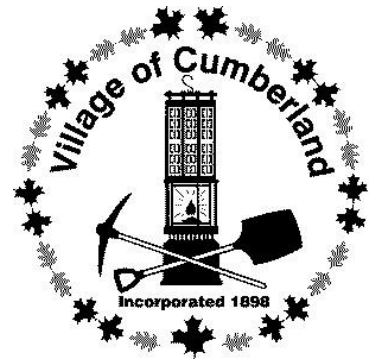


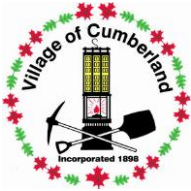
HOMELESSNESS AND AFFORDABLE HOUSING COMMITTEE AGENDA



**The Corporation of the Village of Cumberland
Homelessness and Affordable Housing Committee Meeting
Wednesday, July 20, 2022, at 9:30 a.m.
Council Chambers, 2675 Dunsmuir Avenue**

*We are honoured to gather on the unceded traditional territory
of the K'ómoks First Nation.*

- 1. Approval of the Agenda**
- 2. Minutes**
Adoption of Minutes of April 20, 2022
- 3. Unfinished Business**
- 4. New Business**
 - 4.1 Streamlining Accessory Dwelling Unit Approval Process
 - 4.1 Request for Comment on Rezoning Concept Plan – Lot A, Ulverston Avenue
- 5. Next Meeting**
The next meeting of the Homelessness and Affordable Housing Committee is scheduled for Wednesday, August 17, 2022, at 9:30 a.m.
- 6. Adjournment**



Minutes

Wednesday, April 22, 2022, 9:30 a.m.

PRESENT: Kathy Duperron, Chair
Bobby Herron
Mark Fortin
Jesse Ketler, Councillor
Debbie Bowman

REGRETS: Lindsay Monk

STAFF: Karin Albert, Senior Planner
Courtney Simpson, Manager of Development Services

Meeting called to order at 9:32 a.m.

1. Approval of Agenda

Fortin/Bowman: That the agenda be approved.

Carried Unanimously

2. Adoption of the Minutes

Heron/Duperon: That the minutes of May 19, 2021 be adopted.

Carried Unanimously

3. Business Arising from the Minutes

None.

4. New Business

4.1 Council Referral – Vacation Rentals Public Engagement Summary and Analysis

Staff provided a brief overview of the vacation rental review process and vacation rental and housing statistics.

Enforcement

- Enforcement is crucial to implementing the new regulations. Can consist of an initial notice to homeowners informing them of the regulations and follow-up with individual operators as needed.

The Homelessness and Affordable Housing Committee recommends that Council update its vacation rental regulations as per the following:

Parking requirement

- A higher parking requirement for vacation rentals reflects the commercial use.

- Higher parking requirement is a small disincentive to convert to vacation rental.

Heron/Bowman: Keep the parking requirement at one space per bedroom.

Carried Unanimously

Listing of business license number

- Assists Village with enforcement.
- Focus on listings of rentals.

Fortin/Bowman: Require listing of the business license number on advertisements promoting the vacation rental.

Carried Unanimously

Distinguish between year-round and occasional vacation rentals

- Important distinction between home-shares (which are permitted) and vacation rentals where money changes hands.
- Occasional rentals and home shares don't affect long-term rental vacancies.

Heron/Bowman: Distinguish between a commercial, occasional and home share-type vacation rentals in the Zoning Bylaw.

Carried Unanimously

Principal Residency requirement

- Someone living on property protects against unruly guests.
- Permanent resident requirement ensures there isn't a transitory population in Village core. Protects cultural identity.
- Principal resident does not need to be a caretaker. Caretaker/operator can be off-site. Clarify in regulations/definitions.

Fortin/Bowman: Implement a principal residency requirement.

Carried Unanimously

Limit on number of bedrooms that can be rented and/or number of guests

- Above a certain amount of bedrooms rented out, owners should be required to rezone to a commercial hotel-type use.
- Three bedrooms allow for 6 to 8 guests if bunk beds are used.

Heron/Fortin: Limit the number of bedrooms on a property that can be rented as vacation rentals to three.

Carried Unanimously

Type of dwellings where vacation rentals should be permitted

- The type of dwelling used does not impact availability of long term rentals.

Bowman/Ketler: Do not restrict the type of dwellings where vacation rentals are permitted.

Carried Unanimously

Cap on total number of vacation rentals permitted

- Cumberland a popular destination. Concern about amount of tourism and visitors potentially impacting community forest ecosystem. There is a natural carrying capacity.
- Cap prevents all new builds from being converted to vacation rentals.

Fortin/Bowman: Cap the total number of vacation rentals permitted in the Village and that Council direct staff to review and suggest an appropriate cap.

Carried Unanimously

Cap on number of vacation rentals per block

- Difficult to administer.

Fortin/Bowman: Do not cap the number of vacation rentals permitted per block.

Carried Unanimously

Bobby Heron left meeting.

Sign at vacation rental

- Important for neighbours to know who to contact in case of a complaint.
- Having contact info on front prevents people from knocking on door of permanent resident.

Bowman/Fortin: Require a sign with contact information at the vacation rental property.

Carried Unanimously

Zones where vacation rentals should be permitted

- If vacation rentals permitted in Coal Valley Estates, would increase value and price of homes. Also, a lot of suites in CVE which provide long term rental accommodation.
- Extend to R-3 – large lots have more space for parking. If a principal residency requirement is in place, wouldn't take away much from existing units as there are only about 4 accessory dwelling units or suites.
- Use alongside with a cap to limit impact.
- Might encourage construction of accessory dwelling units which could in the future become long term rentals.

Kathy Duperon recused herself from the vote.

Bowman/Fortin: If a cap on the overall number of vacation rentals is implemented, extend vacation rentals as a permitted use to the R-3 zone.

Carried Unanimously

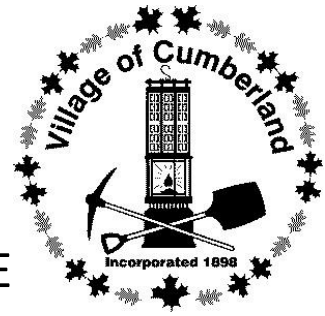
5. Next Meeting: Wednesday, May 18, 2022 at 9:30 a.m.

6. Adjournment: 11:50 a.m.

<p>Certified Correct:</p> <p>_____</p> <p>Chair</p>	<p>Confirmed:</p> <p>_____</p> <p>Deputy Corporate Officer</p>
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MEMO

HOMELESSNESS AND AFFORDABLE HOUSING COMMITTEE, ACCESSIBILITY AND INCLUSION COMMITTEE



REPORT DATE: 7/14/2022

File No. 3010

TO: Commission and Committee Members

FROM: Courtney Simpson, Manager of Development Services

SUBJECT: Streamlining Accessory Dwelling Unit Approval Process

Council has referred a report on streamlining the Accessory Dwelling Unit Approval process to committees. This initiative is part of a larger project to streamline the development approval process and lead to positive outcomes related to the provision of affordable housing and other community priorities.

For further background on the Development Approvals Process Modernization Project, a Summary Report was presented to the Committee of the Whole on May 30, 2022. The report and recording of the presentation can be accessed here: cumberland.ca/meetings/14-2022-r/

Committees are requested to provide feedback on the proposed changes to Accessory Dwelling Unit approvals as outlined in the June 30 Council report (Attachment 1).

Following are possible resolutions for convenience:

- i. That the _____ *Commission/Committee* provide the following comments on the proposed changes to the Accessory Dwelling Unit Approvals Process
 - comment
 - comment
 - etc.

ATTACHMENTS

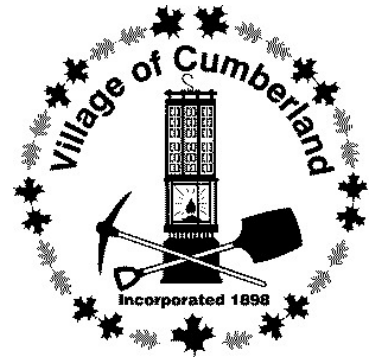
1. June 30, 2022 Council Report

Respectfully submitted,

A handwritten signature in black ink, appearing to read "C. Simpson", is written over a horizontal line.

Courtney Simpson
Manager of Development Services

COUNCIL REPORT



REPORT DATE: 6/30/2022
MEETING DATE: 7/11/2022

File No. 3010

TO: Mayor and Councillors
FROM: Courtney Simpson, Manager of Development Services
SUBJECT: Streamlining Accessory Dwelling Unit Approval Process

RECOMMENDATION

- i. THAT Council receive the Streamlining Accessory Dwelling Unit Approval Process report.
- ii. THAT Council refer the Streamlining Accessory Dwelling Unit Approval Process report to the Advisory Planning Commission and the Homelessness and Affordable Housing Committee.
- iii. THAT Council direct staff to draft bylaws to amend the development approval procedures to streamline the approval process for Accessory Dwelling Units.

PURPOSE

The purpose of this report is to outline steps to streamline the Accessory Dwelling Unit approval process as recommended in the Development Approvals Process Modernization Summary Report, May 25, 2022.

PREVIOUS COUNCIL DIRECTION

Date	Resolution
May 22, 2021	THAT Council direct staff to submit an application to the Union of BC Municipalities Local Government Development Approvals Program, for funding to review and update the Village of Cumberland's development approvals processes including information technology to support it, and that the Village of Cumberland provide overall grant management.

BACKGROUND

Project Background

The Village of Cumberland received funding from the Union of BC Municipalities Local Government Development Approvals Program to undertake the Development Approvals Process Modernization project. This project is intended to streamline the development approval process and lead to positive outcomes related to the provision of affordable housing and other community priorities as outlined within the Official Community Plan (OCP) and other bylaws.

Accessory Dwelling Unit (ADU) approvals were reviewed as a part of this process and several recommendations were identified to streamline and provide clarity in communication. Since they were first permitted in 2017, there have been 55 ADUs either converted from existing accessory buildings or new-builds.

Accessory Dwelling Unit Regulation

The OCP contains a growth management strategy that prioritizes development that makes efficient use of existing infrastructure, increases access to affordable housing, promotes walkable neighbourhoods, and reinforces the Village core. The OCP identifies ADUs as a preferred approach to achieving these goals.

It is expected that continued ADU uptake will contribute to supporting the 415 existing rental households and especially the 41% that spend more than 30% of their household income on rental shelter costs.

Challenges

The current challenges that exist in relation to ADU uptake and the approvals process include:

- The cost of a development permit. The application fee is \$1,200. Additional costs related to development permit requirements are a stormwater management plan and landscape plan, for an estimated additional cost of \$2,000.
- A relatively small planning department with significant portion of the department's staff resources dedicated to development permits associated with ADUs.
- The development permit process is helpful because it allows more fine-grained control over issues such as dwelling unit design, but it adds several months to the approval time.

Recommendations

The following recommendations were developed as a part of this project and a review of best practices specific to ADUs:

- An OCP amendment to exempt ADUs from the development permit process.
- A Zoning Bylaw amendment to add specific requirements for ADUs (Attachment 1 – ADU Zoning Regulation Recommendations).
- Updated application guides and brochures to clearly outline entire application process and components of the process that often lead to staff inquiries for clarification. This includes outlining a requirement for a pre-application meeting.
- Use of guides and communication to encourage the use of certain materials and design elements for ADUs.
- Provide simplified check-lists specific to the ADU process.

ANALYSIS

Removing the requirement for a development permit for an ADU will reduce cost and time to the applicant, and free up a significant amount of staff time. ADUs have been permitted for 5 years, and lessons learned from the development permit process in Cumberland as well as best practices from other jurisdictions lead to this recommendation. If these recommendations are implemented, a building permit would be the only approval from the Village needed for an ADU,

as long as it complies with the Zoning Bylaw.

Many existing requirements for ADUs will be translated from the development permit area to the Zoning Bylaw including screening, pathway and clearance to the street, and the amenity area. A requirement for tree planting is proposed to be added to the Zoning Bylaw. Form and character DPA guidelines such as those related to visual interest in design and use of building materials that reflect the character of the principal dwelling unit will be promoted through the new website and brochure that will include sample images and design suggestions.

No changes are proposed to the gross floor area, parking requirements, height or setbacks that are already specified in the Zoning Bylaw. Any proposed changes to these requirements will continue to require a development variance permit.

PUBLIC NOTIFICATION AND CONSULTATION

Following discussion of these recommendations, the project team will follow up with further engagement and communication about the changes. This includes:

- Meeting with Advisory Planning Commission and the Homelessness and Affordable Housing Committee
- Preparation of a public news release
- Preparation of website information communicating changes
- Bring amending Bylaws to Council for 1st and 2nd readings
- Public Hearing
- 3rd reading and bylaw adoption
- Amend ADU application information
- Create website information, brochures and guides about adopted ADU process

The new ADU application information include website info, brochures and guides will be drafted and ready for release after bylaw amendments are adopted.

ALTERNATIVES

1. That Council provide alternate direction

STRATEGIC OBJECTIVE

- ☐ Healthy Community
- ☐ Quality Infrastructure Planning and Development
- ☒ Comprehensive Community Planning
- ☐ Economic Development

FINANCIAL IMPLICATIONS

Preparation of new website and brochure materials, and bylaw amendments are funded by the UBCM grant.

OPERATIONAL IMPLICATIONS

Implementation of the changes as recommended will reduce staff time spent on ADU approvals.

CLIMATE CHANGE IMPLICATIONS

Removing barriers to ADU uptake promotes increased density in the Village core. A compact development pattern is one of the most significant ways of reducing greenhouse gas emissions.

ATTACHMENTS

1. ADU Zoning Regulation Recommendations

Respectfully submitted,

C. Simpson

Courtney Simpson
Manager of Development Services

M. Mason

Michelle Mason
Interim Chief Administrative Officer

ATTACHMENT 1 - ADU Zoning Regulation Recommendations

Regulation	Existing DP Guideline	Proposed Zoning / Implementation Options
<i>OCP section 10.6.6 Specific Guidelines for Coach Houses</i>		
Landscaping and Screening	<ol style="list-style-type: none"> 1) A landscape plan should be prepared, with the broad objectives of providing: <ol style="list-style-type: none"> a. Vegetative screening on private lots to protect the privacy and to mitigate noise between occupants of adjacent properties b. Low height vegetation between adjacent driveways on private lots to mitigate the visual impact of paved surfaces 	<p>One tree per 50 m² of ADU floor area</p> <p>Tree spacing and species type shall follow the Village of Cumberland's Urban Forest Management Plan</p> <p>Where a carriage house or amenity area is located within 4.5m of a parcel boundary, a solid screen, consisting of either fencing or a hedge with a minimum height at maturity of 2.0m, must be provided and maintained along rear and interior side parcel boundaries adjacent to the ADU and its outdoor amenity space only.</p>

Access	7) Each dwelling unit should have a dedicated, unobstructed, hard surfaced path, not be less than 1.2 metres in width that links the unit to a public street or lane.	An unobstructed, hard-surfaced lighted pathway at least 1.5 m wide is required from the front lot line to the entrance of the ADU. (note that the 1.5 m width is to be consistent with the 1.5 m clearance requirement for emergency services)
Non-residential Parking	2) Parking areas for all recreational vehicles, trailers and boats, including commercial or industrial vehicles (if permitted by bylaw), should be located behind the front face of the primary dwelling unit. "Temporary" storage or parking areas are not permitted.	Required residential parking for the ADU is already addressed in the Zoning Bylaw Specific requirements for location of RV, trailer and boat parking in relation to a new ADU not transferred to Zoning Bylaw.
Amenity Areas	3) An outside amenity area should be provided in the form of a deck, dedicated yard, garden or similar feature. A parking area does not qualify as an outside amenity area.	Maintain the current regulation.
Amenity Areas	4) The amenity area should not be narrower than 2.5 metres and must not be less than 10.0 square metres in area.	Maintain current regulation.

Decks and Balconies	5) Minimize impacts of decks and balconies on adjacent properties.	An accessory dwelling unit must not include any balconies or above ground patios facing the rear or side yard, , or roof top decks.
Urban Design	8) New Buildings should: <ul style="list-style-type: none"> a. Create visual interest by providing variations in height, rooflines and massing b. Avoid building plans that are repetitive 	Promote new website and guide that includes sample images to encourage desired design elements
Urban Design	9) Large blank walls should not dominate the buildings and where windows/dormers/bays are not possible; landscaping should be used to mitigate the blank walls.	Promote new website and guide that includes sample images to encourage desired design elements.
Urban Design	13) The design and siting of buildings should: <ul style="list-style-type: none"> a. Be sensitive to the scale, mass and form of adjacent buildings b. Use building materials that reflect the character of the principal dwelling unit c. Not overlook and shadow adjacent properties d. Utilize all habitable space opportunities such as building into the truss system of the unit 	For uphill sloping lots, with slopes greater than 20%, no portion of the roof of an ADU shall be higher than the peak of the roof of the principal detached dwelling on the same parcel.

Urban Design	10) The garage should not be visually prominent, mitigated through the use of staggered setbacks, and varied orientation, materials, scale, and finishes.	Garages shall not protrude beyond the front entrance of a unit.
Urban Design	11) The use of vinyl siding is discouraged.	Promote new website and guide that includes sample images to encourage desired design
Addressing	6) The civic addressing must be visible from the primary street frontage.	Already required in Zoning Bylaw section 3.12.
Privacy	12) Large windows should not face directly onto adjacent properties.	Screening requirements for ground floor windows. Website and brochure to encourage design that respects privacy related to second storey windows.
<i>OCP Section 10.6.5 Guidelines for Ground Oriented Housing</i> <i>Note: The guidelines in this section have been applied to ADUs with some difficulty as many appear to be better suited for multi-family buildings and where an entire site is being redeveloped.</i>		
Site Design	1) a. The Village will work with the principles of Crime Prevention Through Environmental Design (CPTED) in the consideration site design and landscaping b. Site Design should consider the preservation of natural site features c. Site design should consider the preservation and enhancement of view corridors to open areas and viewscapes	Promote new website and guide that includes sample images to encourage desired design

	d. The use of rear lane access to garages and surface parking is encouraged	
Landscaping	<p>2)</p> <ul style="list-style-type: none"> a. All landscaping should be irrigated by means of an automated system b. All waste disposal and recycling bins shall be screened on three sides within a solid c. walled animal-proof enclosure d. Building footprints should be located to create opportunities for courtyards, or garden patio areas with appropriate site furniture and lighting e. The appearance of the both the buildings and the site landscaping should have a strong emphasis toward public street views, incorporating a concept that emphasizes the public realm f. Landscape plans will be provided at the developer's expense, which have been prepared by landscape professional utilizing plants appropriate to the growing conditions. The plan shall include a complete plant list and cost estimate. A performance security will be required before the Permit is issued g. A landscape plan should be prepared, with the broad objectives of providing: <ul style="list-style-type: none"> i. Vegetative screening on private lots to protect the privacy and to mitigate ii. noise between occupants of adjacent properties iii. ii. Effective vegetation between adjacent driveways on private lots to mitigate the iv. visual impact of paved surfaces 	A landscape plan, automatic irrigation and a landscape security would not be required.

Accessibility	<p>3)</p> <ul style="list-style-type: none"> a. Accessibility features shall be integrated into the overall design concept and identified on the site plans b. Accessible travel routes shall be provided from adjacent roadways and parking areas to the main building entry and shall incorporate barrier-free universal design principles c. Accessible travel routes shall be of a hard, slip-resistant surface with a minimum width per requirements of the most current edition of the British Columbia Building Code (BCBC) d. Accessible travel routes shall conform to the requirements of the most current edition of the BCBC 	<p>Requirements of the BC Building Code will continue to apply. Accessible travel routes on the site to be accommodated through 1.5m path requirement. On sloping lots, DPs issued to date have not required wheelchair accessible adaptations to remove stairs or reduce grade of path. Many ADUs will have accessible travel routes due to many lots in the Village being flat.</p>
Building Form and Character	<p>4)</p> <ul style="list-style-type: none"> a. Buildings shall be sited to ensure that any adjacent residential properties have visual privacy, as well as protection from site illumination and noise b. All buildings and expansions thereto, storage, and parking shall be designed to be compatible with surrounding land uses and the major roads fronting the property c. The use of smooth surfaced, wood, concrete board, acrylic stucco, brick, baked enamelfinished metal siding, or metal panels are encouraged d. The use of untreated or unfinished concrete, metal, vinyl siding as a final building finish is prohibited 	<p>Most of these guidelines are better suited for multi-family buildings and where an entire site is being redeveloped.</p> <p>1.2 m path and addressing from the street will be required in the Zoning Bylaw.</p> <p>Other form and character elements related to ADUs will be promoted through website and guide.</p>

	<ul style="list-style-type: none"> e. Rooftop mechanical equipment shall be hidden behind screens or parapets designed as an integral part of a building to conceal such equipment f. Building design should include a variety of architectural design treatments, including articulated building footprints to reduce massing and to promote architectural definition and interest g. Building massing shall consider the preservation or enhancement of view corridors to open areas and mountain vistas h. Building massing should respond to a human scale with materials and details that are proportionate to human height and provide visual interest at the street and sidewalk level i. Minimize impacts of decks and balconies on adjacent properties j. The civic addressing must be visible from the primary street frontage k. Each dwelling unit should have a dedicated, unobstructed, hard surfaced path, not be less than 1.2metres in width that links the unit to a public street or lane l. New Buildings should: <ul style="list-style-type: none"> i. Create visual interest by providing variations in height, rooflines and massing ii. Avoid building plans that are repetitive m. Large blank walls should not dominate the buildings and where windows/dormers/bays are 	
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	<p>not possible; landscaping should be used to mitigate the blank walls</p> <ul style="list-style-type: none"> n. The garage should not be visually prominent, mitigated through the use of staggered setbacks, and varied orientation, materials, scale, and finishes o. Large windows should not face directly onto adjacent properties p. Main entrances for all dwellings shall be located at ground level and should be prominent to the street 	
Lighting	<p>5) Natural cycles of day and night lighting are important for human health, the natural environment, astrophysical endeavors, and the conservation of energy. To minimize these impacts, outdoor lighting should be regulated to control both the quantity and quality of night lighting.</p> <ul style="list-style-type: none"> a. All site lighting installations should be fully shielded (full cutoff) b. Light should be shielded such that the lamp itself or the lamp image is not directly visible outside the property perimeter c. Security and other lighting should be placed so as not to shine directly into residential properties or to reduce the separation effectiveness of any landscaped buffer d. Exterior building lighting should generally be concealed in soffits or other similar architectural features 	<p>Most of these guidelines are better suited for multi-family buildings and where an entire site is being redeveloped.</p>

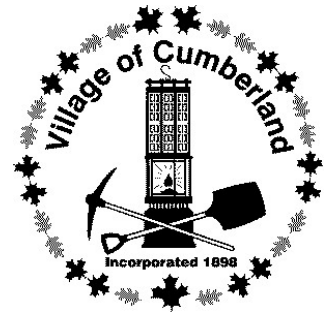
	<ul style="list-style-type: none"> e. Lamp poles and luminaries used for site area lighting should be complementary to the form and character of adjacent sites and Village streetlighting standards f. There should be sufficient on-site illumination for pedestrian/vehicle safety. g. Illumination should not encroach onto adjacent properties h. Adhering to the principles of Crime Prevention through Environmental Design Principles (CPTED), lighting for pedestrian pathways, building entrances and parking areas should be designed at a human scale (i.e., low level bollards) and address pedestrian safety 	
Access, parking and amenity areas	6)	Guidelines not copied here are they are either clearly for a multi family development or addressed in other guidelines.
Energy Conservation & Reduction of Greenhouse Gas Emissions	<p>7)</p> <ul style="list-style-type: none"> a. Building design should include passive heating, lighting and cooling design features b. Landscaping and building design should consider the incorporation of natural daylight and seasonal shade needs c. Building orientation should, where practical, be designed to optimize the benefits of solar orientation d. Building design should incorporate solar ready features e. Sheltered and secure bicycle parking shall be provided to a level that is consistent with 	Require solar ready and energized outlets capable of Level 2 charging stations.

	<p>the proposed use</p> <p>f. Electric Vehicle Plug-ins should be provided for new developments</p> <p>g. All buildings shall be designed and engineered to be solar ready</p> <p>h. Adaptive reuse of buildings and on-site materials is encouraged, where permitted within the BC Building Code and under relevant legislation</p>	
Water Conservation	8)	Guidelines not copied here are they are either clearly for a multi family development or addressed in other guidelines.
Stormwater	<p>9)</p> <p>A stormwater management plan shall be required as prepared by a registered professional engineer that has as its goal the maintenance of post-development flows equivalent to those of pre-development flow patterns and volumes over the entire wet weather season</p> <p>b. Stormwater management shall follow source control (on-site) principles and practices and minimize the use of conventional pipe and pond techniques, and avoid direct discharges to streams and other water-bodies</p> <p>c. Stormwater management shall take advantage of on-site opportunities to recycle water to absorbent soils, wetlands, and forests</p>	A stormwater management plan would no longer be required for an ADU. ADUs would be required to connect to municipal stormwater system where available.

MEMO

ADVISORY PLANNING COMMISSION

HOMELESSNESS AND AFFORDABLE HOUSING COMMITTEE



REPORT DATE: 7/4/2022
MEETING DATE: 7/14/2022

File No. 3360 / 2021-03-RZ

TO: Commission and Committee Members
FROM: Karin Albert, Senior Planner
SUBJECT: Request for Comment on Rezoning Concept Plan – Lot A, Ulverston Ave

Council has referred an application and concept plan for a new zone at Lot A on Ulverston Avenue that is part of a rezoning application. The concept is to create 22 single family lots under BC Housing's Affordable Home Ownership Program (AHOP), an area for mixed use live-work lots, and an area for multi-family market rental and strata-title apartments.

BC Housing presented a short overview of the AHOP program at the June 27, 2022 Committee of the Whole meeting. The presentation is available on the Village's [YouTube channel](#) starting at 16:00 minutes.

The applicant is currently in the process of completing a number of studies required by the Village, related to the proposed sewer main relocation, preservation of natural features and hydrology, traffic and parking volumes and their impacts and needed upgrades. While those studies are in process, the applicant wishes to confirm support for the proposed concept plan prior to introduction of the required Zoning Amendment Bylaw.

The Advisory Planning Commission and Homelessness and Affordable Housing Committee are requested to provide a recommendation to Council stating the following:

- support, or;
- support with suggested changes to the concept plan, or;
- denial with stated reasons.

Following are possible resolutions for convenience:

- i. That the _____ *Commission/Committee* recommend *support/denial* of the application and concept plan for a proposed new zone on Lot A at Ulverston Avenue (2022-03-RZ).
- ii. That the _____ *Commission/Committee* recommend support of the application and concept plan for a proposed new zone on Lot A at Ulverston Avenue (2022-03-RZ) with the following suggested changes: _____

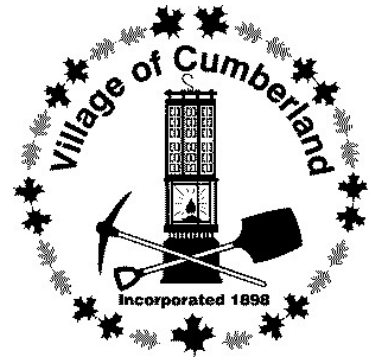
ATTACHMENTS

1. June 27, 2022 Council Report

Respectfully submitted,

Karin Albert
Senior Planner

COUNCIL REPORT



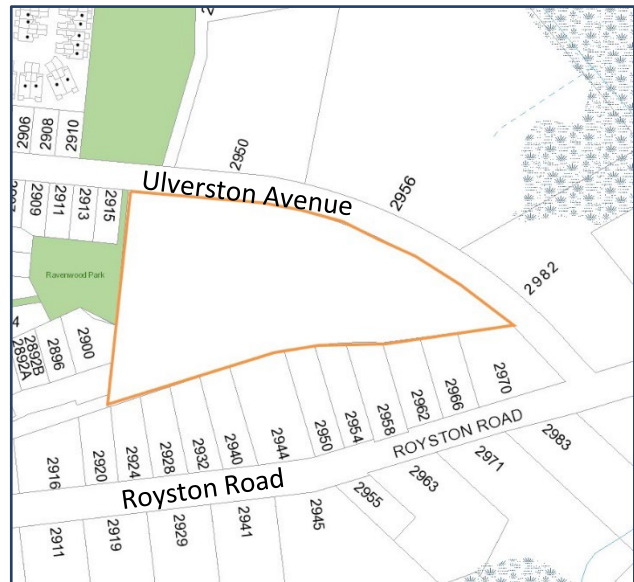
REPORT DATE: 6/17/2022
MEETING DATE: 6/27/2022

File No. 2021-03-RZ

TO: Mayor and Councillors
FROM: Karin Albert, Senior Planner
SUBJECT: Rezoning Application of Lot A Ulverston Avenue for Referral

RECOMMENDATION

- i. THAT Council receive the Rezoning Application of Lot A, Ulverston Avenue for Referral report.
- ii. THAT Council refer the rezoning application of Lot A, Ulverston Avenue to the Advisory Planning Commission and the Homelessness and Affordable Housing Committee for comment.
- iii. THAT Council direct staff to review the draft Master Partnering Memorandum of Understanding with BC Housing and present a final agreement for consideration at an upcoming meeting.



Subject Property

PURPOSE

The purpose of this report is to:

- Present a concept plan for rezoning of Lot A on Ulverston Avenue.
- Provide information on BC Housing's Affordable Home Ownership Program (AHOP) and a draft Master Partnering Memorandum of Understanding.

The rezoning application is to enable the creation of 22 small single family lots which will be under BC Housing's Affordable Home Ownership Program (AHOP), an area for mixed use live-work lots, and an area for multi-family market rental and strata-titled apartments (Attachment 1 – Concept Plan).

PREVIOUS COUNCIL DIRECTION

None.

BACKGROUND

Proposed Development

The proposed development is for a vacant 2.67 ha property fronting Ulverston Avenue. The property is partially treed with a few mature Douglas-fir and western redcedar trees on the southern half. A small seasonal watercourse runs along the southern boundary of the property, crosses onto the backyards of two lots fronting Royston Road before it joins the ditch along Ulverston Avenue and drains into Maple Creek.

The Village has a right-of-way for its sewer main which runs at an angle across the western edge of the property. As part of the rezoning application, the applicant is completing environmental and hydrological studies of the property. They are also providing an engineering feasibility study to relocate the Village's sewer main to align below the road serving the proposed small lot single family area (Attachment 1 – Concept Plan).

Affordable Home Ownership Single Family Units

The proposed development would provide 22 small single family lots under BC Housing's AHOP. AHOP provides an interest-free, payment-free second mortgage to eligible home buyers toward the purchase of a home. The program provides interim construction financing to the developer at reduced rates while the Village contributes higher density through the rezoning process to allow the developer to make units available at 5-20 percent below market value. The units are targeted at medium income home buyers who could otherwise not afford a home. (Attachment 2 – AHOP Fact Sheet).

Proceeds from the repayment of AHOP mortgages are reinvested in affordable housing within the same community, ensuring the contributions to the project continue to be applied to affordable housing. Where an AHOP mortgage is paid out upon resale, the purchaser (if eligible) may apply to BC Housing for an AHOP mortgage equal to the repayment amount.

As part of the process to implement AHOP, for this or a future project, BC Housing requests that the benefitting municipality enter into a Memorandum of Understanding (MOU) with BC Housing. The MOU outlines the components of the program and how the two parties will work together (Attachment 3 – Master Partnering Memorandum of Understanding). The MOU does not in any way oblige Village Council to grant a rezoning. Upon direction of Council, staff will review the attached draft agreement with BC Housing and present a final draft to Council at an upcoming meeting for consideration.

Mixed Use Live-Work Lots

The proposed development also includes an area for mixed use live-work lots (Attachment 1- Concept Plan). Permitted uses proposed for that area are:

- Industrial, minor - manufacturing, predominantly from finished products or parts, including processing, fabrication, assembly, packaging, incidental storage, sales and distribution of products, incl food processing (e.g. bakery), excluding industrial processing.
- Fitness studio
- Artist studio
- Micro brewery/winery/distillery
- Personal service
- Retail-Convenience

- Snack bar/coffee shop
- Childcare
- Accessory residential use

Multi-family Residential Lots

A further area proposed within the development would be set aside for multi-family residential use, including apartments and townhouses. Staff will be working with the developer to determine how much of the multi-family area may be reserved for rental tenure.

The developer wishes to receive feedback on the concept from Council, the APC and HAH Committee prior to introduction of the required zoning amendment bylaw.

Regional Growth Strategy

The proposed rezoning is supported by the following Regional Growth Strategy objectives and policies:

- Objective 1-A: Locate Housing Close to Existing Services and supporting policies 1A-1 and 1A-2 state that housing should be located close to existing services with 90 percent of new residential development directed to *Core Settlement Areas* and that the focus of higher density developments shall be within existing *Municipal Areas*.
- Objective 1-B: Increase Affordable Housing Options and supporting policy 1B-2 seek to encourage residential multi-unit or multi-lot developments to contribute to affordable housing options.
- Objective 2-D: Ensure Access to Parks, Recreation Areas and supporting policy 2D-1 state to require new developments to link to, improve or expand the existing greenway network.

Official Community Plan

The future land use designation in Official Community Plan Bylaw No. 990, 2014 for the property is Mixed Use. Mixed use combines commercial and residential development, including live/work, live above, as well as free-standing residential units. The proposed development is supported by the following OCP policies.

General Land Use Policies 5.1.5 (1) envisions that the majority of new development will be located in close proximity to or within the Village Centre.

General Land Use Policy 5.1.5 (6) asks that zoning and OCP amendments demonstrate how they will benefit the community. The proposed development provides the following community benefits identified under that policy: a use that is responding to community need; affordable housing with a signed housing agreement with the Village; and park dedication in addition to the minimum required five percent requirement at subdivision.

Housing Policies 5.2.3 (1), (4) and (9) seek to give priority to development proposals for small and compact forms of housing such as small-lot single detached homes, town homes, coach houses, and apartments; to support the creation of new, and the retention of existing, rental housing and provide opportunities for attainable housing through new multi-family units.

Growth Management Policy 5.3.6 (12) foresees that the majority of new growth, particularly higher density residential uses, will be located in close proximity to the Historic Village Commercial Core (HVCC) to promote walkable, pedestrian friendly neighbourhoods. The proposed

development is 900 m from the downtown core via Carlisle Lane. This represents, a 10 to 15 minute walk.

The OCP includes a number of policies that speak to encouraging active transportation. General Transportation Policies 5.6.2 (4) and (5) state that transportation and land uses be integrated with alternative development road standards, bicycle lanes, pedestrian movement and mixed use, so residents can live, work, and shop close to home and that emphasis be placed on alternative modes of transportation (walking, cycling, transit). Further, 5.6.4 Pedestrian and bicycle-Oriented Policies 5.6.4 (1), (2) and (5) seek to promote Cumberland as a pedestrian and bicycle friendly community and ensure that new residential developments and subdivisions have active transportation links to the nearest arterial or major collector roads at developer cost.

Finally, Economic Development Policy 6.1.3 (8) encourages industrial activities that are non-polluting that support the local economy and provide local employment. The proposed uses within the development include minor industrial uses including small scale processing and fabricating.

The proposed development is located within Development Permit Area (DPA) 8 – Mixed Land Use. The goal of DPA 8 is to promote a high standard of design in commercial mixed use projects and to guide the integration of new commercial mixed use into the areas for which they are proposed.

Zoning Bylaw

The property is currently zoned RU-1 Rural Zone. That zone permits garden nursery retail and one single family dwelling. Permitted accessory uses are secondary suite, home occupation, market garden, urban agriculture and accessory buildings and structures. The minimum lot size is 2.0 ha.

Zoning Bylaw No. 1027, 2016 does not have a zone that fits the proposed types of uses. A new zone will need to be created to include the proposed small lot single family use, commercial/minor industrial with live-work, and townhouses and apartments with a rental housing component and density bonus.

ANALYSIS

OCP Policies

The proposed development satisfies key OCP policies. It adds housing within walking distance to the Village core, provides affordable home ownership and rental housing, has the potential to deliver affordable housing through a density bonus, supports active transportation through a greenway connection, and provides new economic opportunities.

Park Dedication and Buffering to Adjacent Land Uses

While the proposed linear park does not follow the historic railway grade, it provides pedestrian connections. It is accessible from the proposed development and connects Ravenwood Park, the end of Carlisle Lane and Ulverston Avenue. It also protects a watercourse and provides a green buffer between the multi-family area and the existing single family properties along Royston Road.

The multi-family area is buffered to the industrial uses on the other side of Ulverston Avenue by the live-work mixed use area.

Housing Diversity

The proposed development provides a variety of housing types and levels of affordability, from affordable homeownership to market rental apartments and strata-titled condominiums. It also provides opportunities for live-work within the commercial area by allowing for residential units

above the commercial spaces (See attachment 1 – Concept Plan and Attachment 2 – Affordable Home Ownership Factsheet).

Proposed Commercial Uses

The proposed zone supports several commercial uses needed in the Village. It adds commercial fitness studio which was identified in 2020 as a use that is not currently permitted anywhere in the Village. Further, the mixed use live-work area would allow for small scale manufacturing from finished products or parts, fabrication, assembly, packaging, distribution and sales of products produced on-site.

Industrial processing would not be permitted. Other proposed uses for the zone are artist studio, micro brewery, personal service, retail-convenience, snack bar/coffee shop.

PUBLIC NOTIFICATION AND CONSULTATION

As part of the rezoning process, the applicant will be required to advertise and host a public information meeting, and the Village will mail a notification of the meeting to neighbours within a 75 metre radius of the property. A public hearing is not required for the Zoning Amendment Bylaw since the proposal is consistent with the OCP land use designation and policies for the property.

ALTERNATIVES

1. THAT Council request that staff draft and introduce a Zoning Amendment Bylaw to create a new zone for the development for first, second and third reading at an upcoming Council meeting.

If Council wishes to advance the application quickly, it can direct staff to present Zoning Amendment Bylaws without prior referral to the Advisory Planning Commission and Homelessness and Affordable Housing Committee.

2. THAT Council request additional information on the rezoning proposal prior to referral.
Asking for additional information at this stage may delay the approval process.
3. THAT Council deny the rezoning application.

STRATEGIC OBJECTIVE

- ☐ Healthy Community
- ☐ Quality Infrastructure Planning and Development
- ☒ Comprehensive Community Planning
- ☐ Economic Development

FINANCIAL IMPLICATIONS

As per the MoU, the Village would benefit from the AHOP program since AHOP mortgage proceeds would be transferred to the Village to be placed in a reserve fund designated for affordable housing (Attachment 3). BC Housing would collect the AHOP Mortgage proceeds when due and hold them in trust for the Village. Once each year, BC Housing would transfer AHOP Mortgage proceeds received from eligible purchasers, less 2% for administration costs, to the fund. The fund would be managed by the Village. Fund objectives and permitted uses would be jointly developed by the Village and BC Housing.

In addition, upon sale of an AHOP supported home, the purchaser is required to pay BC Housing back the 10 percent equity that BC Housing provides at the time of the initial purchase. For example, if after two years of homeownership, a purchaser sells a home originally purchased for \$350,000 for an increased value of \$385,000, the repayment to BC Housing would be 10 percent of the current value, or \$38,500. That amount may be applied to a new AHOP mortgage to a subsequent eligible purchaser, thereby extending affordable home ownership.

OPERATIONAL IMPLICATIONS

Entering into an MOU with BC Housing and subsequently setting up a reserve fund for affordable housing with annual contributions from AHOP mortgage proceeds will require administrative time by Development Services and Financial Services staff.

Processing rezoning applications and subsequent subdivision applications are part of the regular services provided by the Development Services department.

Adding streets and sidewalks to the Village transportation system adds road maintenance and clearing needs and, in the long term, requirements for repairs and replacement.

The proposed greenspace and trail will require maintenance by Parks and Recreation Department staff. Development of the park may be phased in over time. Related costs will be presented to Council as part of the Financial Plan.

CLIMATE CHANGE IMPLICATIONS

The proposed medium density housing forms on the site have a lower unit per hectare development impact than single family properties. In addition, the proximity to services and entertainment within the Village core encourages walking and bicycling, reducing the use of personal vehicles and associated greenhouse gas emissions.

ATTACHMENTS

1. Concept Plan
2. Affordable Homeownership Program Factsheet
3. Master Partnering Memorandum of Understanding

CONCURRENCE

Courtney Simpson, Manager of Development Services **CS**

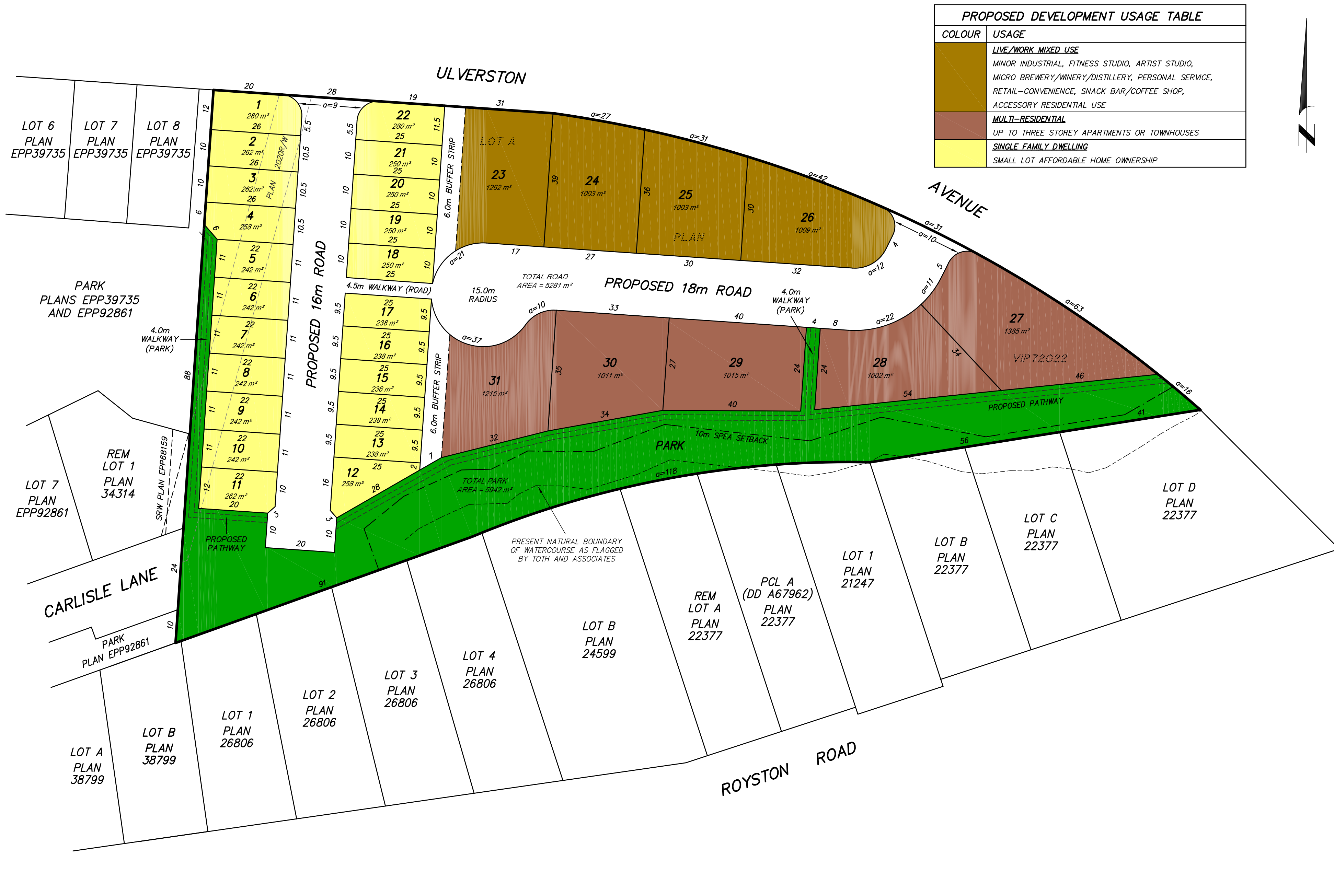
Respectfully submitted,

K. Albert

Karin Albert
Senior Planner

M. Mason

Michelle Mason
Interim Chief Administrative Officer



PROPOSED DEVELOPMENT USAGE TABLE	
COLOUR	USAGE
	LIVE/WORK MIXED USE MINOR INDUSTRIAL, FITNESS STUDIO, ARTIST STUDIO, MICRO BREWERY/WINERY/DISTILLERY, PERSONAL SERVICE, RETAIL-CONVENIENCE, SNACK BAR/COFFEE SHOP, ACCESSORY RESIDENTIAL USE
	MULTI-RESIDENTIAL UP TO THREE STOREY APARTMENTS OR TOWNHOUSES
	SINGLE FAMILY DWELLING SMALL LOT AFFORDABLE HOME OWNERSHIP




**PROPOSED SUBDIVISION PLAN
OF LOT A, DISTRICT LOT 24,
NELSON DISTRICT, PLAN VIP72022.**



LEGEND
ALL DISTANCES ARE IN METRES AND DECIMALS THEREOF.
ALL DISTANCES ALONG CURVES ARE ARC DISTANCES.
ALL DIMENSIONS AND AREA ARE SUBJECT TO FINAL SURVEY.

DL DENOTES DISTRICT LOT
REM DENOTES REMAINDER
ha DENOTES HECTARES

No.	DATE	REVISION
1	2021/11/02	INITIAL PROPOSAL
2	2021/11/25	MODIFIED PROPOSAL, NARROWED ROADS TO 14 METRES
3	2022/06/02	MODIFIED PROPOSAL #3

**PRISM**
LAND SURVEYING LTD.
223 FERN ROAD W.
QUALICUM BEACH, B.C. V9K 1S4
PHONE: 250-752-9121
FAX: 250-752-9241
FILE NUMBER: 21-248-S
DRAWING NUMBER: 21-248 P3.DWG
DATE: 2022/06/02



Affordable Home Ownership Program

Put less down. Pay less monthly. Access homeownership.

AHOP is an innovative program from BC Housing. AHOP helps put homeownership in reach for middle-income British Columbians. Through the AHOP program, BC Housing takes out a second mortgage which is assigned to the buyer, called the AHOP Mortgage, of 10% or more of the purchase price. It is interest and payment-free for up to 25 years.

For the buyer, this means:

- ▼ total first mortgage is less
- ▼ monthly mortgage payments are lower
- ▼ lower income requirement for stress test and qualifications for the first mortgage

How does it work?

The program provides buyers an interest-free, payment-free second mortgage – known as an AHOP Mortgage – toward the purchase of their home. As an interest-free mortgage, this essentially credits buyers with a percentage of their home's value. A minimum target percentage is 10%. However, depending on the project, this percentage could be significantly higher.

How much of a down payment do buyers need to have?

Eligible homeowners only need a 5% down payment on the first \$500,000 (10% down is required on the remaining value of the purchase over \$500,000). That 5% deposit equates to a minimum total 15% down payment when combined with a 10% AHOP Mortgage. Buyers can also choose to put greater than 5% down.

Do buyers need to pay CMHC insurance premiums?

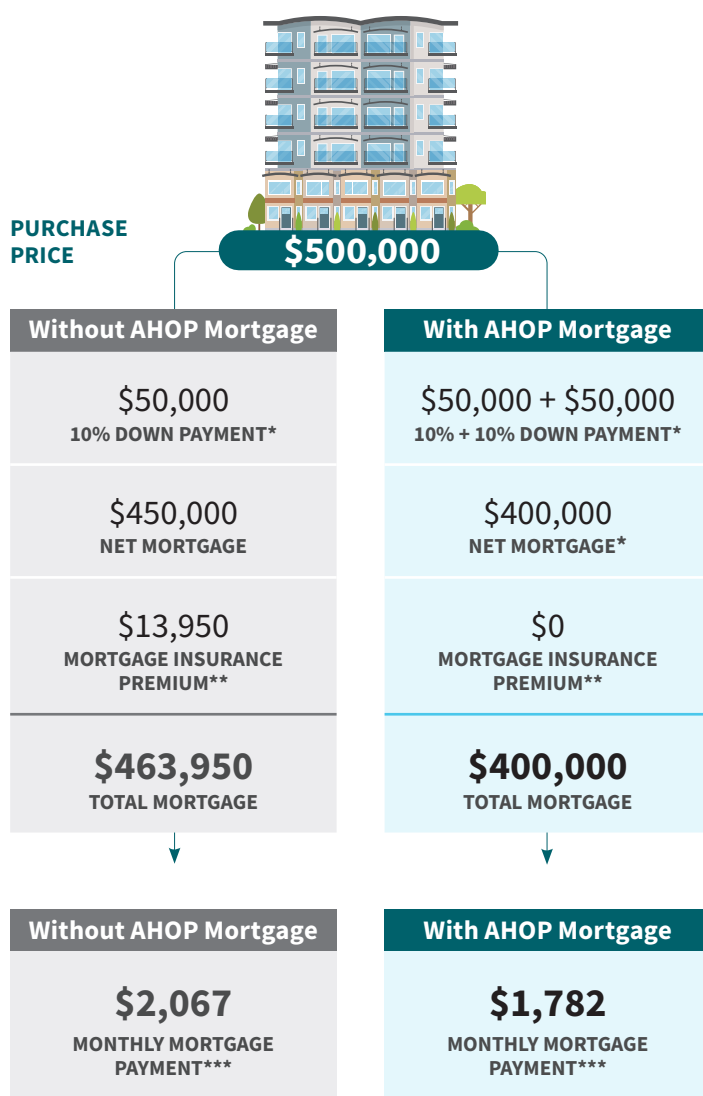
The AHOP program allows for lower or no insurance premium (if the total combined down payment is equal or greater than 20%). In the case of the AHOP 10% scenario and a minimum 5% down payment by the Buyer, the total down payment is now 15% due to the AHOP Mortgage. This would result in a reduced CMHC insurance premium compared to without the AHOP Mortgage. If the buyer increases their deposit from 5% to 10% there is no CMHC insurance premium. In the case of a \$500,000 home, no insurance premium means savings of about \$15,000 over the life of the mortgage.

How does the AHOP second mortgage impact the primary mortgage?

The AHOP Mortgage results in a lower primary mortgage amount. For example, without an AHOP Mortgage, on a \$500,000 purchase with a 5% (\$25,000) down payment and approximately \$19,000 in CMHC insurance premiums, the primary mortgage amount is roughly \$494,000. However, the AHOP second mortgage at 10% of the price (\$50,000) would lower the primary mortgage amount to about \$436,900. If the buyer chooses to put a 10% (\$50,000) down payment, in addition to a 10% AHOP second mortgage, the buyer does not have to pay the CMHC insurance premium and the mortgage would be reduced to \$400,000.

How does this program impact monthly mortgage payments?

In cases where the buyer puts down 10%, the total combined down payment amount (from buyer and AHOP) is greater than 20%. This means that the primary mortgage can be extended from 25 to 30 years. With a lower primary mortgage amount, no CMHC insurance premium, and by extending the amortization, monthly mortgage amounts are much lower. For a \$500,000 home purchase with 10% down, based on a 2.90% interest rate, monthly mortgage payments are about



* Based on a 10% deposit without an AHOP Mortgage, and a 10% deposit + 10% secondary mortgage with an AHOP Mortgage.

** Based on 3.10% CMHC Mortgage Insurance Premium for mortgages with 10% down.

*** Based on standard 5-year market financing at 2.45%. 25-year amortization period applied to high ratio mortgages with 10% down. 30-year amortization period applied to conventional mortgages with 10% down and 10% AHOP Mortgage.

\$511 less for an AHOP unit. This lowers the cost of homeownership by \$6,128 per year. That is \$30,641 less over the 5-year mortgage term.

Do buyers need to pay the AHOP Mortgage back?

Yes. When a buyer sells their home in the future, they need to repay the percentage loan value at that time. In the typical 10% AHOP scenario, the AHOP Mortgage is repaid at 10% of the then current market value.

The AHOP Mortgage also needs to be repaid if the buyer defaults on their first mortgage, rents their home during the first five years of ownership, otherwise defaults on the AHOP program, or when the 25-year AHOP Mortgage term ends. Buyers may also choose to repay the loan at any time.

If a buyer sells, will they walk away with the same return as they would not under the AHOP program?

An AHOP purchaser who buys a \$500,000 home with a 10% down payment and then sells that home five years later for \$600,000, pays a lot less over the life of the mortgage. Yes, they can potentially walk away with about the same return or more return.

SELLING PRICE
AFTER 5 YRS

\$600,000

Without AHOP Mortgage
- \$174,008 10% DOWN PAYMENT PLUS MORTGAGE PAYMENTS
- \$381,811 MORTGAGE BALANCE REPAYMENT
\$44,181 RETURN

With AHOP Mortgage
- \$206,915 10% +10% DOWN PAYMENT PLUS MORTGAGE PAYMENTS
- \$339,387 MORTGAGE BALANCE REBATE
\$53,697 RETURN

Where does my repaid AHOP Mortgage money go?

The money that homeowners repay in association with the AHOP Mortgage will be contributed to the municipality where there is an agreement in place to help support more affordable homes within that municipality. In the event that there is no agreement in place between BC Housing and the municipality, BC Housing will use the proceeds to help support more affordable homes in British Columbia.

Who is eligible for AHOP?

To qualify for an AHOP Mortgage, the following is required of the buyer(s):

- ✓ Canadian citizen or permanent resident;
- ✓ Lived in British Columbia for the past 12 months;
- ✓ Not own other property anywhere in the world;
- ✓ Currently live in rental housing or other non-ownership housing (e.g., living with family);
- ✓ Combined gross household income of those on title must not exceed the Middle Income Limit defined as:

Units with two or more bedrooms: Middle-income households are those whose gross household income does not exceed the 75th income percentile for families with children, as determined by BC Housing.

Units with less than two bedrooms: Middle-income households are those whose gross household income does not exceed the 75th income percentile for families without children, as determined by BC Housing.

Can AHOP homeowners rent out their places?

Rentals are not permitted during the first five years of ownership. Once the AHOP Mortgage is repaid, the homeowner is free and clear to rent out their home if rentals are allowed by the Strata.

Can I qualify for AHOP if I already own a home?

No. In order to qualify for AHOP, buyers cannot own property anywhere else in the world.

Can I buy another home while also owning a home with an AHOP Mortgage?

Buyers cannot own property anywhere else in the world at the time of application and must maintain the AHOP home as their principal residence for the first 5 years.

Can buyers sell their current homes and purchase a home with AHOP?

No, unless they have sold their home more than 12 months prior to the purchase of a home with AHOP. While buyers may have owned homes in the past, they cannot be current homeowners to qualify for an AHOP Mortgage.

What happens if an AHOP homeowner's income increases above the income limits?

Eligibility, including income, is approved by BC Housing at the time of application. Eligibility is not impacted if income increases after this, however, if there are any changes to who's on title/living in the unit, eligibility for the entire household will have to be re-approved by BC Housing based on the latest information.

What happens if a buyer cannot repay the AHOP Mortgage when it is due?

In the event that a buyer is unable to repay the AHOP Mortgage when due, BC Housing may take various steps and measures to ensure that the AHOP is repaid including potential foreclosure proceedings as necessary.

For more information about BC Housing's Affordable Homeownership Program, visit: bchousing.org/housinghub, call 604-439-4757 or email: housinghub@bchousing.org



**AFFORDABLE HOME OWNERSHIP PROGRAM
MASTER PARTNERING MEMORANDUM OF UNDERSTANDING**

THIS MEMORANDUM OF UNDERSTANDING is dated for reference: September 1, 2021

BETWEEN

VILLAGE OF CUMBERLAND

2673 Dunsmuir Avenue, Cumberland, British Columbia V0R 1S0

(the "Village")

AND

BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION

Suite #1701 - 4555 Kingsway, Burnaby, British Columbia V5H 4V8

("BC Housing")

Regarding the development of Affordable Home Ownership Program Units in the Village of Cumberland

MOU

PART 1 – INTRODUCTION

This Memorandum of Understanding (“**MOU**”) sets out the intent of the proposed partnership between BC Housing and the Village for the development of new affordable home ownership projects within the Village. The MOU applies only to projects (“**Developments**”) that are approved for the Affordable Home Ownership Program (the “**Program**”) by the Village and BC Housing and for which they enter into a Project Partnering Agreement with the owner of that Development.

The purpose of this MOU is to set out the desired basic business terms and conditions upon which BC Housing and the Village intend to proceed with discussions and negotiations for the approval and construction of the Developments.

This MOU is a non-binding statement of the parties’ mutual understanding of the collaboration framework. No legally enforceable rights or obligations will be created by or arise from this MOU in respect of either party.

The Village acknowledges that any other agreements arising from, or contemplated under this MOU and all rights and obligations of BC Housing will be subject to approvals by BC Housing’s Executive Committee and Board of Commissioners as required

BC Housing acknowledges that any other agreements arising from, or contemplated under this MOU and all rights and obligations of the Village will be subject to approvals by the Village’s authorities having jurisdiction or Village Council as required.

Both Parties acknowledge that any other MOUs or Agreements arising from or contemplated under this MOU remain subject to BC Housing and Village Council approval and such approval remains at the discretion of each Party.

PART 2 – GOALS

This MOU recognizes the parties’ shared goal of developing new affordable housing for sale to middle income households as a partnership between BC Housing, private sector developers¹ and the Village. Affordability will be achieved through contributions from developers, the Village and BC Housing, which contributions will be secured over the long-term, as described below.

The specific goals intended to be met through this arrangement are:

- The creation of new home ownership homes (“**AHOP Homes**”) within the Village that are affordable for middle income households² in the Village. AHOP Homes may exist in Developments where only a portion of the units are allocated under the Program and the remaining units are not subject to the Program terms.
- Affordability will be achieved through partnerships with developers who will benefit from low-cost interim construction financing from BC Housing and increased density or other considerations and/or contributions from the Village.
- In addition to the creation of AHOP Homes, the Village will benefit through BC Housing’s repayment of the Village’s contributions for use for future affordable housing purposes.

PART 3 – OUTLINE OF THE AFFORDABLE HOME OWNERSHIP PROGRAM

The Developments will be constructed by developers and the approved number of AHOP Homes will be made available for sale to middle income households who meet Program eligibility

¹ Developers may be for-profit or non-profit entities.

² As defined in the Affordable Home Ownership Program Framework.

BC Housing AHOP Master Partnering MOU

requirements, as described in the Program framework (“**Eligible Purchasers**”). Initial sale of all AHOP Homes in the Developments will be limited to Eligible Purchasers.

The intent of the Program is that AHOP Homes will be sold to Eligible Purchasers at fair market value, with a pre-determined portion of the purchase price secured by a registered mortgage facilitated by BC Housing (the “**AHOP Mortgage**”).

AHOP Mortgages will be interest and payment free for up to 25 years, effectively increasing the affordability for purchasers while securing the contributions made by the Village and BC Housing in affordable housing for the long-term. AHOP Mortgages are due and payable upon the earlier occurrence of the date the AHOP Home is sold, the maturity of the 25-year mortgage amortization period or any breach of the AHOP Mortgage terms, including failure to maintain the AHOP Home as the primary residence for the first five years.

Owners of an AHOP Home with an AHOP Mortgage will be required to repay the principal amount of the AHOP Mortgage plus (or minus) the agreed upon proportionate share of any increase (or decrease) in the value of the AHOP Home.

PART 4 – ROLES AND RESPONSIBILITIES

Subject to final agreement and approvals, the Village desires to further the objectives of the Program by:

- Contributing to the affordability of each Development through the provision of favourable zoning, bonus density, parking and/or other incentives or relaxations, and/or expedited approvals.
- It is the Village’s sole discretion to approve all, some or none of above noted considerations, or to reject a Development.
- Creating a separate reserve fund for the deposit and expenditure of AHOP mortgage proceeds transferred to the Village, as applicable.

Subject to final agreement and approvals, BC Housing desires to further the objectives of the Program by:

- Negotiating terms of a Project Partnering Agreement with the Developer for each Development and securing the affordability of AHOP Homes and their availability to Eligible Purchasers through s.219 Covenants and other security documents as may be required;
- Providing interim construction financing at favourable rates for up to 100% of the capital cost of the Development;
- Reviewing and approving all AHOP Home sales to ensure AHOP Homes are sold to Eligible Purchasers and subject to the restrictions confirmed in the AHOP Mortgage or s. 219 Covenants;
- Granting AHOP Mortgages on the completion of the purchase of an AHOP Home, and managing all aspects of the AHOP Mortgage throughout the AHOP Mortgage term, including monitoring, enforcement and collection of the amounts secured by the AHOP Mortgage when they come due; and
- Release of AHOP Mortgage proceeds to the Village for investment in the mutually agreed fund, designated for affordable housing.

PART 5 – INVESTMENT OF AHOP MORTGAGE PROCEEDS

BC Housing will collect the AHOP Mortgage proceeds when due³ and hold them in trust for the Village. Once each year, BC Housing will transfer AHOP Mortgage proceeds received from Eligible Purchasers, less 2% for administration costs, to a fund managed by the Village. BC Housing and the Village shall mutually agree in advance regarding the fund designated for the

³ Upon sale, proceeds may be applied to an AHOP Mortgage for a subsequent eligible purchaser of the same unit, in order to extend affordability.

BC Housing AHOP Master Partnering MOU

investment of AHOP Mortgage proceeds and the permitted use and objectives associated with the designated fund.

The Village will use all AHOP Mortgage proceeds received from BC Housing for affordable housing projects within the Village in accordance with the provision of affordable housing and the mutually agreed objectives of the designated fund.

BC Housing and the Village agree to work together in supporting the development of new affordable housing projects which receive funding from the designated fund. The Village and BC Housing will jointly approve any new projects receiving this funding which approval may require the additional approval of Cumberland Village Council and BC Housing's Executive Committee.

PART 6 – MUNICIPAL APPROVALS

All municipal approvals for Developments are subject to Village approval and the provision of such approval is at the absolute discretion of the Village.

PART 7 – PUBLIC CONSULTATION

Public consultation will occur for the Developments consistent with the Village's established policies and practices and statutory obligations in relation to applications for rezoning and development approval. All parties recognize that good communication, prompt responses, and complete documentation will be essential to achieve the cost savings anticipated by the Program. BC Housing will participate in the public consultation as it pertains to explaining the AHOP Program Framework and project partner agreements for each Development.

PART 8 – COMMUNICATION

BC Housing and the Village will jointly agree on all major communications activities and materials relating to the subject matter of this MOU and any Developments resulting from it.

BC Housing AHOP Master Partnering MOU

VILLAGE OF CUMBERLAND

Per its authorized signatories

BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION

Per its authorized signatories

DRAFT