

# **Report to Council**

To:

Richmond City Council

Date:

December 23, 2009

From:

Cathryn Volkering Carlile

File:

06-2270-20-03/Vol 01

Re:

General Manager - Community Services

Proposal to work with BC Housing Management Commission and other potential

partners to develop affordable housing on City-owned land at 8111 Granville

Avenue/8080 Anderson Road

#### **Staff Recommendation**

1. That the City work with BC Housing Management Commission, and potential community partners to formulate a suitable affordable housing development plan for the City-owned 8111 Granville Avenue/8080 Anderson Road site on the basis that no further financial contributions be provided by the City of Richmond, and report back to General Purposes Committee with a detailed proposal; and

2. That letters of support for this proposed affordable housing development to assist the partners in leveraging funding, under the Mayor's signature, be authorized.

Cathryn Volkering Carlile

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General Manager - Community Services

(604-276-4068)

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ROUTED TO:  Real Estate Services Social Planning Development Applications Budgets		Y M N D Y M N D Y M N D Y M N D Y M N D	CONCURRENCE OF GENERAL MANAGER
REVIEWED BY TAG	YES/	NO	REVIEWED BY CAO YES MO

#### Staff Report

# Origin

This report responds to Council's adopted term goal:

Improve the effectiveness of the delivery of social services in the City through the development and implementation of a Social and Community Services Strategy that includes increased social housing, implementation of the campus of care concept and an emergency shelter for women.

In March, 2009, Council approved a Memorandum of Understanding (MOU) with BC Housing Management Commission (BC Housing) for the development of affordable supportive housing. The MOU was executed by the City and sent to BC Housing. BC Housing has since advised City staff that although BC Housing has not entered into the MOU, it would like to continue to pursue affordable housing collaborations with the City on an individual project basis. Specifically, BC Housing has approached the City with regards to working together to develop affordable housing on the City's affordable housing site located at 8111 Granville Avenue/8080 Anderson Road with non-profit and private community partners.

The purpose of this report is to recommend that Council authorize staff to pursue negotiations and discussions on an affordable housing development on 8111 Granville Avenue/8080 Anderson Road with BC Housing and other potential partners. Subject to such approval, staff further recommend that a complete project proposal be presented for Council's consideration in the future, including details on unit mix and type, as well as on partners.

## **Analysis**

## **Proposal**

The MOU with BC Housing included the development of a supportive housing project, with supports to the homeless and homeless at risk including those with a mental illness or substance abuse problem, on the City-owned site located at 8111 Granville Avenue/8080 Anderson Road.

BC Housing has now approached the City, proposing to work together on an affordable housing development on this site. The development may include community groups as well as members of the private development community. The preliminary proposal foresees both independent affordable supportive housing units as well as additional units of affordable housing which are likely to be low end market rental units as per the City's definition of same. The development may also include additional residential, office, commercial or social service space.

# Applicability to the City's Affordable Housing Strategy (Strategy)

The preliminary proposal is aligned with the City's Strategy. The Strategy identifies:

- subsidized housing as housing for the homeless, people with addictions, the mentally challenged, single parents with limited income, seniors on fixed pensions, persons with disabilities, families requiring subsidies for specific reasons, etc.;
- that while subsidized housing is the City's first priority, the City alone is not in the position to singly provide such housing; and
- that the City's identified land assets are to be leveraged to secure funding commitments from senior levels of government in order to build subsidized housing.

The preliminary proposal provides the City with the opportunity to address a number of the goals of the Strategy as noted above. The proposal aims to address a community need for supportive housing and further aims to increase the affordable housing stock for those with low to moderate incomes. The preliminary proposal presents an opportunity to pursue a collaborative affordable housing project with BC Housing.

Should Council approve further exploration of this proposal, staff will explore the inclusion of potential community partners on the basis of negotiation with BC Housing and based on the experience, abilities, contributions, and overall fit of the potential partners. Further details on the proposed development will also be determined at this time.

#### Site Details

The site is currently zoned "Downtown Commercial (CDT1)", which permits mixed commercial/residential use and therefore would not require rezoning for affordable housing uses. The combined site has a capacity of approximately 80,000 square feet of residential/mixed use. The ground and second levels along both the Anderson Road and Granville Avenue frontages may be developed for retail, commercial, or social service uses.

## **Financial Impact**

Staff anticipate an appraisal cost and/or other potential legal and consulting requirements which are estimated to be no greater than \$15,000, to be funded through existing Affordable Housing capital projects, for the preliminary project development and feasibility analysis stage.

Should Council approve the recommended direction, a subsequent Report will detail all financial impacts related to the actual project development.

## Conclusion

The preliminary proposal from BC Housing presents an opportunity for the City to explore the potential development of affordable supportive housing as well as low end market rental housing units on the City's designated affordable housing site at 8111 Granville Avenue/8080 Anderson Road. Staff recommend that: a) Council approve further exploration and negotiation on this

preliminary proposal; b) staff be authorized to report back to General Purposes Committee with a detailed project proposal for consideration; and c) that letters of support signed by the Mayor be provided to the relevant parties.

Jøan D'Angola

Affordable Housing Coordinator

(604-247-4946)

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