

DATE OF MEETING July 26, 2021

AUTHORED BY DAVID STEWART, SOCIAL PLANNER

SUBJECT HOUSING AGREEMENT – 1125 SEAFIELD CRESCENT

OVERVIEW

Purpose of Report

To obtain Council approval for a housing agreement for a 124-unit affordable seniors' housing development at 1125 Seafield Crescent in order to permit a 50% reduction in the development cost charges.

Recommendation

That:

1. "Housing Agreement Bylaw 2021 No. 7329" (To secure unit affordability) pass first reading;
2. "Housing Agreement Bylaw 2021 No. 7329" pass second reading;
3. "Housing Agreement Bylaw 2021 No. 7329" pass third reading; and
4. Council direct Staff to register a covenant on the title of the land to reinforce the terms of the housing agreement.

BACKGROUND

The Woodgrove Senior Citizens Housing Society (WSCHS) is a not-for-profit society providing affordable rental housing to a range of Nanaimo residents. WSCHS has agreed to enter into a housing agreement with the City of Nanaimo to secure the property for affordable housing and secure a 50% reduction in development cost charges (DCCs). WSCHS proposes to construct two five-storey residential buildings in two phases. Each building will contain 62 affordable rental units for seniors. This housing agreement is for both phases. An existing 25-unit affordable seniors' building will remain on site, but is not subject to the Housing Agreement. A development permit for both phases (DP1169) was approved by Council on 2021-JUL-06, and a building permit has been submitted for phase one.

The "City of Nanaimo Development Cost Charge Bylaw 2017 No. 7252" (Bylaw No. 7252) sets out the conditions under which a development is eligible for a 50% reduction in DCCs, including entering into a housing agreement with the City of Nanaimo.

DISCUSSION

WSCSHS is an "eligible owner", as per Bylaw No. 7252, and the proposed development is an "eligible development" as defined in the bylaw. The Housing Agreement will ensure that at least 30% of the development will be occupied by individuals whose collective annual before-tax income does not exceed the Housing Income Limit for the city (as determined by BC Housing), and where 12 months of rent for the dwelling unit does not exceed 30% of the occupants' collective before-tax annual income. The agreement will be secured on title with a Section 219 covenant,

which would run with the land in perpetuity; therefore, the conditions set out Bylaw No. 7252 for reduction of DCCs will be met.

FINANCIAL CONSIDERATIONS

Although the report recommendations (if approved by Council) will result in a loss of DCC revenue to offset infrastructure costs to the City of the proposed affordable housing project, the purpose of implementing the DCC reduction bylaw is to incentivize and recognize the long-term financial and social value of securing and maintaining affordable housing units in the city.

SUMMARY POINTS

- WCSHS has agreed to enter into a housing agreement with the City of Nanaimo to secure the property for affordable housing.
- WCSHS is a not-for-profit society providing affordable rental housing for Nanaimo seniors.
- WCSHS is seeking a 50% reduction in Development Cost Charges for a proposed 124 unit affordable housing development at 1125 Seafield Crescent.

ATTACHMENTS:

“Housing Agreement Bylaw 2021 No. 7329” |

Submitted by:

Lisa Bhopalsingh
Manager, Community Planning

Lainya Rowett,
Manager, Current Planning |

Concurrence by:

Bill Corsan
Director, Community Development

Jeremy Holm
Director, Development Approvals

Dale Lindsay
General Manager, Development Services |