

# City of Vancouver Land Exchange Brenhill Developments Ltd.

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BC Housing  
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## Ownership Before Land Exchange

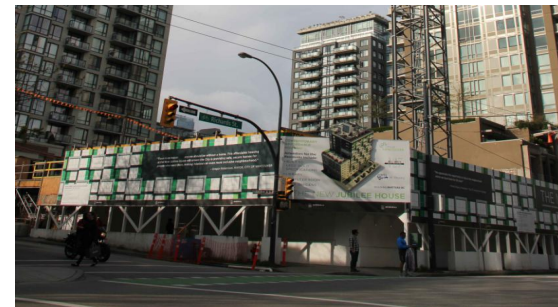
Old Jubilee House  
City of Vancouver owned  
508 Helmcken Street



New Jubilee House  
Brenhill Developments Ltd. owned  
1099 Richards Street



City of Vancouver Land Exchange - Brenhill Developments Ltd.



Design and Construct



City of Vancouver Land Exchange - Brenhill Developments Ltd.



# Overview

- Land Exchange Agreement between City of Vancouver and Brenhill Developments Ltd.
  - 508 Helmcken Street owned by the City of Vancouver (old Jubilee House)
  - 1099 Richards Street owned by Brenhill (new Jubilee House)
- BC Housing provided \$39M construction financing for new Jubilee House
- Land exchange occurred after new Jubilee House completed to allow for tenants to be relocated without being displaced



## Ownership After Land Exchange

Old Jubilee House  
Brenhill Developments Ltd. owned  
508 Helmcken Street



New Jubilee House  
City of Vancouver owned  
1099 Richards Street





# Old Jubilee House

- Owned by City of Vancouver
- Leased and operated by 127 Society
- Ageing building providing 87 units affordable housing
- BC Housing administered existing CMHC mortgage and provided subsidies to 127 Society under an operating agreement



# New Jubilee House

- Owned by city of Vancouver
- Leased and operated by 127 Housing Society
- 162 units of affordable housing:
  - Existing old Jubilee House tenants relocated
  - 20 homeless-at-risk tenants moved from Quality Inn



# Roles

- 1) Operator of Jubilee House
- 2) Lease with City of Vancouver

- 1) Existing Mortgage on old Jubilee
- 2) Construction Lender for new Jubilee House

**THE 127 SOCIETY**  
**FOR HOUSING**







# Timeline

- Land Exchange Agreement signed between City of Vancouver and Brenhill Developments Ltd. – January 2013
- Mortgage registered against 1099 Richards St. for construction of new Jubilee House – April 11, 2014
- New Jubilee House completed – August 2016
- Tenants relocated – August 2016 to January 2017
- \$39M construction loan repaid by Brenhill – January 31, 2017



# Land Exchange Agreement

- Brenhill responsible for design, development, construction of new Jubilee House
- Land exchange to occur after completion of new Jubilee House
- Tenants at old Jubilee House relocated to new Jubilee House
- Demolition of existing building would not occur until tenants were relocated to new Jubilee House to avoid displacement



# Construction Financing

- Construction financing provided to replace old Jubilee House
- BC Housing registered mortgage against new Jubilee House at 1099 Richards St. (owned by Brenhill) on April 11, 2014 to secure construction financing for new Jubilee House
- \$39M provided for construction of new Jubilee House between 2014 and 2016



# Construction Financing

- Mortgage security transferred from 1099 Richards St. (new Jubilee House) to 508 Helmken St (old Jubilee House) to maintain mortgage security for BC Housing's loan to Brenhill when land exchange occurred
  - Allowed new building to be completed and tenants relocated before demolition of old Jubilee House
- Financing provided on same terms and conditions as other affordable housing projects
- Interest charged at same rate as all other construction loans
- Construction claims only funded after review by independent quantity surveyor and project architect provided certificate of payment



# Financial Information – Capital Budget

Estimated Gross Capital Budget	Final Project Approval Budget	Actual	Payout January 31, 2017
Land Cost	Not Included	Not Included	
Soft Cost	\$10,554,150	\$10,838,190.35	
Hard Costs	\$23,368,000	\$26,067,416.81	
Contingency	\$5,077,850	\$1,986,392.84	
<b>Total Project Costs</b>	<b>\$39,000,000</b>	<b>\$38,892,000</b>	<b>(\$38,892,000)</b>



# Financial Summary

		(Cost/unit)
Total Project Cost	\$38,892,000	
Brenhill repayment	38,892,000	\$240,074
Net Cost to Taxpayer	\$0	
127 Society Lease Payment to City of Vancouver	9,900,000	
Taxes and Fees	361,000	
Cost to Society	\$10,261,000	\$63,340



# Rental Model

- Total 162 units
- 107 units rented at near income assistance rates (\$375 - \$540 1 bed couple)
- 55 units rented at low end of market rates (\$935 studio - \$1,500 1 bedroom)
- Generate sufficient revenue to pay debt service on City lease



# The New Jubilee House (162 units) completed in August, 2016.



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# Questions

