



**CHF BC**

# Introductions and Meeting Goals

- Start a discussion with our members on the future of co-op land leases in Vancouver
- Share information on status of discussions to date and future prospects
- Hear members' concerns, goals, priorities
- Gather feedback for CHF BC board

# SAGM Resolution on Leases

- “Protect the interests of housing co-ops on leased land by negotiating fair and reasonable terms for lease extensions or other arrangements designed to promote security of tenure, affordability and sound asset management, consistent with co-op principles and values.”

– 2015 SAGM Resolution

# Agenda

- Background on City of Vancouver co-op leases
- Previous lease extensions for leaky co-ops
- Future lease extensions
  - City issues and priorities
  - Co-op issues and priorities
- Options going forward (process)
- Wrap-up / Next steps

# Who's here?

Access

Amicae

Cedar Mill

Creekview

Eight Oaks

Four Sisters

Grace MacInnis

Helen's Court

Heritage

Maple Creek

Marina

Marpole Terrace

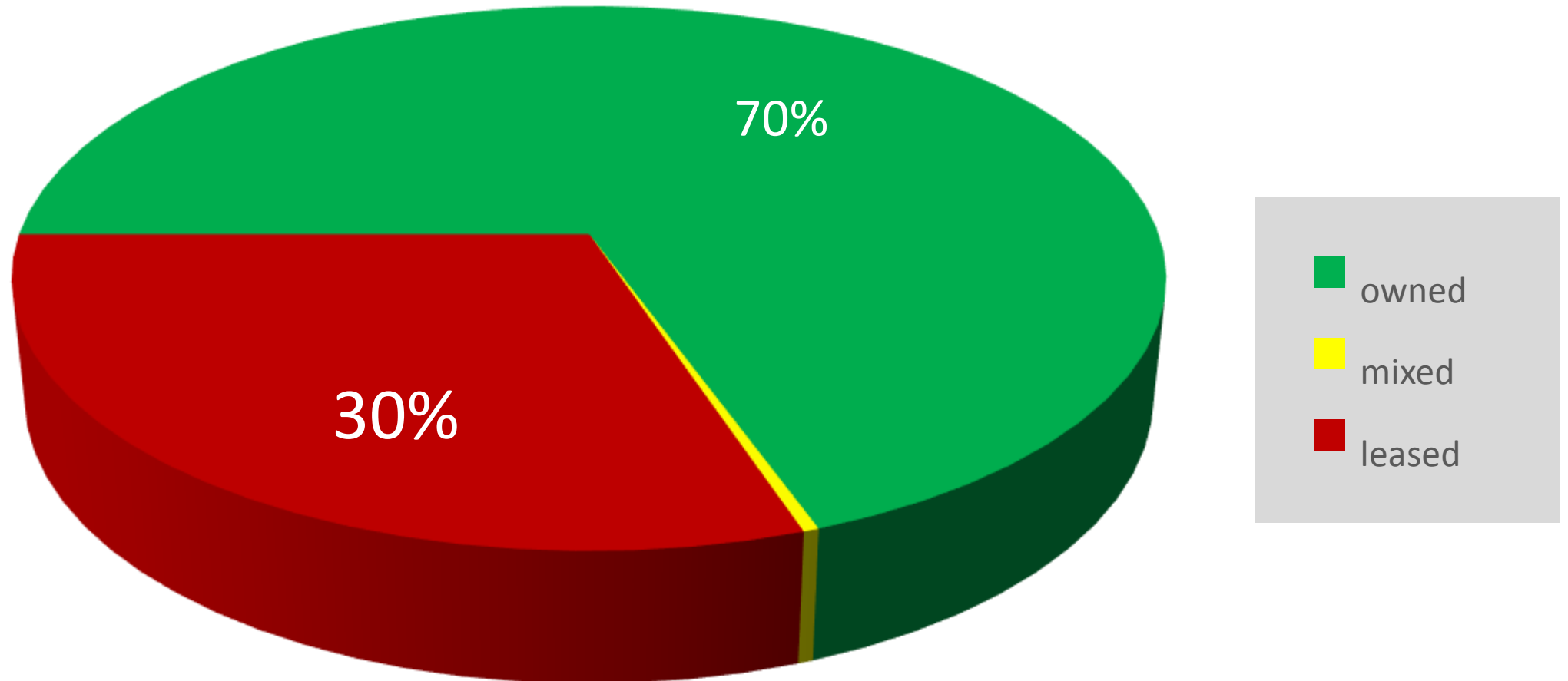
Northern Way

Pacific Heights

Rising Star

Vera

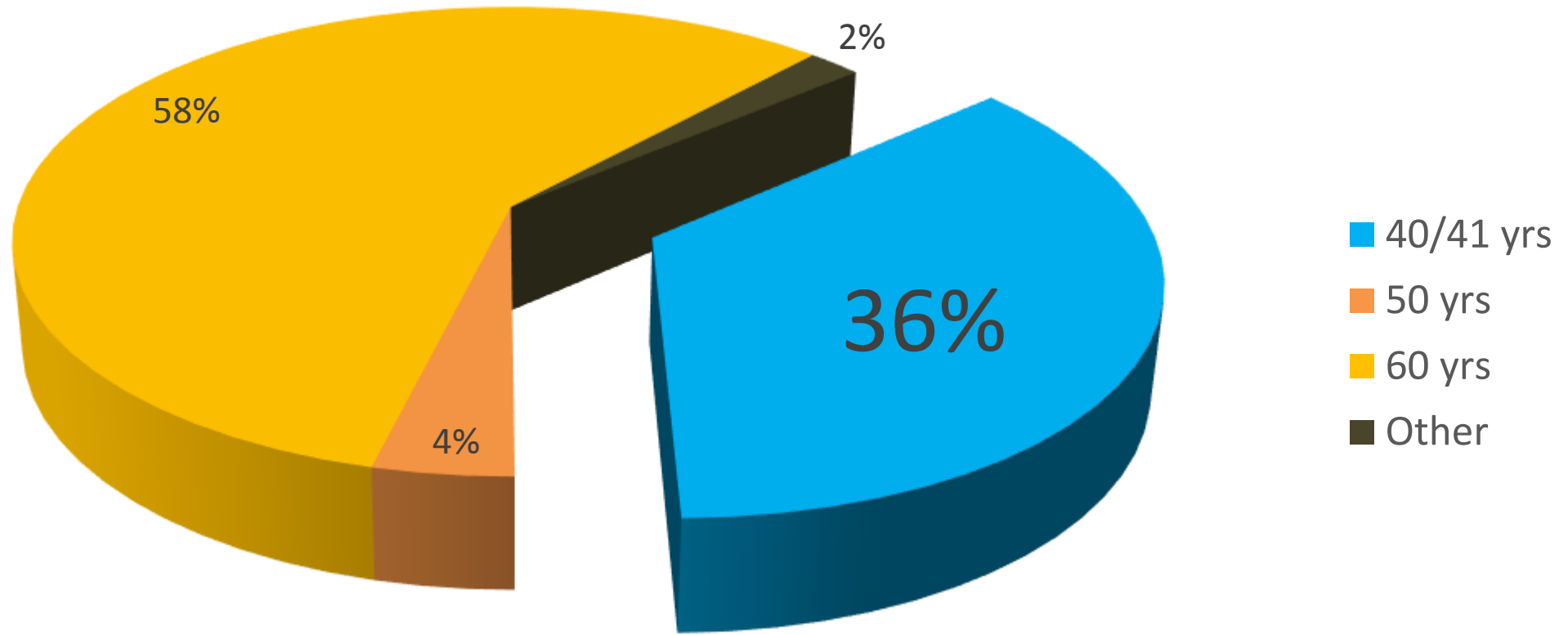
# Forms of Land Tenure (Co-ops in BC)



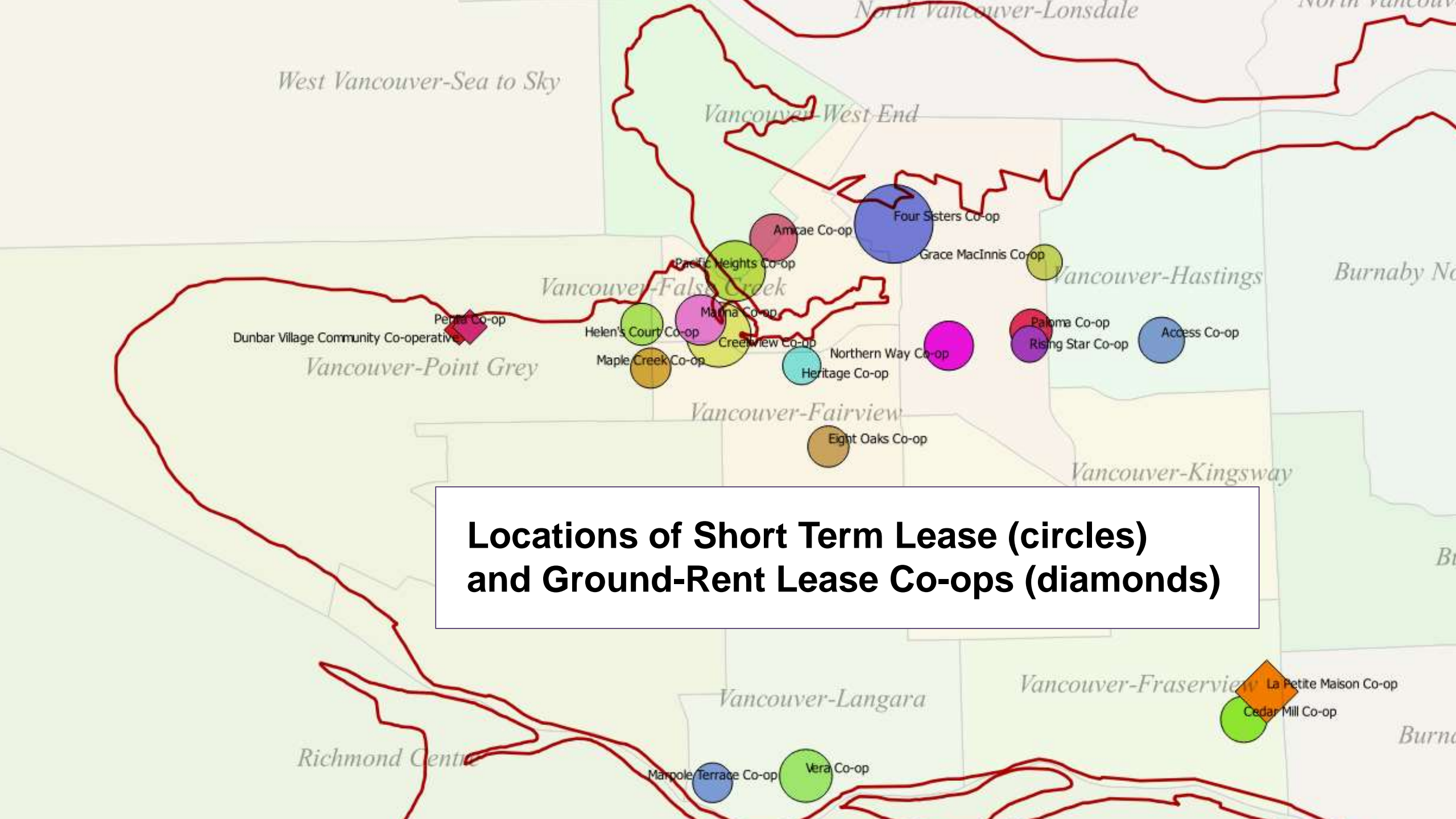
# Who are the Owners of the Leased Lands?

Type	Number
City of Vancouver	50
Provincial Rental Housing Corporation	10
Other Municipalities	8
Community Housing Land Trust Foundation	5
Pension Funds	5
Private Companies	2
CMHC	1
	81

# City of Vancouver: Duration of Leases







**Locations of Short Term Lease (circles)  
and Ground-Rent Lease Co-ops (diamonds)**

# Federal Government Programs

1973-78

Section 61

(then 34.18)

1979-85

Section 95

(then 56.1)

1986-92

ILM  
(FCHP)



CITY OF VANCOUVER  
BRITISH COLUMBIA



# CITY OF VANCOUVER

LEGEND

- 000 ---
- 000 ---

NOTE: FOR THE PURPOSES OF THE CITY CHARTER, THE MUNICIPALITY OF VANCOUVER IS DEFINED AS THE AREA SHOWN BY THE DOTTED LINE.

# Key (Typical) Terms: Surrender

- At the end of the TERM, either by forfeiture, default or lapse of time, **the LESSEE shall surrender the SAID LANDS and the BUILDINGS to the LESSOR in the condition in which they are required to be kept** by the LESSEE under the provisions of this lease...

# Key (Typical) Terms: Overholding 1

- ...if the LESSEE shall hold over and the LESSOR shall accept rent after the expiration of the TERM, the new tenancy thereby created shall be a tenancy from **month to month** and not a tenancy from year to year

# Key (Typical) Terms: Overholding 2

- PROVIDED HOWEVER that the **monthly BASIC RENT** payable by the LESSEE shall be the **then market rental value** of the SAID LANDS and the BUILDINGS as determined from time to time in the bona fide opinion of the LESSOR'S Supervisor of Properties or his successor in function and such monthly BASIC RENT shall be paid in advance.
- The LESSEE shall also pay monthly as ADDITIONAL RENT...

# Key (Typical) Terms: Renewals

- if the LESSEE duly and regularly pays the rent and performs and **observes each and every of the covenants**, provisos and agreements herein on the part of the LESSEE to be observed and performed, the LESSOR will at the expiration of the TERM, at the written request of the LESSEE [...], grant to the LESSEE a **renewal lease of the SAID LANDS and BUILDINGS for a further term of twenty (20) years** [on the same terms and conditions as this lease except that:]





# Status of Existing Leases

- 2 co-ops have approved lease extensions
- 2 co-ops meet the criteria established by Council for similar lease extensions

## **For the rest, the future is uncertain:**

- Some have renewal terms in their leases
- Some do not
- Some are involved in a broader community process

# Pressing Issues

- Will the City renew the leases?
- For how long?
- On what terms?

# Paloma: the Poster Child

- THAT Council advise [CMHC, the Province, and CHFBC] that the City is prepared to **consider, on a case by case basis, 20-year lease extensions with a nominal prepaid rent** for non-profit housing co-operatives with 40- or 41-year leases with the City, **where CMHC's and BC Housing's enhanced assistance is required to ensure the viability of co-operatives undergoing building envelope repair**, and that 20-year extensions at nominal prepaid rents are the City's maximum financial contribution.

# Paloma: renewal conditions

- Rent for 25% of households capped at 30% of income
- Break-even rents not lower than 85% of market
- Surpluses in a capital reserve for upgrades if lease is renewed again or for investment in affordable housing if it isn't
- Flexibility after CMHC operating agreement ends

# Stakeholder Concerns: City Perspective

- Efficient use of stock (over-housing, family housing)
- Access and open membership (new members)
- Priority help for those with ties to the City (live/work here)
- Affordability (avoid creating windfall benefits for some; look at income limits to target assistance)
- Sound asset management (good stewardship)
- Encouraging new supply (redevelopment)

# Stakeholder Concerns: Co-op Members

- Security of tenure
- Affordability
- Preservation of community
- Good quality homes (sustainable, stewardship)
- Expanding options for others (redevelopment, accessibility)
- Predictability (and risk management)

# Stakeholder Concerns: CHF BC

- Better identify member concerns and issues (beyond the SAGM resolution)
- Set the stage for new discussions. What do co-ops want?
- Develop a timeline for action and a process for engagement



# Discussion

- What are the most important priorities for your community in discussions with the City about the renewal of your land lease?

# Member Discussions 1

- Long-term affordability
- Timely renewal of leases (early enough to plan, make repairs and offer housing security)
- A “How-To” process to deal with the City
- Security of Tenure
- Accessibility / Aging-in-place
- “Good” redevelopment

# Member Discussions 2

- Maintaining an income mix (no caps)
- Freedom to manage ourselves (not 'BC Housing-style')
- Longer lease extensions (30+ years)
- Clarification of who is negotiating (is there a role for CHF BC?)
- Manage community changes (selection of members)
- Building renewals/repairs can't be ignored
- Adjusting Unit Mixes

# Member Discussions 3

- Maintain Co-op spirit and principles
- Ensuring negotiating transparency
- Remembering our strengths

# What Next? (Members' Suggestions)

- Summary (1-pager) for boards
- Set objective(s) for the next meeting (timeline for action)
- Share ideas for getting messages out (invitations to politicians)
- Collect background information
  - What's going on elsewhere?
  - Details on the Paloma experience?

# CHF BC Plan

- Gather information on co-op and City positions
- Make recommendation to CHF BC board on lease renewals (consistent with the recent SAGM resolution)
- Seek co-op support and involvement
- Meet again? When?

