: in June 2024 the City appointed the inaugural Board of Directors and in September 2024 the City announced its first transfer of land to the CLT to pursue a new 90-unit development funded under the BC Builds program. Next steps include determining the framework for the CLT's operations, strategic planning, and building the first project.

Operating Model	
<p>The Kamloops Community Land Trust Foundation is a housing entity that aims to provide and protect long-term attainable housing. By securing land at a lower cost, the CLT can reduce the overall cost of developing homes on that land. CLTs remove land and housing from the speculative market and ensure affordability in perpetuity by limiting resale values and controlling rent levels.</p> <p>The Kamloops CLT will be designed to work in harmony with the non-profit housing sector, contributing to the larger ecosystem of housing solutions. It will focus on developing housing options that are not currently pursued by existing organizations in the community, in particular, housing options that are more suitable for low- to moderate-income households including seniors. Targeted housing types to support these households include duplexes, townhouses, fourplexes, and multiplexes.</p> <p>The Kamloops CLT prioritizes community ownership and control as well as long-term affordability. The land held by CLTs is intended to be preserved for community purposes in perpetuity.</p>	
Governance & Staffing	Resourcing
<p>The Board of Directors is made up of nine Directors: Chief Administrative Officer (1); Corporate Services Director (1); Development, Engineering, and Sustainability Director (1); Community Members at Large (6).</p> <p>The recruitment process for the members at large included a broad community call for interested applicants to submit applications. Applications were evaluated against a set of criteria by a panel of City directors and managers.</p> <p>Directors are volunteers and do not receive remuneration. The Kamloops CLT currently has no staff, and likely relies on City staff capacity, including the CAO and Directors who are sitting on the Board of Directors.</p>	<p>All start-up costs to date have been funded by grants. In 2019, the City received a \$95,000 grant from the Real Estate Foundation of BC to create a roadmap to establish a community land trust.</p> <p>The Kamloops CLT is a non-profit society and its financial structure, including borrowing, will be independent from the City. The City's current budgets and financial plan do not show any contributions toward to the Kamloops CLT. Start-up operations will likely rely on government grants and financing, and philanthropic funding.</p> <p>The Kamloops CLT targets self-sufficient cost-recovery over time but is expected to require grant or government assistance until it reaches a sustainable number of units (likely 200-300 units minimum). The Kamloops CLT is a non-profit society and is currently structured to become a charitable organization, which is exempt from property transfer tax and has the ability to issue charitable tax receipts, encouraging philanthropic funding.</p>

The Role of Senior Governments in the Provision of Housing

The CMHC is Canada’s national housing agency and is a Crown corporation governed by a Board and responsible to Parliament through a Minister. CMHC’s mandate, as defined in the *National Housing Act*, is to: “promote housing affordability and choice, to facilitate access to, and competition and efficiency in the provision of, housing finance, to protect the availability of adequate funding for housing at low cost, and generally contribute to the well-being of the housing sector in the national economy.” The CMHC provides funding for new affordable housing projects, grants, including HAF, mortgage insurance and financing, and securitization such as bonds, and carries out important research such as housing market and housing supply assessments. The 25 units of affordable rental housing for women and women with children at 4731 Steveston Hwy received capital funding from the CMHC’s Rapid Housing Initiative. The project has benefitted from BC Housing funding for additional units and operations; funding from the City’s Affordable Housing Reserve covered Development Costs Charges (DCCs).

BC Housing fulfills the provincial government’s commitment to the development, management, and administration of subsidized housing in British Columbia. BC Housing develops, manages, and administers a wide range of subsidized housing units across BC. BC Housing also supports emergency shelters and rent assistance, builder licensing builders, and research and education. Funding is provided through a range of programs including the Community Housing Initiative (CHF) and the Supportive Housing Fund. Built projects in Richmond that are not LEMR units, were all delivered with full or partial funding from BC Housing, with the City providing access to land and funding DCCs via the Affordable Housing Reserve.

Table 2: Federal Programs

Program	Description	Total Funding	Municipality Eligibility	Housing Corporation Eligibility
Affordable Housing Fund	Low-cost repayable loans and forgivable loans(formerly the National Housing Co-Investment Fund) <ul style="list-style-type: none"> ➤ For new affordable housing that covers a broad range of housing needs ➤ To repair existing affordable housing that covers a broad range of housing needs 	\$16B starting in 2017, and another \$1B starting in 2025	Y	Y
Affordable Housing Innovation Fund	Flexible financing options will be considered to encourage new funding models and innovative building techniques to revolutionize the affordable housing sector	Applications closed for now.	Y	Y
Apartment Construction Loan Program (Direct Insured Lending)	Low-cost loans to encourage construction of rental housing across Canada where the need for supply of rental housing is clearly demonstrated (formerly the Rental Construction Financing Initiative) NOTE: up to \$2B of federal funding was allocated to BC in Feb 2024 to match the BC Builds program, which aims to build housing on First Nations-, government-, non-profit-, and community-owned land	Additional \$15B starting in 2025	Y	Y
Canada Greener Affordable Housing Pre-Retrofit Funding	Helps affordable housing providers complete deep energy retrofits on existing multi-unit residential buildings, by providing non-repayable contributions for completing pre-retrofit activities	\$19.5M 2023-2026	Y	Y
Canada Greener Affordable Housing Retrofit Funding	Helps affordable housing providers complete deep energy retrofits on existing multi-unit residential buildings, by providing low-interest repayable loans and forgivable loans to complete deep energy retrofits	Up to \$1.1B 2023-2027	Y	Y

Program	Description	Total Funding	Municipality Eligibility	Housing Corporation Eligibility
Canada Greener Homes Loan	Loan program for Canadian homeowners to finance home energy retrofits			
Community-based tenant initiative	provides contributions to support local organizations whose purpose is to assist people in housing need. The initiative supports tenants having access to information on housing options and better participating in housing decisions that affect them			
Co-op Housing Development Program	Funding to support the construction of new co-op housing projects via forgivable loans and low-interest repayable loans.	\$1.5B		
Federal Community Housing Initiative	Supports federally administered community housing projects reaching the end of their operating agreements from past social and affordable housing programs. Rental assistance and transitional funding are offered.	\$620M to 2028		
Federal lands Initiative	Forgivable loans to support the transfer of surplus federal properties at discounted to no cost for the development of affordable housing	\$317M	Y	Y
Housing Accelerator Fund	Non-repayable contributions to encourage the implementation of initiatives that will speed up housing development approvals and increase supply	\$4.4B to 2027-8	Y	
Rapid Housing Initiative	Capital contributions for the rapid construction of new housing and/or acquisition of existing buildings for rehabilitation or conversion to permanent affordable housing for people and populations who are vulnerable and targeted under the National Housing Strategy (NHS)	\$1B 2020-2021, \$1.5B 2021-22 \$1.5B 2022-2023 now closed	Y	
Seed Funding	Interest-free loans and non-repayable contributions to develop and preserve affordable housing		Y	Y
Other programs	<p>CMHC offers other funding programs that target First Nations. These include:</p> <ul style="list-style-type: none"> • On-reserve non-profit housing program • On-reserve residential rehabilitation assistance program • Proposal development funding for First Nation communities • Shelters initiative for Indigenous women and children • Shelter enhancement program (SEP) – this may be relevant to Richmond, as the program applies to First Nation organizations that operate housing for people fleeing domestic violence that may be off-reserve 			

The CMHC also offers direct funding and financing for projects that are outside the scope of the National Housing Strategy, as follows in Table 3

Table 3: CMHC Funding

Program	Description	Total Funding	Eligibility
Seed Funding	Interest-free loans and/or non-repayable contributions. There are two funding streams: one for new construction/conversions, and one to preserve existing community housing projects.		Community housing providers not-for-profit organizations, Indigenous partners, governments, private businesses
Preservation Funding for Community Housing	Financial assistance to help housing providers (currently under a federally administered operating agreement) complete activities that will allow them to transition to a more viable and sustainable model, as well as prepare them for future funding opportunities		Projects now or previously subject to a federally-administered operating agreement
Prepayment	Allows non-profit and co-op housing providers to prepay their mortgages held with CMHC without penalty. This eliminates the high cost of prepayment. Waiving these penalties allows housing providers to access private market loans at current interest rates. This lowers mortgage expenses and keeps rents affordable.	\$150M	
Shared Equity Mortgage Providers Fund	intended to support existing shared equity mortgage providers, encourage additional housing supply and attract new providers of shared equity mortgages. The program offers repayable loans from two possible funding streams: <ul style="list-style-type: none"> Stream one: funding for eligible preconstruction costs to begin new housing projects in which shared equity mortgages will be provided to first-time homebuyers. Stream two: funding for shared equity mortgages that will be provided by the proponent directly to first-time homebuyers. 	\$100M, 2019-2023	No longer accepting new applications

Table 4: BC Housing Funding Programs

Program	Description	Total Funding	Eligibility
Funding for operation and maintenance			
Replacement Reserves Fund	Funds replacement costs for items on a standardized list. Ongoing maintenance is the responsibility of housing operators.		Non-profit or co-op owner or operator, land owned or under long-term lease
Capital Renewal Fund (CRF)	Provides funding for capital projects that maintain or benefit a building's condition, or improve a building's seismic, fire safety, or energy performance.		Non-profit or co-op owner or operator, land owned or under long-term lease
Women's Transition Housing and Supports Program	Funds the operation of transition houses, safe homes and second-stage housing programs that provide safe shelter and support services to women who are at risk of violence or who have experienced violence		
Building BC Funding Programs			
Community Housing Fund (CHF)	Capital and operating funding for affordable rental homes for people with moderate and low incomes. Projects must have a mix of 30% market rent, 50% rent geared to income, and 20% deep subsidy. Eligible households must meet income limits for all three types of housing. The program is run through an RFP process.	\$4.4B 2018-2032	Non-profit and Indigenous housing providers, First Nations, faith-based groups, housing co-operatives, and municipalities.
Indigenous Housing Fund (IHF)	Capital and operating funding for affordable rental homes for Indigenous families, Elders, individuals, and persons with a disability. Both on- and off-reserve projects are eligible; rents are 100% geared to income, except on-reserve projects may be at fixed rents. Eligible households must meet income limits. The program is run through an RFP process.	\$1.7B 2018-(now closed)	Indigenous non-profit housing providers, First Nations, Indigenous governments, and other organizations as partners
Supportive Housing Fund (SHF)	Operating funding for supportive housing for people who are experiencing homelessness or are at risk of homelessness. The buildings and land will be owned by the Province, with non-profit organizations operating them.	\$1.2B	Municipalities and supportive housing operators
Women's Transition Housing Fund	Operational funding for transition housing, including transition houses, safe homes, second-stage and long-term housing. Original funding aimed to support 1,500 units, as did the 2023 funding.	\$734M 2018-2028, more committed in 2023	Non-profit housing providers
Rapid Response to Homelessness	Funding to build over 2,000 a mix of permanent and temporary modular supportive housing units for people who are homeless or at risk of homelessness.	\$291M	
Project Development Fund	Loans to help partners develop more fully formed and competitive proposals for new affordable housing projects under Building BC programs. Up to \$250k is available to an applicant.		Non-profit societies, housing co-ops, municipal housing providers, and First Nations, and Indigenous governments
BC Builds Funding Program			
BC Builds	This program launched in 2023 as part of the Homes for People action plan by the provincial government. Low-interest repayable loans and grants are available to develop new homes for middle-income working people. Rental homes are the current priority, although affordable home ownership may be included in future. The BC Builds team works directly with government, First Nations, non-profit, and community landowners to identify eligible land and then invites applicants to submit proposals for development and operations.		Non-profit societies, First Nations, private developers and housing operators

Alternative Organizations for Delivering Affordable Housing

Excerpt from Provincial Guide: Launching and Maintaining a Local Government Corporation, pages 5-7

Explore different arrangements

When a municipality is considering the launch of a new initiative, one of the first decisions will be to select the most appropriate form for the enterprise. The choices will affect such things as tax planning, management and liability. While a number of legal arrangements are available, the guide focuses on the options that are relevant to municipalities, providing a brief overview of each.

Establish an in-house function

An enterprise or service can be set up inside a municipal corporation. As for any new activity, a municipality can establish a new department or operating unit with dedicated staff. Or it can simply incorporate the function within its existing organizational structure. This approach provides flexibility, while avoiding some of the legal implications of forming a stand-alone corporation. However, some of the considerations that apply to forming a corporation may also apply to initiating a new in-house function. For example, do any special legislation or regulations apply in this area? Will additional staff be required? How should the function report to council? Although an in-house function will not be governed by its own board, council may establish citizen advisory committees for access to special expertise. For example, an economic development program could work in liaison with a business advisory committee, with or without council representation.

Enter into a partnering agreement

A municipality can also arrange a partnering agreement with a person, public authority or private business. Under the agreement, the latter agrees to provide a service—an activity, work or facility—on behalf of the municipality. The partnering agreement serves to protect both the municipality and the other party or parties to the agreement. Partnering agreements apply to both public-public and public-private partnerships. A public-public partnership allows a municipality to accomplish joint goals with another municipality and/or a regional district. A public-private partnership between a municipality and a private partner allows it to transfer both risk and financial return from the municipality to the private partner. The private partner's success depends on the success of the overall project. A partnering agreement is a legal requirement under the Community Charter in order for a municipality to transfer property or other assets, provide funding to, or borrow on behalf of, a private partner, including a municipal corporation that it incorporated.

Launching and Maintaining a Local Government Corporation

Set up a separate corporation A corporation is a legal entity separate and apart from its owners, the shareholders. Legally, it has all the rights and obligations of an individual. The corporation can enter into contracts, own real property, sue and be sued. A corporation provides limited liability to a municipality as shareholder. The municipality's liability is limited to the value of the shares it purchased in the corporation. The corporation is also taxed independently from shareholders. While shareholders own the corporation, they typically delegate most of the authority and responsibility for operation of the corporation to its board of directors.

Establish a society

A society is a not-for-profit, non-taxable organization that may or may not be incorporated. If it is incorporated, the society is—like a corporation—a separate legal entity. Whether incorporated or not, the society’s assets and income must be used to fulfill its purposes. Like a corporation, a society may have directors, but share capital is prohibited. According to the province’s Society Act, a society may be incorporated for any lawful purpose, including charitable, artistic, educational, social, agricultural or sporting purposes. Purposes for which you may not incorporate a society include, among others, carrying on a business, trade, industry or profession for profit or gain. However, a society may carry on a for-profit business providing it is incidental to, and used to carry out, the society’s stated purposes. If a municipality becomes a member of an existing society, it can support and participate in an initiative that addresses municipal goals without taking on the demands of administering the society.

Invest in an existing corporation

Acquiring shares in an existing corporation may be optimal when a municipality’s interests are closely aligned with those of the corporation and setting up a competing corporation would not be advisable. This approach allows a municipality to support the success of the venture, without having to go through the process of creating the enterprise from the ground up. As a shareholder, the municipality’s financial exposure will be limited to the purchase price of any shares.

Holding companies and trusts

A municipality may use a “holding” company to acquire or hold assets for a temporary purpose, perhaps in a situation that calls for confidentiality regarding ownership. An example would be land holdings destined for future development either by the municipality or in conjunction with a private or public body. A holding company is simply a corporation created for this sort of purpose and it has exactly the same legal status as any other corporation. If a municipality needs to hold assets temporarily, it may quickly create such a corporation using a standard “off-the-shelf” set of articles. In unusual circumstances, a municipality may find trusts useful. This would be the case where the municipality has not yet acquired regulatory approvals and needs to ensure that an independent party controls the assets or business on an interim basis. Trusts may also be used to structure ownership where income tax implications arise, as in the operation of a municipal business outside the geographic boundaries of the municipality.

Establish a cooperative

A cooperative is a form of business association owned by the members who use its services. A not-for-profit or for-profit enterprise can be conducted via a cooperative. This type of association is organized to operate and administer assets for the benefit of its members, rather than to maximize profits for shareholders. A cooperative must be incorporated before it can carry on business. Once incorporated, it becomes a separate legal entity from its members. Cooperatives have a one member/one vote system of governance. A cooperative’s surplus funds can be used for a variety of purposes. A cooperative can be formed provincially in accordance with the B.C. Cooperative Association Act or, if the cooperative will have a place of business in more than one province, federally under the Canada Cooperatives Act. It is unlikely that a municipality would wish to use a cooperative for a municipal business. However, if a municipality is considering a non-profit joint venture, especially with other public or non-profit organizations, it might consider this arrangement

Establishing a Municipal Corporation

Objectives

A key consideration for establishing a housing authority, or otherwise, relates to the most effective methods to deliver on Council objectives. The City's Affordable Housing Strategy 2017-2027 is guided by a vision and strategic directions. Actions in the Affordable Housing Strategy are guided by the following strategic directions, containing sixty actions:

1. Use Regulatory Tools to Encourage a Diverse Mix of Housing Types and Tenures Strategic
2. Maximize Use of City Resources and Financial Tools Strategic
3. Build Capacity with Non-Profit Housing and Service Providers
4. Facilitate and Strengthen Partnership Opportunities
5. Increase Advocacy, Awareness and Education Roles

Other municipalities cited various reasons in assessing whether to establish a housing authority in order to achieve their goals, as follows (see Attachment 2 for more information):

- The Whistler Housing Corporation was established to deliver affordable workforce housing;
- Vancouver assessed all alternatives and landed on establishing an in-house department that consolidated related services into a new one team, that has a mandate to preserve and grow the City's affordable housing stock, including partnering with senior governments to renovate and/or redevelop single-room-only rental units in the Downtown East Side/Chinatown areas;
- The Squamish Community Housing Society, incorporated as a non-profit society, has a mandate to coordinate, collaborate and partner with organizations to deliver affordable housing units;
- The Burnaby Housing Authority was broadly established to create secure, purpose-built housing including: non-market rental units, non-market ownership units, market rental units to support non-market housing through cross-subsidization; and,
- Kamloops recently established the Kamloops Community Land Trust to secure land at a lower cost to reduce the overall cost of developing homes on its land assets.

Considerations of all Options to Achieve Objectives

A best practice is to explore alternative solutions that can meet Council's objectives. The Province's Launching and Maintaining a Local Government Corporation - A Guide for Local Officials (Provincial Guide) identifies a range of options that local governments can pursue to achieve their objectives. See Attachment 4 for excerpts for each taken from the Provincial Guide:

- Establish an in-house function
- Enter into a partnering agreement
- Launch and maintain a local government corporation
- Establish a society
- Invest in an existing corporation
- Holding companies and trusts
- Establish a cooperative

The City has long maintained an in-house function to achieve affordable housing outcomes, as listed above. The City has relied primarily on policy measures, such as the LEMR program, and partnership

arrangements with senior levels of government to deliver affordable housing. In Q2 2024, a Housing Office was established as a new City department in consideration of the above, relocating staff from an existing department and adding new staff. The Provincial Guide notes this approach is inherently flexible and avoids legal aspects of forming a stand-alone corporation. The Provincial Guide also notes that while an in-house function is governed directly by Council, advisory roles can be established to augment Council's awareness through establishing citizen advisory committee(s) or a technical advisory group to access special expertise. These considerations led Vancouver to operate an in-house new department; affordable housing was delivered across a number of areas prior to this change. After extensive review, an in-house team would have access to City funding and retain an ability to adjust as Council and City priorities shift.

Establishing a Housing Authority

Should the consideration of all options lead to a determination that a housing authority is needed to meet Council's objectives, this section discusses important steps and associated tasks to realize that outcome. Section 185 of the Charter provides municipalities with the power to incorporate a corporation, subject to the approval of the Inspector of Municipalities. Municipalities are also encouraged to discuss their plans with Ministry staff before submitting a formal request for approval. Under this model, the City established LIEC and the Oval to perform specific services. Governance and funding models are aligned to meet the needs of each entity.

The establishment of a housing authority would have similar but unique considerations, as outlined below, that are needed for a successful approval:

1. **Refine Objectives and Level of Control of Council:** In order to assist the Inspector of Municipalities in reviewing an application for the incorporation of a municipal corporation, the Inspector of Municipalities recommends that the applicant identify the municipal objectives that the incorporation will help achieve, the degree of control that council will exercise over the corporation, and the financial exposure of the municipal shareholder. The actions and strategies in the Affordable Housing Strategy provide guidance but are broad and would benefit from refinement. The degree of control of Council depends on objectives, risks associated with financial assistance provided by the City and/or the need to involve community interests. Other factors to consider noted in the Provincial Guide include:
 - a. Limiting the legal liability of the City via the corporation
 - b. Using the corporation to limit the City's financial exposure
 - c. Accessing expertise from the board of directors
2. **Consultation:** Community support is key since the initial consultations with the Inspector of Municipalities helps determine if incorporation is viable and meets local needs. Other parties important in the housing ecosystem include senior levels of government, private builders providing rental and LEMR units with NPO partners, and local advocacy groups. Community support can be sought via referendum, public meetings, reporting, advertising, consultation or other means. Consultations with First Nations, neighbouring municipalities and Metro Vancouver can also be considered.
3. **Governance:** A board of directors may be composed of elected officials, staff, members of the public (i.e. external experts) or any combination of the above. LIEC and the Oval both have

unique board member compositions. In addition, both have a councillor liaison, appointed by the Mayor, who attends board meetings but is not a director. Board appointment decisions should be focused on gaining the knowledge, resources and connections the municipal corporation requires to be successful. A policy on the recruitment of new directors, compensation and related issues may also be considered, but is not required.

4. **Choose a business name:** The City will be required to select a name for the corporation that reflects both the public nature of the enterprise and its business purpose. The name will also need to be approved by the B.C. Corporate Registrar.
5. **Prepare Articles of Incorporation:** Corporate articles govern the conduct of the corporation and its shareholders, directors and officers. A Notice of Articles must be drafted as well, which sets out the company's registered and records office addresses, and the initial list of directors. Both the articles and Notice of Articles are public documents. The Inspector of Municipalities typically requires that the articles include a number of special provisions or restrictions, to protect the public interest in the corporation's activities. Other important provisions in articles include:
 - a. That an annual information meeting be held, or a consent resolution will be passed in lieu of such meeting;
 - b. That the corporation will appoint an auditor and have audited financial statements prepared each year;
 - c. The size and composition of the board of directors;
 - d. The appointment process and term for directors;
 - e. Set borrowing powers and limitations; and
 - f. A range of other considerations such as limits to the business activities, company operations, conflicts of interest, limitations on contracts and agreements.
6. **Partnering agreements and elector approval:** A partnering agreement is a form of contract between the City and a party that agrees to provide a service on behalf of the City. Because a partnering agreement involves the provision of a municipal service, the general prohibition of assistance to business in the Charter does not apply to such relationships. Pursuant to a partnering agreement, the City would be able to transfer property or other assets or provide funding to the municipal corporation. If the City enters into a partnering agreement, it must post a public notice in accordance with the provisions of the Charter. In addition, in certain limited circumstances, the City would also be required to seek the approval of electors. These include incurring a long-term liability under agreement, lending under agreement, or guaranteeing repayment of borrowing under agreement.
7. **Inspector of Municipalities Approval:** The approval process requires a formal request that includes a Council resolution, copies of background reports such as a business plan or feasibility studies, and draft articles. Well developed responses to the considerations noted above, at minimum, will inform the Inspector's decision. The Inspector's review may involve additional feasibility analysis, risk assessment, public involvement or changes to the corporate articles.

Summary of CMHC Housing Accelerator Fund Initiatives

Initiative 1 - Enhanced Fast Track Program Rental and Affordable Housing

This initiative establishes an enhanced fast-track program to expedited rezoning and development permit application review ahead of in-stream applications for new development that provides 100% of the residential use at the site as secured rental housing and support the timely advancement of approved non-market housing projects in partnership with senior levels of government and non-profit housing providers on City-owned lands and privately owned lands.

Initiative 2 – Housing Grant Program.

This initiative establishes a one-time City-administered grant to support priority affordable rental projects to be developed.

Initiative 3 – Affordable Housing Non-Profit Partnership Program

This initiative establishes an Affordable Housing Non-Profit Partnership Program with dedicated staff support. This initiative formalizes existing and new practices for partnership projects into an established program.

Initiative 4 – Rental Tenure & Density Increases - Spires Road Area Pilot

Under this initiative, Staff will review updates to the City Centre Area Plan for the Spires Road area. The review will determine how to apply the learnings to other neighborhoods in the City Centre Area Plan and/or through the targeted Official Community Plan (OCP) review.

Initiative 5 – Parking Requirement Reduction

This initiative will review parking requirement changes that support housing development.

Initiative 6 - Targeted OCP Review: Explore Pre-Zoning Options

This initiative explores options for pre-zoning to allow affordable housing projects of a certain scale in all zones as a permitted use and address the “missing middle” through gentle density.

Initiative 7 - Permitting Optimization Project

The Permitting Optimization Project is a multi-phased initiative aimed at digitizing and enabling customer self-service for all 36 types of development applications and building permits. -

Initiative 8 - Automated Plan Review Project

This initiative involves the development of intelligent software that integrates Artificial Intelligence (AI) and Building Information Modelling (BIM) systems to enable automated plan review, accelerating the processing of development applications and issuance of building approvals.