



## **Community land trust partners with City of Vancouver to build 358 affordable new homes**

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### **FOR IMMEDIATE RELEASE**

A partnership of co-op and non-profit organizations led by the Co-operative Housing Federation of B.C. and the Vancouver Community Land Trust Foundation is developing 358 affordable homes on four sites owned by the City of Vancouver. Construction is underway on all four sites with the first 48 homes scheduled for completion next March and the remainder to follow early in 2018.

“This development is unique because it combines the strengths of multiple sites, investors and partners in a portfolio that maximizes economies of scale and long-term affordability,” said Thom Armstrong, Executive Director of CHF BC.

The Land Trust originally signed a development agreement with the City in October 2014 to secure the sites on 99-year leases and begin the complex job of designing more than 350 homes for a diverse mix of incomes and household types. Once complete, the development will be operated by a new non-profit housing co-op and two non-profit housing societies. Residents will include low-income singles and seniors, and low to moderate-income families. Unlike most new developments in Vancouver, more than a quarter of the new homes will have three bedrooms to serve families in desperate need of affordable housing.

Rents for these new homes will be set closer to the projected occupancy dates, but the target affordability will be an average of 76% of market rents across the four properties. Rents for some of the homes will be as low as the provincial shelter allowance rate.

The City has provided land worth almost \$25M to the development but will not be providing any ongoing subsidy to the partners or to any of the residents. The co-op and non-profit partners in the project are investing almost \$5 million of their own equity to make the development even more affordable.

Other funding arrangements illustrate the innovative nature of the portfolio approach being used by the Land Trust. To help keep rents in all units affordable, the Land Trust will lease out the commercial space at 1700 Kingsway and apply the proceeds to reduce the amount it needs to borrow for construction. The riverfront townhouses and apartments at 2910 E Kent Avenue will generate additional revenue which will be used to increase affordability at the other properties. BC Housing is providing more than \$4M of project development funding as equity that will be used to create more affordability over time and more than \$90M in construction financing at very affordable rates.

The Land Trust is also the first developer in BC to make use of private capital from New Market Funds, a social impact investment firm targeting purpose-built, multi-family, affordable rental housing.

Armstrong claims the development is an example of what can happen when municipalities are creative in the use of their land.

“The land trust model can be used to mobilize private and public assets and create effective partnerships that benefit the entire community. We look forward to working with the City and our many other partners to increase the supply of affordable housing here in Vancouver and right across British Columbia.”

**For further information, please contact:**

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## BACKGROUND INFORMATION

### Site Locations

- 1700 Kingsway (Kensington Cedar Cottage)
- 2780 SE Marine Drive (Killarney)
- 2800 SE Marine Drive (Killarney)
- 2910 E Kent Avenue South (Killarney)

### Land Trust Partners

- Vancouver Community Land Trust Foundation
- Co-operative Housing Federation of British Columbia
- Fraserview Housing Co-operative
- Sanford Housing Society
- Tikva Housing Society
- BC Housing
- New Market Funds
- Vancity
- City of Vancouver

### Land Trust Project Funding by Partner

Source of Funds	Type of Funds	Amount
City of Vancouver	Land	\$24.7M
Governments of Canada and B.C. through the Canada-B.C. Agreement for Investment in Affordable Housing	Equity	\$4.0M
Government of B.C.	Grant	\$0.5M
Government of B.C.	Construction Loan	\$90.3M
Co-op and Non-Profit Operators	Equity	\$4.8M
Lease of Kingsway Commercial Space	Lease Income	\$4.9M
New Market Funds	Equity	\$11M

### Unit Mix and Affordability

	Total Units	1 bed	2 bed	3 bed	Unit Type	Target Group	Operating Partner
<b>Kingsway</b>	<b>48</b>	48	0	0	Apartments	Low Income Singles	Sanford Housing Society
<b>Marine East</b> 2800 SE Marine Drive	<b>108</b>	108	0	0	Apartments	Seniors	Fraserview Housing Co-op
<b>Marine West</b> 2780 SE Marine Drive	<b>80</b>	20	50	10	Apartments	Families	Fraserview Housing Co-op
<b>Marine Townhouses</b> South of site	<b>32</b>	0	0	32	Townhouses	Families	Tikva Housing Society
<b>Kent Avenue</b>	<b>90</b>	0	35	55	Apartments & Townhouses	Families	Fraserview Housing Co-op
<b>Total</b>	<b>358</b>	176	85	97			