

**Revised Criteria for Consideration of Grants for Community Sponsored Housing Projects**

Community-Sponsored Projects (Non-Profit Led)		
Eligibility for Submitting a Request		
Proposed Criteria	Current Criteria	Rationale
Clarification – Requests may be received for non-market housing projects with units owned, managed and operated by a registered non-profit society or an incorporated non-profit housing co-operative.	Requests may be received for non-market rental projects.  Requests may be received from non-profit groups.	Maintains the original intent of use of the CBBAHR to support non-market housing that is owned, managed and operated by a non-profit group, but clarifies that they must be a registered non-profit society or incorporated non-profit housing co-operative. The revised term would also clarify current practice that non-market co-operative housing developments, not just rental developments, are eligible for consideration of a grant. It would also clarify that agencies/organizations from other orders of government, such as the Provincial Rental Housing Corporation/BC Housing, federal government agencies and Metro Vancouver Housing Corporation are not eligible for grants.
NEW - Grants to be conditional on the non-profit society securing other sources of funding.	Requests may be made for developments with or without other sources of funding.	The City is limited in its ability to fund non-market housing projects. Providing grants to shovel ready projects that have secured other funding would increase the likelihood of funds being used expeditiously and resulting in new housing sooner. Grants from the CBBAHR are also intended to augment budgets for new non-market housing. Revised criterion provides clarity to the intent of CBBAHR grants.

<p>No change proposed.</p>	<p>Eligible projects should house these target populations: low income families, seniors, people with disabilities, or other groups that have particular housing needs that are difficult to meet through the private market.</p>	<p>Non-market housing need remains for all of the listed target populations.</p>
<p>Eligible projects will include:</p> <ul style="list-style-type: none"> <li>Stand alone developments advanced by a registered non-profit society or incorporated non-profit housing co-operative on its land or land of another order of government; or</li> <li>NEW (if supported by Council) - non-profit society acquisitions of existing purpose-built market rental apartment buildings conditional on the non-profit society receiving funding from the provincial Rental Protection Fund and transitioning the market rental units to non-market housing and entering into a housing agreement and Section 219 Housing Covenant to secure the affordability required by the grant.</li> </ul>	<p>Eligible developments include stand alone developments or provision of units by a non-profit group in cooperation with a larger private development.</p>	<p>Adding eligibility of acquisitions of existing purpose-built market rental housing aligns with protectionary stream of Rental Use Zoning Policy (RUZP) and HOME Strategy's Strategic Direction 8: Protect and grow our rental housing stock. A requirement of the grant would be to transition the existing market rental housing to non-market housing and enter into a housing agreement and Section 219 Housing Covenant that would secure the affordability and rental use for a 40 year term or life of the building.</p>
<p>NEW - only units with rents secured at rates affordable to households with incomes not exceeding BC Housing's published HILs (i.e. 30% of HILs or lower, including income assistance shelter rate units) will be considered eligible for a grant. Grant amounts will be considered on a per unit basis.</p>	<p>Currently no criterion</p>	<p>Rental units at shelter rates and for low income households (to be defined as household incomes at or below HILs) are identified as the greatest need in Burnaby in the housing needs report. Supporting the development of these units through consideration of grants aligns with housing priorities outlined in the Housing Needs Report. This criterion should be evaluated every five years when the Housing Needs Report is updated. The next update will be in 2028.</p>
<p>NEW - Projects where a density offset or additional density incentives have been provided through the rezoning application process to help offset the costs of providing</p>	<p>Currently no criterion</p>	<p>The criteria for the use of the CBBAHR funds were established prior to the adoption of the RUZP and the provincial inclusionary zoning regulations. As RUZP projects are most often advanced by developers, not non-</p>

<p>non-market housing or those units developed under inclusionary zoning would not be eligible for a grant.</p>		<p>profit societies, these projects are technically not eligible for CBBAHR grants. However, the City has been approached by a number of non-profits seeking grants to support their purchase of inclusionary units from developers. Without clear guidance in the existing criteria, it has been confusing for proponents and staff when considering these requests. Given that the City's offset density (additional market strata density) or other additional density incentives have already provided meaningful benefit to the private sector to increase the feasibility of providing the inclusionary units, staff believe it is inappropriate to also apply CBBAHR funds to the same units.</p>
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**Evaluation of Grant Requests**

Proposed Criteria	Current Criteria	Rationale
<p>Clarification - Projects that provide units rented at rates identified as a priority and reflected as a need in the Housing Needs Report will be considered.</p>	<p>Additional benefit should be derived from City support.</p>	<p>Revised criterion provides clarity on the additional benefit the City seeks from providing grants. Grants would only be considered for projects that provide units at identified priority rental rates in greatest need as outlined in the Housing Needs Report.</p> <p>Currently greatest need is for rental and cooperative housing units provided at rates not exceeding 30% of household incomes that are at or below BC Housing's HILs.</p>
<p>Clarification - Applicants must be a registered non-profit society with a mandate to develop and operate non-market housing or an incorporated non-profit housing co-operative.</p>	<p>Non-profit status of applicant</p>	<p>Current criterion is unclear.</p>

Clarification – Requestors must demonstrate how the proposed project will meet housing needs of an identified target population in the Housing Needs Report.	Nature of proposed project and specific community need addressed.	With the development of the Housing Needs Report, it is now possible to require that grant requestors demonstrate how their project meets housing needs specified in the Housing Needs Report, providing greater clarity on the City’s expectations.
Clarification – Requestors must demonstrate at least 5 years of experience operating non-market housing for very low and low income households.	Capabilities and experience of the non-profit applicant.	Current criterion is vague. Proposed criterion seeks to clarify and make transparent what the City’s expectations are in terms of experience and capability of the requestor. Requiring a minimum of five years of experience aligns with requirements used in housing Requests for Proposals.
NEW - Demonstrate other funding commitments for the project, such as that from other orders of government.	Commitments and opportunities for other funding support.	Grant requests would be conditional on funding commitments from other sources, such as other orders of government, have been allocated to a project.  Disbursement of the grant would be conditional upon the funding from other sources having final approval.
Delete - Remove geographic criterion	Geographic location of development and its role in a balanced distribution of affordable housing throughout Burnaby.	The need for non-market housing remains high and with the adoption of the Rental Use Zoning Policy, non-market housing is now being developed throughout the city, reducing concerns about concentrations in any one area. Consideration of grant requests for non-market housing for households with very low and low incomes, regardless of location, is proposed.
Clarification – Requestors to provide copies of the audited consolidated financial statements, including the Auditor’s Report and notes to the financial statements, for the past three years and to provide a project budget and pro forma for review by Finance staff.	Sound financial or business plan for the project.	To clarify what the City wishes to review in order to evaluate a non-profit’s financial stability and a project’s feasibility, it is proposed that the criterion clearly state grant submission requirements.
No change proposed	Current availability of deposited Community Benefit Bonus Affordable Housing Reserve funds	Acceptance of grant requests would continue to be contingent upon there being funds available in the Community Benefit Bonus Affordable Housing Reserve.

Maximum Grant Amounts		
Proposed Criteria	Current Criteria	Rationale
NEW - Requests to be considered based on a maximum per unit amount.	None - practice has been to cap the grant requests to amounts not exceeding the estimated City fees and charges for a project regardless of level of affordability proposed.	<p>Current practice is time consuming, lacks transparency, and can result in inequitable grants across developments as applicants ask for different fees and charges to be considered.</p> <p>The new criterion provides clarity to applicants and staff on grant parameters to simplify review process and improve efficiency in evaluating each request. This approach would also be more equitable across developments and secure greater benefit from the City's contribution while supporting only those units that meet the City's affordability priorities as outlined in the Housing Needs Report.</p>
NEW - Benchmark maximum per unit allocation by level of affordability to align with needs set out in housing needs report (i.e. higher per unit amount for deepest affordability).	No existing criterion.	The new criterion prioritizes use of the CBBAHR to support those affordability levels in greatest need. Currently, the housing needs report suggests the greatest need is for deeply affordable units, so maximum grant amounts would be higher per unit for shelter rate units. A second tier with lower maximum grant amounts would be offered for units with rents above shelter rates but not exceeding those affordable to household incomes at or below HILs (no more than 30% of gross household income).
NEW - Maximum per unit allocation increases with number of bedrooms.	No existing criterion	The intention would be to provide a small incentive for inclusion of more 2+ bedroom units in non-market developments by increasing the maximum per door amount for units with more bedrooms, in line with the recommendation from the Mayor's Task Force on Community Housing is to introduce more family-friendly housing. The proposed criterion also aligns with an action in the HOME Strategy to encourage more family friendly units through the development of guidelines and regulations.

NEW - Grant request should not exceed 10% of the total project capital costs.	No existing criterion	This criterion reflects the City's limited ability to fund new housing developments and clarifies that the intent of CBBAHR grants is to augment a project's budget. The City's contribution should complement funding from other sources, such as from other orders of government. Due to new provincial legislative changes to development financing tools, the City's ability to replenish the CBBAHR may be limited. A cap on grant requests at a maximum of 10% of project capital costs could enable the City to support more future housing projects than without a cap in place.
NEW - Grant should not exceed the grant contribution of other orders of government or other funders/donors.	No existing criterion	Reflects the City's limited ability to fund non-market housing projects and provides clarity to applicants and staff of the City's desire for other orders of government to fund projects in Burnaby.
NEW - Project budget must demonstrate a need for the grant amount requested.	No existing criterion	Submission of a project budget with the grant request would allow the City to assess the need for the grant.

Grant Agreement Requirements		
Proposed Requirement	Current Requirement	Rationale
Clarification - Grant recipient must enter into a Housing Grant Agreement to secure repayment if project does not proceed to completion within 5 years of Building Permit issuance.	Grant recipient is subject to registration of a Sec. 219 covenant to secure repayment of the grant if project does not proceed to completion within 5 years	Overtime, the City has moved to requiring a Housing Grant Agreement, as opposed to a covenant, to secure terms related to the grant disbursement and potential repayment. Recent housing grant agreements have secured repayment if a development is not completed within 5 years of BP issuance.
No change proposed	In the event a grant recipient is required to repay the grant, repayment is with accrued interest from date of issuance	

<p>No change to current policy being proposed. After 10 years of operation, the grant repayment is no longer required.</p> <p>NEW - In the case of a grant being used towards the acquisition of an existing purpose-built market rental building through funding from the provincial Rental Protection Fund, the non-profit society must acknowledge the City's contribution toward any future redevelopment of the site.</p>	<p>Grant forgiven after 10 years of operation</p>	<p>As the City would have already provided an equity contribution towards the acquisition of the property, acknowledgement of this contribution would be requested and considered as a contribution toward the future redevelopment of the property.</p>
<p>No change proposed</p>	<p>If use reverts to different use within first 10 years, grant repayment reduced by 1/10<sup>th</sup> for each year it operated as the approved purpose</p>	
<p>No change proposed</p>	<p>If repayment is required, any outstanding balance of funds not repaid by end of the year, will be added to property taxes of the site</p>	
<p>No change proposed. Council would continue to have the ability to extend the 5 years time limit between BP issuance and building completion.</p>	<p>Council has the ability to extend the time period between BP issuance and building completion beyond 5 years to delay or eliminate repayment of the grant.</p>	
<p>Clarification – Grant to be disbursed after above ground Building Permit issuance and submission of satisfactory documentation that meet grant parameters (i.e. confirmation of final funding approval from another order of</p>	<p>Grant to be disbursed after Building Permit issuance.</p>	<p>With new criteria being introduced, grant disbursement would become conditional upon the grant recipient providing documentation to the City of meeting those various parameters.</p>

government, execution and registration of legal agreements, etc.).		
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