

**MINUTES OF THE SOCIAL PLANNING ADVISORY COMMITTEE
MEETING HELD ON WEDNESDAY, 2005-NOV-09
IN THE BOARD ROOM, CITY HALL**

Present:

Bill Holdom, Chair	Ralph Meyerhoff
Val Alcock	Tony Davis
Phil Field	Kathy Torhjelm
Ralph Motzek	Eileen Hooyberg
Darcy Ross	Lynne Fraser

Staff

Alison Millward, Social Planner

Cindy Hall, Recording Secretary

Other

John Jessup, Development Consultant

Regrets: Zeni Maartman

1. Call to Order:

The meeting was called to order at 4:50 p.m.

2. Approval of Agenda:

The Agenda was approved with the following addition:

- Referral from Council – A. Millward

3. Adoption of Minutes:

MOVED by R. Meyerhoff, SECONDED by T. Davies that the Minutes of 2005-Oct-12 be adopted. CARRIED.

4. Presentation:

John Jessup, former City of Vancouver Planner, and now a development consultant in Nanaimo, gave a presentation on his experience with the City of Vancouver in negotiating with developers to have social housing units included in their development.

One example he cited was a 150-unit market live/work studio development on Main Street in Vancouver where through negotiations with the developer, the City of Vancouver acquired 30 units for low-income housing for an artist's co-op, with 23 of the units being acquired for free by the City, and 7 for 75 percent of market value. As the City then only had a mortgage on 7 units, they were able to lease all of the units for \$375. per month each. At the end of the lease term, the mortgage would be paid and the City would own the 30 units.

The units were designed to be in a separate area of the development in order to give the artist's co-op a sense of community but the two groups of tenants eventually formed a good relationship.

The deal was negotiated under the City Charter with the assistance of a lawyer and a real estate agent. Through the negotiations, the developer provided them with their pro forma or development numbers. This gave the City insight into what their gross sales figure would be if the developer sold all of the units. After subtracting hard and soft costs and a 20 percent profit, they were able to approximate the land residual. As they couldn't ask the

developer for the full rise in land value, they eventually negotiated for an amount equal to 23 free units.

John noted that it is because there is a municipality and a community that the land has value at all, plus the municipality is responsible for upgrading the required infrastructure. The developer should therefore give something back to the community. When development reaches a critical mass where there is prosperity, the municipality can approach the developer with this type of proposal.

In another example, 20 percent of the units of a 300-unit development on the old Expo site were negotiated for use as non-market housing. When the City of Vancouver received the Provincial Government's allocation which was available at that time for social housing, the City transferred the full lease payment to the developer.

John noted that it was not always social housing that was negotiated for. Other types of amenities that can be sought are parks, waterfront access, daycare and community centres. The City planners worked collaboratively to determine what the City should ask the developer for.

When asked about the City of Vancouver's Property Endowment Fund, John advised that all of the City's land ownings and revenue from those land ownings were put into the fund and managed like a corporation.

The City's Affordable Housing Fund started out with funds from surplus accounts amounting to \$1-\$2 million. They bought land and got allocations from senior governments, and then developed the land. When they ran out of City-owned land to develop social housing on, they then bought market land and leased it back to non-profit groups for 75 percent of the mortgage value. At the end of the term they would only be out a nominal amount but would get the land and development back. Social housing goals were achieved but the City also gained valuable real estate which improved its credit rating.

John noted that the situation has now changed. Previously the federal and provincial governments contributed to social housing, and the non-profit groups could then afford to pay 75 percent. As that is not the case now, there is much more expectation for the municipality to participate in an ever increasing fashion.

When asked about NIMBYism, John advised that as well as the City of Vancouver's Charter allowing these negotiations, small scale special needs housing was allowed in all zones, so public hearings were not required. Approvals were given conditionally with a set of rules and principles for the sponsor and neighbourhood to abide by.

John concluded his presentation by stating that it is up to the Mayor and City Council to recognize the need for social housing.

Some comments by the Committee were:

- It should never be up to the proponent to decide where the community contribution should go.
- Housing needs should get added to the list of amenities that are negotiated for.
- City of Nanaimo Planning staff should start looking more closely at the value of rezoning.

- Nanaimo should work on the attitudinal change of developers not being able to buy land cheap and make the biggest profit possible, but having to give something back to the community.
- Opportunities have presented themselves recently in Nanaimo, and the City wasn't prepared for them.

A. Millward advised that she will focus on the City's housing policy in the new year and will contact other municipalities that are requiring developers to provide social housing in order to see what is possible. New skills are needed in evaluation and analysis of the pro formas.

L. Fraser left the meeting.

5. Business Arising:

- a) Social Development Awards - The report from the SPAC sub-committee on potential award recipients was considered. The recommendations will go to Council in January, 2006 and until that time, the names will remain confidential.

P. Field voiced his approval of the report, then left the meeting.

MOVED by E. Hooyberg, SECONDED by T. Davies to ratify the sub-committee report.
CARRIED.

- b) Referral from Council - A. Millward advised that Council had referred to SPAC a request by Mike Hunter for funding for Willow WAI which provides transitional housing for women in recovery as their funding from the Federal Homelessness Initiative is coming to an end. If they don't receive more funding by January 2006, they will have to scale down their operations. Alison noted that the Tillicum Lelum Society's Safe House for Youth, and the John Howard House, transitional housing for men, are also facing this same crisis. B. Holdom noted that this is another example of a senior level of government starting a program then downloading it. Alison noted that it was a big failure of the Federal Homelessness Initiative that they did not engage the provincial governments before hand to ensure that there was sustainable operating dollars in place.

Alison will prepare a response back to Council from SPAC suggesting that Council communicate with the federal and provincial governments regarding their roles in supporting these types of crisis housing programs.

6. New Business:

- a) Reconstituting Committees after the Election – A. Millward reminded Committee members that their terms end when this Council term ends. When the new Council is elected, the Mayor will choose the committee structure. If it remains the same, advertising for committee members will take place in January and interested members will need to re-submit their applications. Until the new committees are chosen, however, the current committees will continue to meet.
- b) Christmas Get-together – The Committee will have a Christmas social/meeting at Milanos Restaurant on Wed. Dec. 7 at 5:00 p.m.

7. Business Arising (cont.)

- c) Social Development Grants Planning for Next Year - Will be the first task of the newly appointed committee in 2006.
- d) Harewood Co-op Community Centre - R. Motzek reported on a meeting he attended with a group that has formed to discuss adaptive reuse of the old Harewood School. This group recently received a Social Development Grant from the City, and Ralph volunteered to attend their meetings for accountability purposes. The group is large and diverse with reps. from VIHA, Mal-U and John Barsby Community School amongst others. They are looking into grants that might be available to them such as the Schools Community Connection Grant for which each city is permitted to nominate one project per year.
- e) Social Development Strategy to Council - A. Millward advised that she will give priority to preparing the report presenting the Strategy to Council in the new year.
- f) SPAC Reports to Council - Alison will also write the report to Council on housing needs assessment in relation to the City's housing policy in the new year.
- g) Update on Temporary Drop-in / Living Room - A. Millward reported that another possible location was identified and would have been pursued, but was dropped after opposition was voiced by the neighbours. VIHA has however received one proposal from their recent Call for Proposals and a location is still being pursued.
- h) Request from UBC for City Letter of Support - A. Millward advised that she has not received a reply back from UBC regarding her request for more information. The Committee will take no further action on this item, and Council will be advised accordingly.
- i) Congress on Senior's and Aging - V. Alcock reported on this initiative which is being led by Dr. Patricia Baird. The group is expected to visit Nanaimo and all seniors are encouraged to participate.
- j) New Hope Shelter - A. Millward advised that Council has approved the development permit, and the building permit application will be considered in December.

8. Next Meeting:

The next meeting will be the Christmas Social to be held on Wednesday, 2005-Dec-07 at Milano's Restaurant, 247 Milton Street, at 5:00 p.m.

9. Adjournment:

The meeting adjourned at 6:30 p.m.