

Communication File – BC Housing

Purchase of Sereena (375 Powell / 143 Dunlevy)

Detailed signature lines and automatic email headers stating the email is from an outside agency have been removed from this document.

Names of everyone outside BC Housing have been redacted.

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2021-10-05 Email from Janice to Dale

From: Janice Abbott
Sent: Tuesday, October 5, 2021 1:50 PM
To: Dale McMann; [Staff, BCHousing]
Cc: [Staff, Atira]
Subject: RE: London, Columbia and Colonial

Oh and, Sereena's too. Thanks and including **redacted** here.

Kukstemc,
Janice

From: Dale McMann
Sent: Tuesday, October 5, 2021 1:50 PM
To: Janice Abbott; [Staff, BCHousing]
Subject: Re: London, Columbia and Colonial

redacted:

Can you find some time for Janice and myself to discuss the London - tomorrow would be preferable.

Dale McMann

From: Janice Abbott
Sent: Tuesday, October 5, 2021 1:35 PM
To: Dale McMann
Subject: London, Columbia and Colonial

Hey Dale.

Can we find a time to talk about some time-sensitive issues around the above buildings.

Kukstemc,
Janice

2021-11-22 Email from Janice to Dale

(Attachment: Draft Appraisal)

From: Janice Abbott
Sent: November 22, 2021 3:28 PM
To: Dale McMann
Subject: Appraisal - Sereena's
Importance: High

Hey Dale.

The appraisal supports the \$6.3M purchase price (this is Sereena's). We have until Friday to remove subjects otherwise the family who owns will put it on the market. As you may

recall, we leased this building back in 2006 and have been operating as supportive housing for women since. It is 56 rooms and also houses SisterShelter, a 15-bed shelter. We can't afford to lose this housing.
Kukstemc,
Janice

From: (redacted)@ryan.com>
Sent: Wednesday, November 17, 2021 1:41 PM
To: Janice Abbott
Cc: (redacted)@ryan.com>; (redacted)@ryan.com>
Subject: A2110-5807 [143 Dunlevy Ave Vancouver]

Hello,

Please find attached the draft PDF report for the above mentioned property.

Many thanks,

(redacted)
Ryan
Vancouver, BC V6E 3S7

+1.604.(redacted)
ryan.com/Canada

2022-01-12 Email from Janice to BC Housing






(attachments: Operating Agreement (sheet 1) and Payroll Agreement (sheet 2))

From: Janice Abbott
Sent: Wednesday, January 12, 2022 7:26 AM
To: [ED, BCHousing]; Dale McMann
Subject: FW: Sereena's Purchase

Trying this again with [ED BCHousing]'s correct email address...

Hi both.

As requested, the Sereena's operating budget with the current lease payment replaced by a mortgage payment. Incremental annual increase is around \$300K. Vancity may however want us to put in equity, typically 25%, so we will need a grant of \$1,575,000, which will reduce the mortgage payment to \$262,258 annually for an incremental annual increase of \$190,258.

Affordability	Payment	Amortization	Comparison
Mortgage Amount	\$4,725,000		Mortgage Payment: \$21,854.84
Amortization Period	25 years	Interest over term:	\$608,541.16
Payment Frequency	Monthly	Balance owing at term:	\$4,022,250.76
Product	2.790% - 5 Year Clo	Total interest:	\$1,831,451.56
Next step? Compare mortgage scenarios			
Next step? Apply online			
+ Add Prepayments			
 View graph	 View report	 Print results	 Save/Share results

Kukstemc,
Janice

2022-01-24 Email from [Staff, BCHousing] to [Staff, Atira]

From: [Staff, BCHousing]
Sent: January 24, 2022 10:51 AM
To: [Staff, Atira]
Subject: URGENT: Sereena's Proposed Numbers
Importance: High

Hi [redacted].

Would you have the proposed numbers for sereena's, please, including the expected mortgage costs and details?

I need to prepare an excom asap and am missing a lot of this info.

Thank you.
[redacted]

Response by [Staff, Atira]

From: [Staff, Atira]
Sent: January 25, 2022 9:34 AM
To: [Staff, BCHousing]
Cc: [Staff, Atira]
Subject: RE: URGENT: Sereena's Proposed Numbers
Importance: High

Hi [redacted],

Attached is the Sereena's proposed budget
Mortgage payment is \$387,492 per annum (\$6.3million @ 3.75%)
no additional staffing was requested.

Regards,
[redacted]

Response by [Staff, BCHousing]

From: [Staff, BCHousing]
Sent: January 25, 2022 2:38 PM
To: [Staff, Atira]
Cc: [Staff, Atira]; [Staff, BCHousing]
Subject: URGENT: Sereena's Proposed Numbers re mortgage
Importance: High

Hi [redacted].

Just got some word on this.

We were given to understand the following:

1. Purchase price was \$6.0 million – appraisal was for \$6.3 million
2. Atira would require a 25% or \$1.5 million equity contribution from BC Housing to complete the purchas.
3. If the \$1.5 million in equity were provided by BCH then the mortgage would be for \$4.5 million which would reduce the costs of mortgage coverage in the operating budget.

PLEASE clarify and /or confirm the above points and adjust the proposed budget accordingly, if we understood correctly.

Your immediate response would be much appreciated as we need to finalize our excom submission and there are several folks who still need to review once we have the updated version.

Thank you.

Regards,
[redacted]

Response by [Staff, BCHousing]

From: [Staff, BCHousing]
Sent: January 25, 2022 5:30 PM
To: [Staff, Atira]
Subject: URGENT: Sereena's Proposed Numbers re mortgage additional questions
Importance: High

Hi [redacted].

More questions from our Finance folks, please:

1. The purchase price is \$6.3M. But there is no provision for closing costs (e.g. legal) ? What is the amount and how is it going to be covered ?
2. What is the term of the Vancity mortgage ? Is the 3.75% a fixed rate ? Should be identified in Excom and noted that the related BCH subsidy will change at mortgage renewal.

3. \$6.3M mortgage amount is incorrect given we are providing \$1.5M in equity. Not counting the closing costs, the gross mortgage amount would be $\$6.3M - \$1.5M = \$4.8M$
4. \$1.5M does not equate to 25% equity requested by Vancity. – what is the one time equity cost being requested?

Thanks.

Regards,
[redacted]

2022-01-26 Email from [Staff, BCHousing] to Janice

(The email is below with Janice's responses in yellow)

Response from Janice

From: Janice Abbott
Sent: January 26, 2022 9:49 AM
To: [Staff, BCHousing]
Cc: [Staff, Atira]
Subject: RE: URGENT: Sereena's Proposed Numbers re mortgage additional questions
Importance: High

Hi [redacted].

See below.

Kukstemc,
Janice

From: [Staff, BCHousing]
Sent: Wednesday, January 26, 2022 8:37 AM
To: Janice Abbott
Subject: FW: URGENT: Sereena's Proposed Numbers re mortgage additional questions
Importance: High

Hi Janice.

We need more information on the mortgage for Sereena's, please. We have a very tight turnaround time to get this excom reviewed and submitted for agenda so I'm reaching out to you directly and hope you can provide the details.

We need confirmation on the following info, please:

1. Actual purchase price **\$6.3M**
2. Closing costs? Any other costs related to the purchase? (and will Atira be requesting BCH to fund these?) **about \$15K**

3. What is the term of the Vancity mortgage ? Is the 3.75% a fixed rate ? **Not confirmed yet, but likely.**
4. Actual Equity amount required by Vancity (is it a flat \$1.5M?) **25% or \$1,575,000**
5. Mortgage amount net of the one time equity? **\$4,725,000**
6. Annual Mortgage payment required (based on mortgage amount net of the equity) **about \$300K (by my estimate)**

Thanks.

Regards,
[redacted]

Response by [Staff, Atira]

From: [Staff, Atira]
Sent: Wednesday, January 26, 2022 10:08 AM
To: Janice Abbott; [Staff, BCHousing]
Subject: RE: URGENT: Sereena's Proposed Numbers re mortgage additional questions

Hi [redacted],

Based on a net Mortgage of \$4,750,000, interest at 3.75%, 25 yr term, the monthly payments would be \$24,346.41/mo or \$292,157/annum.

Purchase Price	6,300,000
25% Equity Payment	<u>(1,575,000)</u>
Net Mortgage	4,725,000
Add Closing Fees (Legal, Vancity charges, etc)	<u>25,000</u>
Total Mortgage	<u>4,750,000</u>

I have attached the revised budget.

Regards,
[redacted]

2022-01-27 Email from [Staff, BCHousing] to Janice

From: [Staff, BCHousing]
Sent: Thursday, January 27, 2022 8:14 AM
To: Janice Abbott
Subject: URGENT: Vancity Mortgage for Sereena

Hi Janice.

I've been advised to let you know that BCH will be registering s219 covenant and OTP in priority to VanCity's mortgage. Vancity will need to know of this requirement asap.

Thank you.

Regards,

redacted

Response by Janice

From: Janice Abbott
Sent: January 27, 2022 8:21 AM
To: [Staff, BCHousing]
Subject: RE: URGENT: Vancity Mortgage for Sereena

Morning and sorry, OTP?

Kukstemc,
Janice

Response by [Staff, BCHousing]

From: [Staff, BCHousing]
Sent: Thursday, January 27, 2022 8:23 AM
To: Janice Abbott
Subject: RE: URGENT: Vancity Mortgage for Sereena

I was hoping you would know what that means. 😞 Sorry. I'm also waiting for clarification on what that is and will let you know as soon as she replies.

Response by Janice

From: Janice Abbott
Sent: January 27, 2022 8:25 AM
To: [Staff, BCHousing]
Subject: RE: URGENT: Vancity Mortgage for Sereena

Doh! 😊

I am sure both are fine but yes, good to know. I am also sure it's something we will both be shaking our heads at when we find out...).

Kukstemc,
Janice

Response by [Staff, BCHousing]

From: [Staff, BCHousing]
Sent: Thursday, January 27, 2022 8:31 AM
To: Janice Abbott
Subject: RE: URGENT: Vancity Mortgage for Sereena

Her response:

Option To Purchase. For all subsidized projects, we have to register an OTP. In the event of default, PRHC can step in to "purchase" the property from the Society. For projects where the Society did not inject any form of equity and net operating deficit is provided by BCH, the purchase price will be at \$10. It is critical for us to confirm and document the Purchase Price in the Excom. Any exception to the Purchase Price/priority of the OTP (OTP has to be registered in

priority to VanCity's mortgage) needs to be documented in the Excom for approval.

Still trying to wrap my head around this. But hoping this helps...

Response from Janice

From: Janice Abbott
Sent: Thursday, January 27, 2022 8:42 AM
To: [Staff, BCHousing]
Subject: RE: URGENT: Vancity Mortgage for Sereena

I am personally fine with this (and would be fine with BCH just purchasing the building now), though Vancity is going to want to know any remaining mortgage will be paid.

Kukstemc,
Janice

2022-02-07 Email from Janice to Dale & [Staff, Vancity]

From: Janice Abbott
Sent: Monday, February 7, 2022 1:23 PM
To: Dale McMann; [Staff, Vancity]
Subject: Sereena's

Hi Dale.

Please meet [redacted] from Vancity. I believe BC Housing wants to talk to Vancity about placing a (forgivable) second mortgage on Sereena's. Over to you... trust you will let me know if you need anything from me on this.

Kukstemc,
Janice Abbott

2022-02-15 Email from [Staff, BCHousing]to Janice

From: [Staff, BCHousing]
Sent: Tuesday, February 15, 2022 8:37 AM
To: Janice Abbott
Subject: Sereena's Mortgage

Hi Janice.

Regarding Sereena's, would you also be able to send us a copy of the loan commitment letter, please?

We need all the final details to be able to process the grant payment and adjust the op subsidy. You may have already sent this to someone else at BCH? I'm being asked for it and no one I've spoken to has the info.

Thank you.

Kind regards,
redacted

Response by Janice

From: Janice Abbott [Staff, BCHousing]
Sent: February 15, 2022 9:17 AM
To: [Staff, BCHousing]
Cc: [Staff, Atira]
Subject: RE: Sereena's Mortgage

Hey redacted.

This one we don't have yet.

Response by [Staff, BCHousing]

From: [Staff, BCHousing]
Sent: Tuesday, February 15, 2022 1:44 PM
To: Janice Abbott
Cc: [Staff, Atira]
Subject: RE: Sereena's Mortgage

Hi Janice.

Who's Atira's lawyer for this transaction, please?

Thanks.

redacted

Response by Janice

From: Janice Abbott
Sent: February 15, 2022 1:45 PM
To: [Staff, BCHousing]
Cc: [Staff, Atira]
Subject: RE: Sereena's Mortgage

[Atira's Lawyer]

Response by [Staff, BCHousing]

From: [Staff, BCHousing]
Sent: Tuesday, February 15, 2022 4:52 PM
To: Janice Abbott
Cc: [Staff, Atira]
Subject: RE: Sereena's Mortgage

Hi Janice.

Our Legal team is asking if you happen to have the Contract of Purchase and Sale? (for Sereena's)

Thank you.

Regards,
[redacted]

Response by Janice

From: Janice Abbott
Sent: February 15, 2022 5:18 PM
To: [Staff, BCHousing]; [Staff, Atira]
Cc: [Staff, Atira]
Subject: RE: Sereena's Mortgage

Hey.

[redacted] should have it. Assumed it would be in the package she sent this morning? If not, she will get it to you first thing.

Response by [Staff, Atira]

From: [Staff, Atira]
Sent: February 16, 2022 8:34 AM
To: Janice Abbott; [Staff, BCHousing]
Cc: [Staff, Atira]
Subject: RE: Sereena's Mortgage

Attached is the P&S agreement, and their amendments.

2022-02-24 Discussion between Janice and [Atira's Lawyer]

From: [Atira's Lawyer]
Sent: Thursday, February 24, 2022 3:12 PM
To: Janice Abbott
Cc: [Atira's Lawyer's office]
Subject: FW: Atira Purchase of 143 Dunlevy, Vancouver [BLC-ACTIVE.FID1871995]

Janice:

See below from BCH's lawyer. We received their documents an hour or so ago. Note that the Covenant and Option to Purchase are to be registered ahead of VanCity's mortgage. [BC Housing's Lawyer] advises in [BC Housing's Lawyer] email below that VanCity understands and agrees to this, but there is nothing in the VanCity commitment letter that specifically refers to that arrangement. Are we pretty sure that VanCity knows that they will be behind the option? I will need to send a copy to VanCity's lawyers for their review.

Assuming that I get the VanCity package tomorrow, we will need to get together to sign. Let's assume that it will need to be in the afternoon. When will be a good time for you?

[Atira's Lawyer]

From: [BC Housing's Lawyer]
Sent: Thursday, February 17, 2022 7:44 AM
To: [Atira's Lawyer]
Cc: [BC Housing's Lawyer's office]
Subject: RE: Atira Purchase of 143 Dunlevy, Vancouver [BLC-ACTIVE.FID1871995]

[Atira's Lawyer],

Just an additional note that we neglected to mention below.

While we understand Vancity will be granted a first priority mortgage and BC Housing will be granted a second priority mortgage, BC Housing's standard use covenant and PRHC's option to purchase will need to be granted by the society, which charges will be registered ahead of Vancity's mortgage. Vancity has consented to the same, so on closing, we need to organize registrations to ensure that BC Housing's use covenant and PRHC's option to purchase are registered right after the transfer, and before Vancity's mortgage.

Sincerely,

[BC Housing's Lawyer]

Response by Janice

From: Janice Abbott
Sent: February 24, 2022 3:15 PM
To: [Atira's Lawyer]
Cc: [Atira's Lawyer's office]; [Staff, Atira]
Subject: RE: Atira Purchase of 143 Dunlevy, Vancouver [BLC-ACTIVE.FID1871995]
Importance: High

Vancity and BCH have been communicating directly so I am confident both sides know what they agreed to.

I am good tomorrow anytime after 4, if that works for you? If prefer earlier I am also free between 12:30 & 2 and between 2:30 and 3:15.

Kukstemc,
Janice

2022-02-28 Email from [Staff, BCHousing] to Janice

From: [Staff, BCHousing]
Sent: Monday, February 28, 2022 2:55 PM
To: Janice Abbott
Subject: URGENT: call re Sereena for closing today
Importance: High

Hi Janice.

Need to chat very quickly about the mortgage for Sereena's which is closing in an hour.

Would you have time to chat now, please?

Thanks.

redacted

Response from Janice

From: Janice Abbott
Sent: Monday, February 28, 2022 2:56 PM
To: [Staff, BCHousing]
Subject: RE: URGENT: call re Sereena for closing today

604-331-1420

2022-03-31 Email between [Atira's Lawyer's office] and [Vancity's Lawyer]

From: [Atira's Lawyer's office]
Sent: March 25, 2022 11:38 AM
To: [Vancity's Lawyer]
Subject: RE: Vancity Loan to Atira Development Society - 143 Dunlevy, Vancouver, BC [RBS-active.FID1663489]

Thank you so much!

Have a great weekend.

[Atira's Lawyer's office]

From: [Vancity's Lawyer]
Sent: Friday, March 25, 2022 11:29 AM
To: [Atira's Lawyer's office]
Subject: RE: Vancity Loan to Atira Development Society - 143 Dunlevy, Vancouver, BC [RBS-active.FID1663489]

Hi [Atira's Lawyer's office]

Signed CL is attached, have a great weekend.

[Vancity's Lawyer]

From: [Atira's Lawyer's office]
Sent: March 24, 2022 4:50 PM
To: [Vancity's Lawyer]
Subject: RE: Vancity Loan to Atira Development Society - 143 Dunlevy, Vancouver, BC [RBS-active.FID1663489]

Thanks [Vancity's Lawyer].

That would be great.

[Atira's Lawyer's office]

From: [Vancity's Lawyer's office]
Sent: Thursday, March 24, 2022 4:39 PM
To: [Atira's Lawyer's office]
Subject: RE: Vancity Loan to Atira Development Society - 143 Dunlevy, Vancouver, BC [RBS-active.FID1663489]

Hi [Atira's Lawyer's office]

I'll see if I can get a copy from VC – it was dropped at their head office and i don't think we were ever provided a copy.

Thanks
[Vancity's Lawyer's]

From: [Atira's Lawyer's office]
Sent: March 24, 2022 4:29 PM
To: [Vancity's Lawyer]
Subject: Vancity Loan to Atira Development Society - 143 Dunlevy, Vancouver, BC

Hi [Vancity's Lawyer],

Would you be able to email me a copy of the signed Vancity Mortgage Commitment. For some reason, I can't find a copy in my file.

Thank-you so much.

[Atira's Lawyer's office]

2022-05-11 Email from Janice to Dale

From: Janice Abbott
Sent: Wednesday, May 11, 2022 6:58 AM
To: Dale McMann [Staff, BCHousing]
Cc: [Staff, Atira]; [Staff, BCHousing]
Subject: Support Letter for CMHC

Hi Dale.

We are applying to CMHC for seed funding to begin exploring replacing Sereena's. As you know, the building is old. CMHC is asking for a general letter of support that essentially says BCH supports the redevelopment and will continue to provide operating funding in new building. Just something like:

BC Housing has provided funding to Atira Women's Resource Society for the operations of Sereena's Housing for Women since 2006. Sereena's is a critical component of the

women-only housing continuum in the Downtown Eastside. It is also an aging building. BC Housing recognizes the need to replace Sereena's with modern housing that not only provides self-contained but more/additional units of housing for women, and we therefore support Atira's efforts to progress a development application to the City of Vancouver and are committed to continuing operating funding for this much-valued program.

Hoping to get this today. Thanks Dale!

Kukstemc,
Janice Abbott

2022-05-13 Dale McMann letter to [Redacted] (CMHC) In support of Development Application



Home Office
1701 – 4555 Kingsway
Burnaby, BC V5H 4V8

Phone 604-433-1711
Fax 604-439-4722
www.bchousing.org

May 13, 2022

[Redacted]
Specialist, Multi -Unit Housing Solutions
Client Relations (British Columbia)
Canada Mortgage and Housing Corporation

RE: Sereena's Housing for Women located at 143 Dunlevy Ave, Vancouver

Dear [Redacted]

BC Housing has been providing funding to Atira for the operations of Sereena's Housing for Women since 2006. Sereena's is a critical component of the women-only housing continuum in the Downtown Eastside of Vancouver. As the building is aging, BC Housing recognizes the need to replace Sereena's Housing with updated housing that provides self-contained individual units and more units of housing for women.

BC Housing offers this letter of support in Atira Women's Resource Society's efforts to move forward with a development application to the City of Vancouver. BC Housing is committed to continuing the operating funding for the important support programs provided at Sereena's Housing and at any future site.

Sincerely,

A handwritten signature in black ink, appearing to read "Dale McMann".

Dale McMann
Vice President, Operations BC Housing