



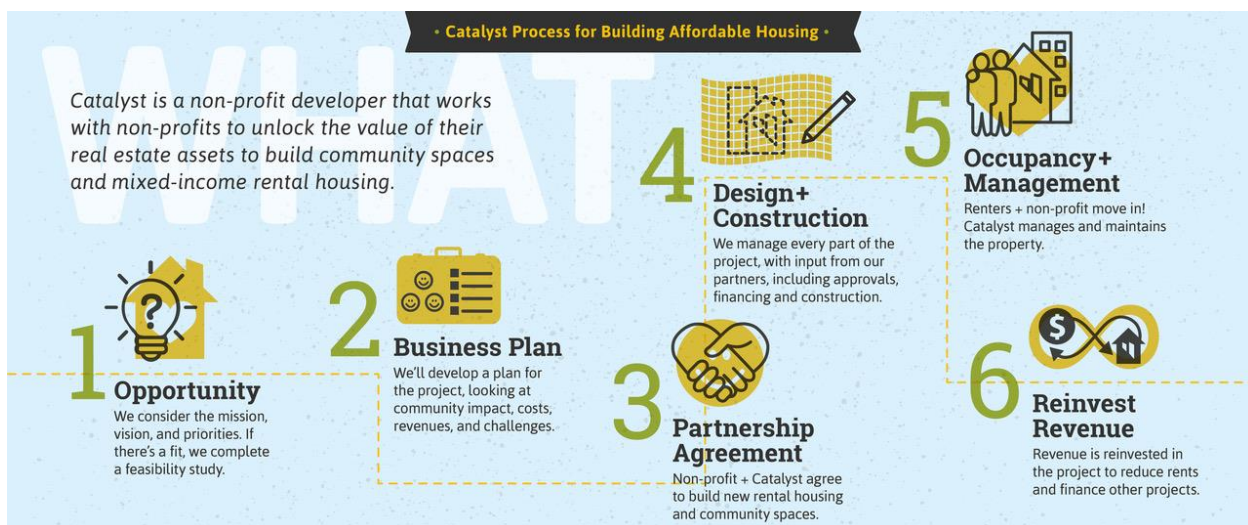
MEMORANDUM

To: District of Tofino Mayor and Council
From: Ian Scott, Interim Executive Director
Date: October 15, 2018
Re: Tofino Housing Corporation – Fall 2018 Report

Since we last provided an update report in May 2018, the Tofino Housing Corporation (THC) has been busy on a number of fronts and we are happy to report on the following activities:

Tofino Housing Corporation Non-Profit Development Partner – Catalyst Community Developments Society

The THC had three responses to its Request for Expression of Interest to be its non-profit housing partner. The THC is pleased to announce it has chosen to select Catalyst Community Developments Society as its preferred partner. Catalyst is a BC-based not-for-profit real estate developer. Their mission is to build vibrant, affordable, and inspiring rental homes and places for people to live and work in. Catalyst does this by working with non-profits and municipalities to unlock the value of their real estate assets, and reinvest that value back into BC communities (see <https://catalystcommdev.org/>). Catalyst and THC have agreed to work through a process for both DL 114 and Sharp Rd which involves detailed feasibility assessment and business plan development before signing a Partnership Agreement.





Sale of unit #21 at Sea Otter

THC coordinated the first Tofino sale of a Price Restricted Resident Restricted unit in the Sea Otter development. This involved a number of aspects including:

- Updating the Housing Agreement to modify the criteria for who is eligible to buy the Sea Otter unit
- Developing Price Restricted Resident Restricted Resale Policy
- Developing Purchase Lottery Policy and facilitating the Purchase Lottery application and lottery process.
- Recruiting Mieke Dusseldorp, Personal Real Estate Corporation, to represent the THC and the interests of the District of Tofino through the sale process of the Sea Otter unit and future Price Restricted Resident Restricted housing units.

The Purchase Lottery and sale process was successful and the selected applicant is now the proud owner of the Sea Otter home. A portion of the revenues from the sale have been allocated to the THCs DL 114 (\$85,000) and Sharp Rd (\$55,000) projects. This money is being used to hire the architects, civil engineers and other development consultants to complete preliminary designs and feasibility evaluations.

DL114 and Sharp Rd. Housing Projects Open House

The Tofino Housing Corporation along with the Tofino Bible Fellowship held a public meeting and open house at the Municipal Hall on June 19th. The event was well attended by Tofitians, where attendees had an opportunity to view and comment on preliminary development plans for the Phase 1 project on DL 114 and Sharp Rd and attend a presentation by THC, TBF and the DL 114 project architect (Craven Houston Powers Architect – CHPA) and stormwater management specialist (Murdoch De Greef Inc. Landscape Architects). Feedback was generally supportive of the project concepts, but we did hear a number of important constructive criticisms and some concerns from neighbours. We will be addressing all of this feedback as we move forward. See www.tofinohousingcorp.ca for details of the information presented at the Public Open House.

DL 114 Project Funding

The THC was successful in obtaining a Proposal Development Fund (PDF) loan of \$336,000 from BC Housing. We are still working through the legal paperwork related to the loan and required mortgage security with the District of Tofino. This loan allows us to match the \$500,000 grant for the Rural Dividend Fund. This funding is supporting the work currently underway by THC and TBF to move forward the design of the Phase 1 DL 114 project. The zero interest PDF loan will be rolled into the project when it receives take-out mortgage financing from BC Housing when ready for occupancy. The project is currently envisioned as two 3-storey apartment buildings with a total of 41 units, 14 townhouse units and a small multi-use Community Resource Centre. Catalyst / THC will develop and operate 35 units, while TBF will develop and operate 20 units and the Community Resource Centre. The majority of these housing units will be rental units, but we



are continuing to explore the possibility of some of the units being developed as price restricted resident restricted units.

DL 114 BC Housing Community Housing Fund Application

In September, we submitted an application in partnership with the TBF to the Request for Proposals from BC Housing for their Community Housing Fund (CHF) for the DL 114 Phase 1 project. This funding call offered \$100,000 per door capital grant (at the time of construction) and unspecified yearly operating subsidies. The program dictated a mix of shelter assistance rate rents (20%), Rent Geared to Income rents (RGI – 50%) and average market (30%) rental rates. We expect to receive notification regarding the status of the submission by end of 2018. Should we be successful with our CHF application, then we expect to have to do significant additional design and due diligence work before finalizing the CHF funding commitment. If we are not successful, since there was significant competition across the province and the DL 114 project is not as close to being shovel ready as other projects, then we expect the application will provide us with an opportunity for a formal assessment of our project by BC Housing and may open up other funding possibilities in the future.

DL 114 Geotechnical Phase II Assessment

In November, we will be working with McElhanney and Gibsons Bros to complete a Phase II Geotechnical Assessment for our Phase 1 DL 114 development site. This involves accessing the site with a track mounted excavator and digging test pits to better understand the depth and type of soils and rock on the proposed project site. We will keep our impact to a minimum, but will involve some tree cutting and brush clearing to allow for a trail the width of the excavator to access the test sites. The test pit sites will be under the proposed road and building locations. The geotechnical assessment will allow us to refine our road and building designs, develop more accurate cost estimates and find project cost efficiencies.

District of Tofino Sharp Rd Project Support

In August, we were able to confirm an additional \$35,000 (in addition to the \$20,000 previously provided) in project support from the District of Tofino (from Sea Other unit sale revenues). The money will allow THC to work with Catalyst, the project architect Leith Anderson and other project consultants to further develop and refine project plans, budgets and pro-formas. Part of this process involves comparing the feasibility of developing the project as rental housing vs price restricted resident restricted housing. In addition, we are working to evaluate the viability and potential cost-benefits of working with a modular builder.

Yours respectfully,

Ian Scott, MCIP, RPP
Interim Executive Director
Tofino Housing Corporation