

NO: R098

COUNCIL DATE: May 7, 2018

REGULAR COUNCIL

TO: Mayor & Council **DATE: May 2, 2018**

FROM: General Manager, Planning & Development **FILE: 7917-0517-00**

SUBJECT: The Legion's Veteran's Village Project - Request For Financial Assistance

RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Receive this report for information; and
2. Direct the City Clerk to forward a copy of this report and the related Council Resolution to BC/Yukon Command, Royal Canadian Legion Branch 229 Whalley.

BACKGROUND

On March 31, 2008, Council approved the execution of a Memorandum of Understanding (MOU) with the BC Housing Management Commission. The MOU established a partnership between the City and the Province with respect to the development of supportive housing initiatives in Surrey. Since the execution of this MOU, three projects have been delivered in partnership with BC Housing:

1. Alder Gardens, located in Newton;
2. The Quibble Creek Health and Phoenix Transition Housing Centre, located in the Hospital Precinct; and
3. Timber Grove, located in City Centre.

Since the approval of the MOU in 2008, additional projects have since been added. Those include the Bill Reid Shelter in Cloverdale, the E. Fry Housing and Shelter in City Centre, and, more recently, three sites in City Centre for emergency temporary supportive housing. Up to five permanent supportive housing sites are proposed to be developed, starting later this year.

On July 8, 2013, Council adopted the Master Plan for Housing the Homeless ("the Homeless Plan"; Corporate Report No. R019; 2013). The Homeless Plan outlines the following priorities:

- The creation of an additional 450 units of transitional and supported housing for people who are homeless or at-risk of homelessness;
- The replacement of the Gateway Emergency Shelter facility in Whalley with a new purpose-built facility that also incorporates transitional housing units;

- Supportive housing, shelter and drop-in services that focus on vulnerable population groups that have unique needs including children, youth, women, Aboriginal people, and homeless people with more complex issues; and
- Continuing to strengthen partnerships and collaboration with BC Housing, Fraser Health Authority, the Surrey Homelessness and Housing Society, and other government funds and foundations.

On February 3, 2014, Council approved moving forward with the replacement of the Gateway Emergency Shelter and the addition of supportive housing to be included in a new project (Corporate Report No. Ro20; 2014).

BC Housing, in collaboration with the City, is moving forward with the construction of 150 units of temporary emergency supportive housing at three locations in City Centre, on properties leased by the City in order to facilitate this important first phase of development of much needed supportive housing.

As per the Homeless Plan, BC Housing and the City are finalizing an agreement to deliver a minimum of 355 permanent units of supportive housing throughout the City. These last three initiatives are one of the highest priorities of the Homeless Plan in order to immediately address homelessness.

At this time, Council has committed financial resources for MOU projects with BC Housing which are specifically addressing the recommendations of the Homeless Plan.

DISCUSSION

The concept for the re-development of the Legion site was first discussed in 2015, with a presentation summary displaying a dramatic proposal that took cues from the Vimy Ridge Remembrance Monument in France (Appendix “I”). A revised early concept was presented to staff early in 2017 (Appendix “II”).

Most recently, in November 2017, the Legion formally applied to amend the *Surrey Official Community Plan Bylaw, 2013, No. 18020* (“the OCP”) and *Surrey Zoning By-law, 1993, No. 12000* (“the Zoning By-law”) in order to permit the development of a mixed use project which includes up to 48 units of affordable housing built to serve veterans, first responders, their families and the local community. The Legion’s proposal suggests a cost of between 10-20% below the Surrey rental market rates. The project is also proposing to include a new Legion facility, cadet training hall, coffee shop/restaurant, and community space. In addition, the project is also proposing to include a centre of excellence in Post-Traumatic Stress Disorder (PTSD) and mental health medical services, transitional housing and support for veterans and first responders, as well as market housing (Appendix “III”).

The Legion is requesting financial support from the City as follows, and as detailed in Appendix “IV”:

- Provide an affordable housing grant in the amount of \$10,000 per affordable housing unit that will be part of the project;
- Parking relaxation;

- Waiver of all municipal fees and charges, including application fees, processing fees, building permit fees, damage deposit, amenity contributions, and Development Cost Charges (DCCs);
- Temporary tax exemption on the affordable housing portions of the project for 30 years; and
- Purchase of properties required for road and construction of roads required for future road connections as per the City Centre road network, connecting City Parkway to 135A Street.

The Veteran's Village project, while a commendable project, falls outside of the core deliverables of the Homeless Plan and the funding associated with it. As such, staff is not recommending further funding.

By comparison, Council approved several recent affordable housing projects developed by non-profit societies, such as:

- The Semiahmoo House Society, which, in collaboration with BC Housing, built 71 affordable housing units; and
- The Kekinow Native Housing Society, which, in collaboration with BC Housing, will develop 176 affordable housing units.

These projects proceeded without financial support from the City, and were expedited through the development approval process.

To date, Council has directed staff to include the Veteran's Village project in the NEXUS program in order to expedite the development approval process, thereby facilitating a faster delivery of required City approvals, which is consistent with recent affordable housing projects done by other non-profit groups in Surrey.

SUSTAINABILITY CONSIDERATIONS

A partnership between the City and the Province on the development of a new purpose-built homeless shelter and new transitional housing facilities is consistent with and supportive of the objectives of the Sustainability Charter 2.0, specifically, the following Desired Outcomes (DO) and Strategic Directions (SD).

Inclusion

- DO2:** Surrey is a caring and compassionate city that supports its residents of all backgrounds, demographics and life experiences.
- DO6:** Residents with disabilities are supported and able to participate fully in community life.
- DO12:** Everyone in Surrey has a place to call home.
- DO 13:** Appropriate and affordable housing is available to meet the needs of all households in Surrey.
- DO14:** Supports are available to enable all people to live as independently as possible in the community.
- SD9:** Facilitate the development of shelter facilities and supportive housing as outlined in the Master Plan for Housing the Homeless in Surrey.

SD10: Increase and maintain the supply of affordable and appropriate rental housing across all Surrey communities.

SD11: Ensure development of a variety of housing types to support people at all stages of life.

Health and Wellness

DO1: Surrey has a full range of high quality, community-based health and social services and programs that address health and wellness.

SD1: Connect, facilitate and support people and organizations in innovative alliances for delivery of social, health and wellness programs.

CONCLUSION

Although the Veteran's Village project is addressing a segment of the housing continuum in Surrey by proposing affordable market units, the Homeless Plan has not identified this project as one of the key deliverables in the short term. Staff will continue to collaborate with the Legion in helping to expedite the approval process, which will contribute in facilitating delivery of this important project in a timely manner.

Based on the discussion above, it is recommended that Council:

- Receive this report for information; and
- Direct the City Clerk to forward a copy of this report and the related Council Resolution to BC/Yukon Command, Royal Canadian Legion Branch 229 Whalley.

Original signed by
Jean Lamontagne
General Manager, Planning & Development

JLL/ss

Appendix "I" Early Concept Plan for The Veteran's Village

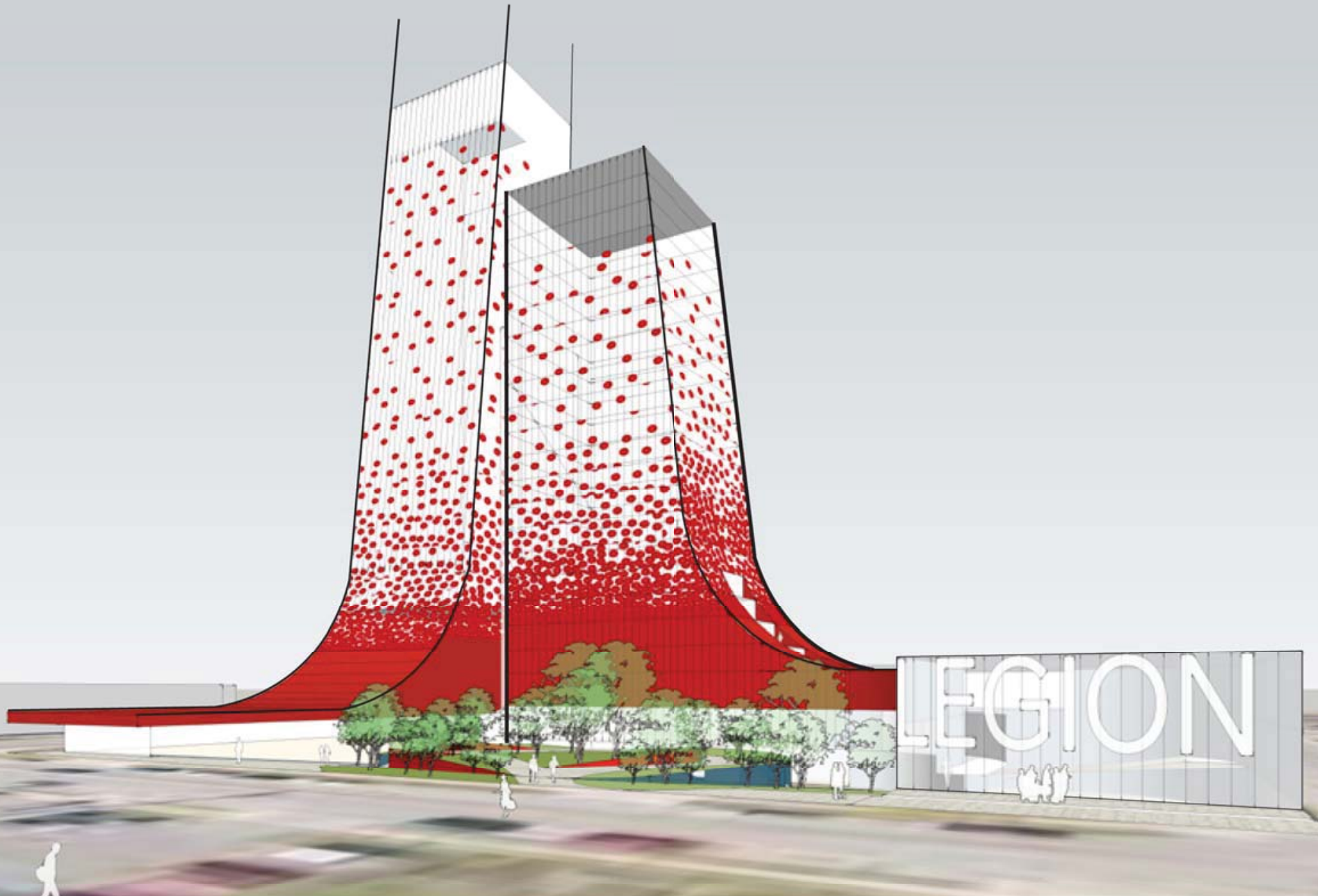
Appendix "II" Revised Early Concept Plan for The Veteran's Village

Appendix "III" Current Proposal for The Veteran's Village

Appendix "IV" Letter from BC/Yukon Command, Royal Canadian Legion Branch 229 Whalley

PROJECT RENDERING | VIEW OPTION

DRAFT



Single Phase Option Presented to Date







Legion

Legion

LEGION





Affordable Housing Support in Legion Veteran's Village
City of Surrey File No. 17-0517

March 5, 2018

As an update to our previous letter, we have amended the project configuration by adding market condominiums over the affordable housing units. While the mix of units is still under review, the revenue generated from the market condominiums will be invested by Legion into the Affordable Housing to improve the Project's overall financial sustainability. However this submission still requires City support to make the affordable housing units financially viable over the long-term. This letter request such support.

Current Project Profile

The **Legion Veterans Village** will be a major step forward in providing:

1. **Affordable Housing.** Up to 144-units of affordable housing to serve Veterans, First Responders, their families and the local community,
2. **Legion & Multi-Cultural Community Spaces.** A new Legion facility, cadet training hall, coffee shop/restaurant and multi-cultural community space,
3. **Integrated Support Facilities & Services.** The core clinical and research components of the facility include a Centre of Excellence in PTSD and Mental Health, mixed medical services and an Innovative Centre for Rehabilitation,
4. **Transitional housing and support** for Veterans and First Responders, and
5. **Market Housing.** The amount of market housing is under review and has been added to improve the overall financial sustainability of the project.

Our goal is to create a true community of care for Veterans and First Responders that is integrated into our community.

Requested Support from City of Surrey

We request the City consider providing support for this project as follows:

1. **Grants.** Most importantly, we request the City explore providing an Affordable Housing Grant comparable to that of Metro Vancouver (which is in the amount of \$10,000 per affordable unit).

2. **Parking Relaxation on Affordable/Rental Housing.** We request a relaxation of underground parking requirements for the affordable and market housing portion of project. Such relaxations would include:

	Bylaw Requirements	Requested Affordable Housing	Requested Market Housing
One Bedrooms/Studio	1.3 stalls	0.5 stalls/unit	1.0 stall per unit
Two-Bedrooms	1.5	0.5 stalls/unit	1.0 stall per unit
Visitor	0.2	Inherently available due to off-hours of medical space	Inherently available due to off-hours of medical space

We are happy to work with City staff to include a car sharing program in the project.

3. **Waiver of Municipal Fees and Charges.** We request City consider a waiver or reduction in charges applicable to the affordable housing portion of the project aligned with similar waivers provided for BC Housing-sponsored projects, including:
- a. Development Application Fees;
 - b. Engineering Processing Fee - Servicing Agreement;
 - c. Engineering Rates – Building Permit Review;
 - d. Building Permit and Development Permit Fees;
 - e. Surrey Development Cost Charges;
 - f. Damage Deposits; and
 - g. Neighbourhood Concept Plan Amenity Contributions, including waiver of school site acquisition charges, landscape fees and the parks cash in lieu
4. **Temporary Property Tax Exemption.** We request a temporary property tax exemption on the affordable housing portion of the project and the Legion strata unit matching the term of the mortgage financing provided by BC Housing (30 years).
5. **Purchase and Construction of Road Dedication Lots.** To provide for the future roadway to the north of our site, we have been asked to arrange for the acquisition of two lots, 10644 City Parkway, and 10647 135a Street and amalgamate these lots into our plans as well as carry the costs for the road construction. We understand the lots will be used by the City for a future through-road between 135a Street and City Parkway. Our request is that City acquire this land and carry out the construction for this future roadway.