

DATE OF MEETING 2018-MAY-07

AUTHORED BY JOHN HORN, SOCIAL PLANNER, COMMUNITY AND CULTURAL PLANNING

SUBJECT HOUSING AGREEMENT – 1406 BOWEN ROAD

OVERVIEW

Purpose of Report

To present Council with a Housing Agreement for a 24-unit affordable housing complex at 1406 Bowen Road.

Recommendation

1. That "Housing Agreement Bylaw 2018 No. 7262" (To authorize a housing agreement for a 24-unit affordable housing complex at 1406 Bowen Road) pass first reading;
2. That "Housing Agreement Bylaw 2018 No. 7262" pass second reading; and,
3. That "Housing Agreement Bylaw 2018 No. 7262" pass third reading.

BACKGROUND

The property at 1406 Bowen Road was originally identified in a 2006 Memorandum of Understanding (MOU) with the Province of British Columbia as a potential site for the development of supported housing for homeless individuals. The City of Nanaimo did not proceed with a supportive housing project on this site.

Council, at its Regular Open Meeting of 2016-MAY-16, passed the following motion to dispose of the property to the Nanaimo Aboriginal Centre Society in order to provide affordable aboriginal rental housing:

"That Council:

- 1. approve the disposition of 1406 Bowen Road to the Nanaimo Aboriginal Centre Society for \$1;*
- 2. agree to enter into an Option to Purchase Agreement enabling the City to repurchase the property for \$1 if the project has not commenced construction by 2019-APR-04; and,*
- 3. direct the Corporate Officer to execute the necessary documents to effect the transaction."*

The Nanaimo Aboriginal Centre, with the support of Staff, was successful in securing the necessary funding from the Province to construct a 24-unit development at 1406 Bowen Road. The project has now proceeded to construction and is expected to be occupied by June 2018. Consistent with the purchase conditions for the property, a Housing Agreement is necessary to ensure the housing units remain affordable.

The attached “Housing Agreement Bylaw 2018 No. 7262” is provided for consideration to ensure the development remains as affordable housing. Pursuant to this requirement, the housing agreement stipulates that “the monthly rent charged to the tenants of the dwelling units in the Project be ‘affordable’, consistent with the desire of both parties to this agreement to have the Project contribute to the provision of affordable rental housing in the community”. The definition of ‘affordable’ should be construed for the purposes of this agreement to mean monthly rents that are less than the ‘low end of market’, as per the average rents set out by Canada Mortgage and Housing Corporation in their quarterly Rental Reports for Nanaimo. Further, a minimum of 20 percent of the dwelling units shall be rented at or about the shelter rate as set by the Ministry of Social Development and Poverty Reduction for recipients of Income Assistance.

SUMMARY POINTS

- The 24-unit affordable housing development at 1406 Bowen Road will be ready for occupancy by June 2018.
- “Housing Agreement Bylaw 2018 No. 7262” authorizes the City of Nanaimo to enter into a Housing Agreement with Nanaimo Aboriginal Centre Society with respect to 1406 Bowen Road.
- The housing agreement sets out a requirement for the housing units to be ‘affordable’.

ATTACHMENTS

“Housing Agreement Bylaw 2018 No. 7262”

Submitted by:

Bruce Anderson
Manager, Community and Cultural Planning

Concurrence by:

Dale Lindsay
Director, Community Development