

Background on the Land Trust Partnership Proposal

The Community Housing Land Trust Foundation

The Land Trust is a non-profit society and registered charity. Its only purpose is to develop and preserve affordable housing. Whatever assets and surpluses it has or generates can only be used for that purpose. It is a dedicated and secure steward of its own and the public's assets and therefore the ideal partner in this kind of venture, which involves a contribution in land from the City.

Legal Structure

The Community Housing Land Trust Foundation will enter into 99-year leases with the City on the four sites. These leases will be at a nominal pre-paid rent – essentially free – and will come with obligations regarding affordability and asset management, and reporting to the City. The Land Trust will then pass those obligations on to the non-profit and co-op partners via a lease of 99-years less a day. The Land Trust will report on the obligations to the City, reducing the administrative burden on taxpayers.

Land Trust Partners

The partners assembled under the Land Trust umbrella to work on this project represent a highly qualified and experienced team capable of bringing a project this ambitious to fruition. On their own they have designed built, financed and managed tens of thousands of market and social housing units:

- Co-operative Housing Federation of BC
- Housing Foundation of BC
- Sanford Housing Society
- Social Purpose Development Partners – (a partnership of Co-operative Housing Federation of BC, Terra Housing Consultants and Vancity Community Foundation)
- Terra Housing Consultants
- Tikva Housing Society
- Vancity

Financing and Affordability

On the capital side, the City's investment of free land goes a long way to providing affordability, of course, but we bring equity and cross-subsidies between sites to enhance the effect of the free land. Between them, the non-profit and co-op partners are providing almost \$4M in equity to reduce debt-service costs. In addition, we plan to sell the leasehold interest in the at-grade Kingsway commercial space and

allocate the proceeds between the Kingsway residential space and the two S.E. Marine Drive sites. Again, this reduces debt service and improves affordability.

We have also attempted to use the differing attractiveness of the residential sites to improve overall affordability. The East Kent Ave waterside site is scenic waterfront and our plan takes advantage of that. Given free land, we can charge rents close to market but still within the City's task force income levels (one of our major objectives for all the units) and reap a considerable annual operating surplus, which is transferred, via the Land Trust, to the other sites to enhance affordability.

The Four Sites

- **1700 Kingsway** (includes commercial space at ground level) – 48 one-bedroom units to be operated by Sanford Housing Society for individuals with a mental illness.
- **2780 SE Marine Drive** – will be operated by the Housing Foundation of BC (114 one bedroom units of 50+ housing) and Tikva Housing Society (16 three-bedroom units for low-income families).
- **2800 SE Marine Drive** – will be operated by the Fraserview Housing Co-operative (79 one, two, and three-bedroom units for low-income families) and Tikva Housing Society (16 three bedroom units for low-income families).
- **2910 Kent Avenue South** (82 three-bedroom units for middle-income families) by the Fraserview Housing Co-op.

The Portfolio Approach

The free land is vital, but how it is used matters too. We believe the portfolio approach confers considerable benefit. The simplicity of the single relationship for the City improves administrative efficiency and so affordability. The ability to transfer capital and operating resources between the various partners and sites and to target different demographics and income-levels (but always within the Task Force limits) gives our proposal a flexibility that would be difficult to match on a site-by-site approach.