

# Welcome to the Webinar

## -We will begin shortly-

### Economic Development Division Webinar Series

Presents:

## Affordable Market Housing Webinar Series



### Growth Pressures: Housing Needs in Communities Experiencing Industrial Growth

Thursday October 2, 2014  
1:30-3:00pm PST

#### Audio information:

- Dial-In Number: 1 877 353 9184
- Conference ID: **5012833**
- Mute phone: mute button or \*6
- Please do not put phone on hold**

#### Visual Information:

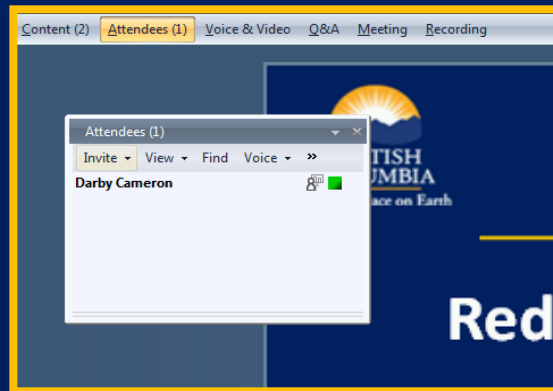
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Click on "Voice and Video" in the menu bar  
Follow instructions in the meeting invitation. Call IT support at 250 356 9600 if issues cannot be resolved.

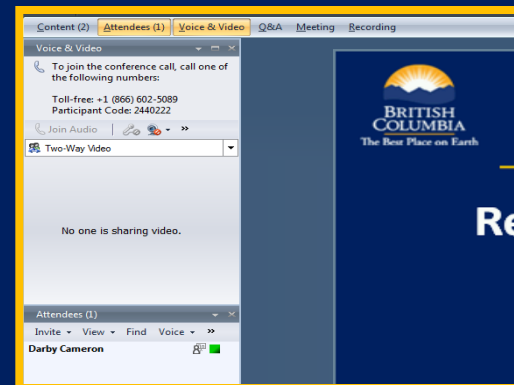
# The LiveMeeting Environment

For the best experience, you'll want to dock the Attendee and Audio & Video panes.

1. Click and drag the appropriate Menu option on the top left to the bottom left area

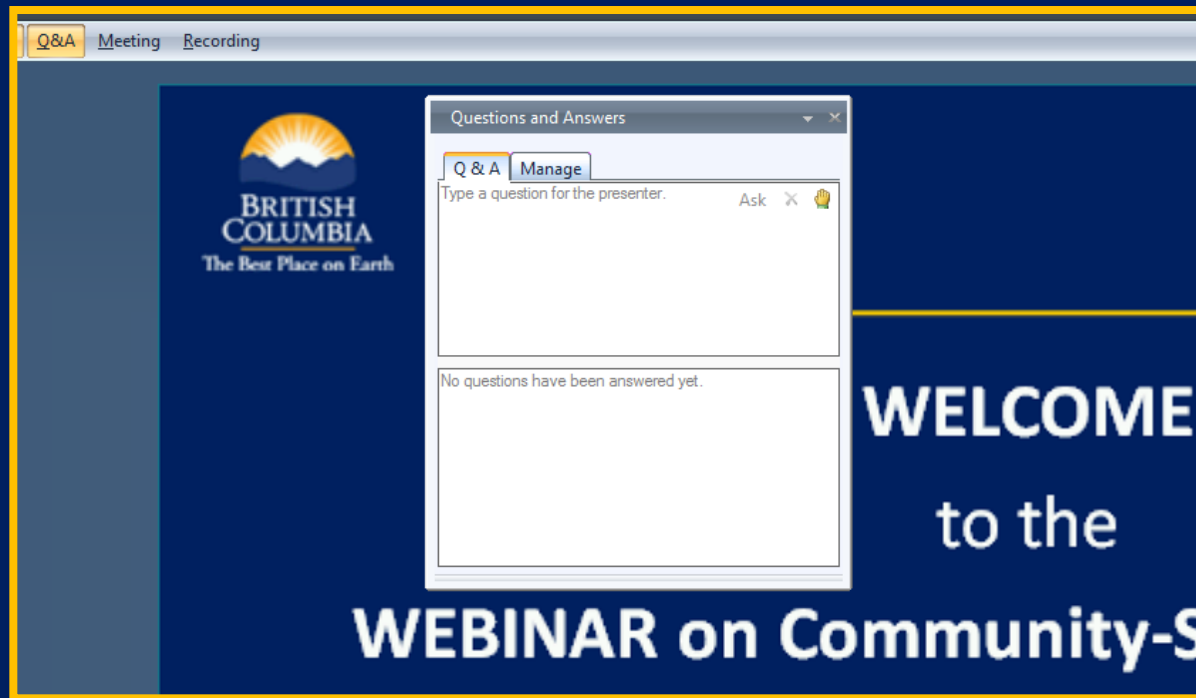


2. Release the pane in the shaded area. Repeat for the other desired menu items.



# The LiveMeeting Environment: Q&A

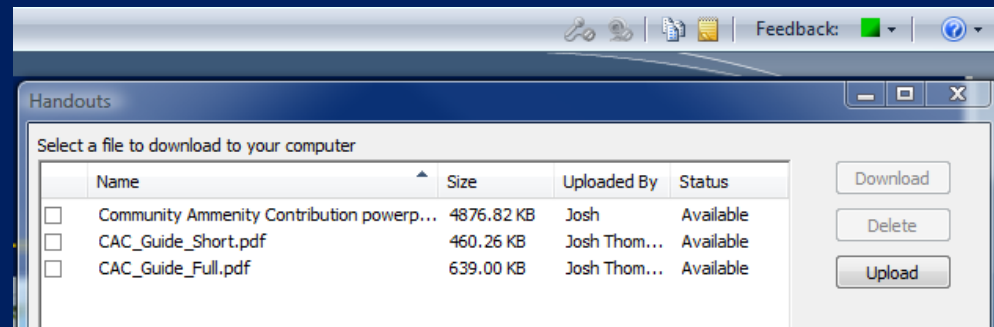
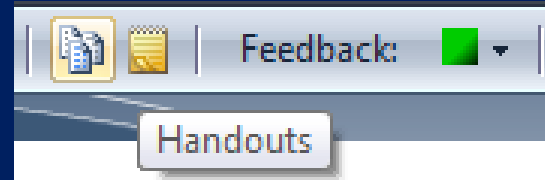
You can post a question to be answered by the presenter at any time. Just click on the **Q&A** button in the toolbar at the top left of your screen, type in your question and hit Enter. We'll respond to your question as soon as possible.



# The LiveMeeting Environment: Handouts

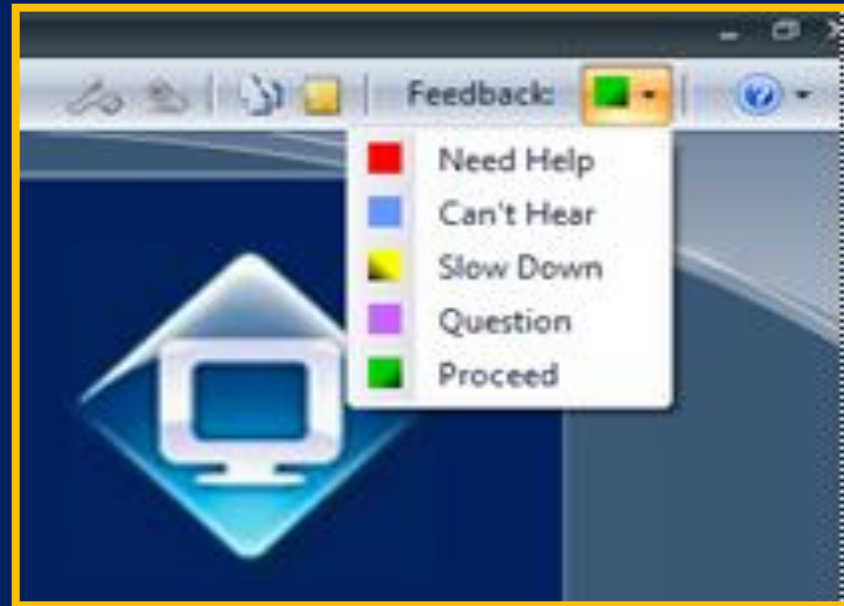
You can access a .pdf of today's PowerPoint presentation and other useful documents by:

1. Clicking on the handouts icon on the right side of your toolbar.
2. In the pop-up handouts box, indicate the document you desire and click download.



# The LiveMeeting Environment: Feedback

You can provide feedback during the presentation. From the **Feedback** drop-down pane in the upper right corner of the toolbar, click the appropriate option from the “feedback to presenter” drop down list.



# Quick Poll

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BRITISH COLUMBIA  
REAL ESTATE  
ASSOCIATION

Canadian  
Home Builders'  
Association

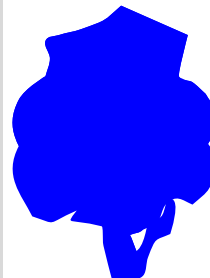


# **Growth Pressures: Housing Needs in Communities Experiencing Industrial Growth**

**Webinar #1 in the Affordable Market Housing  
2014 Fall Webinar Series**

**Date: Thursday October 2, 2014**

**Time: 1:30 – 3:00 p.m. Pacific Time**



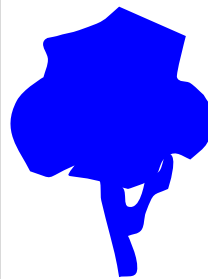
# Future Webinars Fall 2014 Series

## **Rental Renaissance: How to Support a Flourishing Rental Housing Sector in Your Community**

Webinar 3: Thursday **Oct. 30**, 2014 – 1:30 p.m.

## **When the Going is Tough: Ideas for Finding Neighbourhood Support for Affordable Market Housing and Densification**

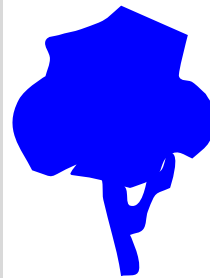
Webinar 4: Thursday **Nov. 27**, 2014 – 1:30 p.m.





# Gwendolyn Sewell

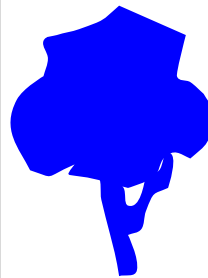
- Director of Community Planning and Development
- District of Kitimat



# Elliott Smith



- Real Estate Development and Delivery Manager
- LNG Canada



# Growth Pressure:

## Housing Need in a Community Experiencing Industrial Growth



# Presentation Overview

## ■ Context

- Kitimat, BC
- LNG Canada Project

## ■ Housing Situation

- 1991-2014
- Municipal Policy Development, 2012-2014
- LNG Canada Responses and Proposals

## ■ Closing Comments

# Working together to bring value to B.C.

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- Global leader in LNG since 1964, operating about one quarter of the world's LNG vessels
- 8 LNG projects in 7 countries in operation, with 3 new projects under construction



- South Korea's principle LNG provider
- Currently operates 3 LNG import terminals in South Korea and other terminals in Asia and Mexico



- China's largest oil and gas producer and supplier
- Launched 3 LNG import facilities in China and is increasingly an investor in global unconventional gas production and LNG export facilities



- Investing in LNG since 1969; handles one half of Japan's LNG imports
- Joint venture position in 9 LNG export investments globally, many in conjunction with Shell

# What is LNG?



<https://www.youtube.com/watch?v=Yc97WVV1q0E>

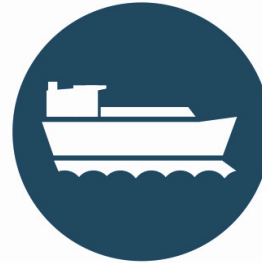
<https://www.youtube.com/watch?v=QgtSoEJD9HE&>



# Siting an LNG Facility - Why Kitimat?



**Industrial-Zoned  
Land**



**Year-Round  
Ice-free  
Deep Water Port**



**Existing Infrastructure  
Including Roads,  
Power Lines and the  
Terrace Airport**



**Positive Relationships  
with Local Government,  
Community and  
First Nations**



# LNG Canada Site (Conceptual)





# Key Issues

- Housing Availability & Need:  
Council & Community Education
- Housing Values
- Development Possibilities and Realities
- Impact on Special Populations

# *2012 Housing Needs Assessment:* What did we Learn?

## 217 Units are needed...

- Independent, **accessible** housing for seniors and persons with physical disabilities
- **Supportive / assisted** living units for those with special needs, developmental disabilities, and seniors
- Non-market and **affordable market rental** housing for low-income households
- **Emergency shelter**
- **Second stage housing** for people fleeing domestic violence
- Affordable housing for First Nations people
- **Low barrier housing with support services** for people with mental health and substance abuse problems



# Recommended Municipal Action

- ✓ Maintain housing inventory
- Measure homelessness
- ✓ Inventory public land appropriate for social housing
- ✓ Provide housing information on the District website
  
- ✓ Engage other levels of government, community agencies & businesses
- ✓ Community education and outreach (Housing Resource Worker / Centre)
- ✓ Advocate funding for social housing & incentives for market rental housing
  
- Adopt policies to support development of affordable, supportive, accessible, and age-friendly housing
- ✓ Protect current rental stock from stratification / elimination of rental units
- ✓ Develop a Business Plan for creating new affordable, accessible, supportive, and age-friendly housing projects

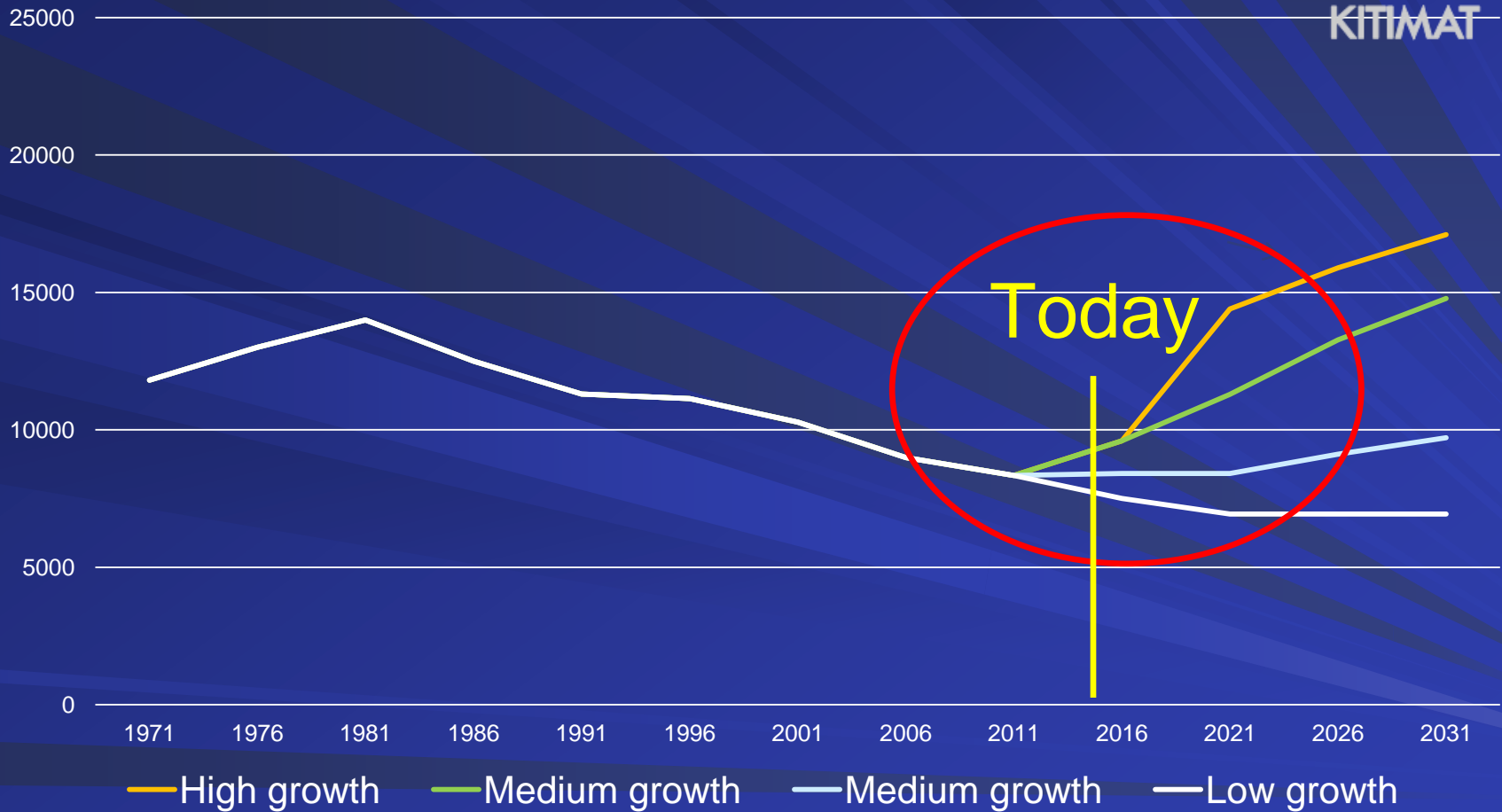
# Housing affordability and availability



- Easily expandable worker accommodation village
- Work with developers to create new housing for LNG staff located in the community.
- Support Kitimat Housing Action Plan



# Population Projections: High, Medium and Low Growth Scenarios

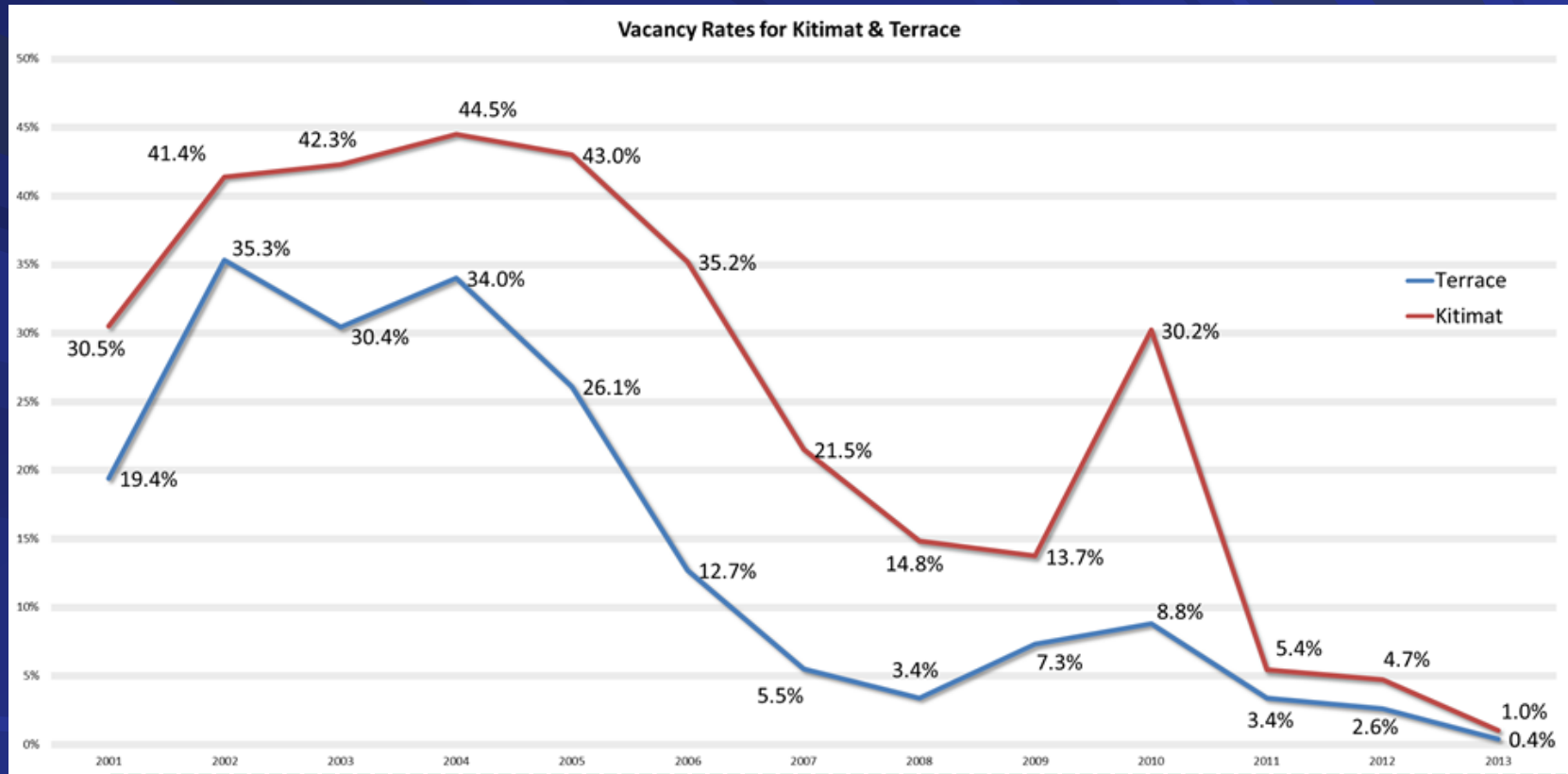


Economic Base Model Population Projection

Source: District of Kitimat, Community Planning & Development, December 2012



# Vacancy Rate: Kitimat & Terrace 2001-2013



# Renovations in Progress?



# New Development



Vacant MF site (May 2014)



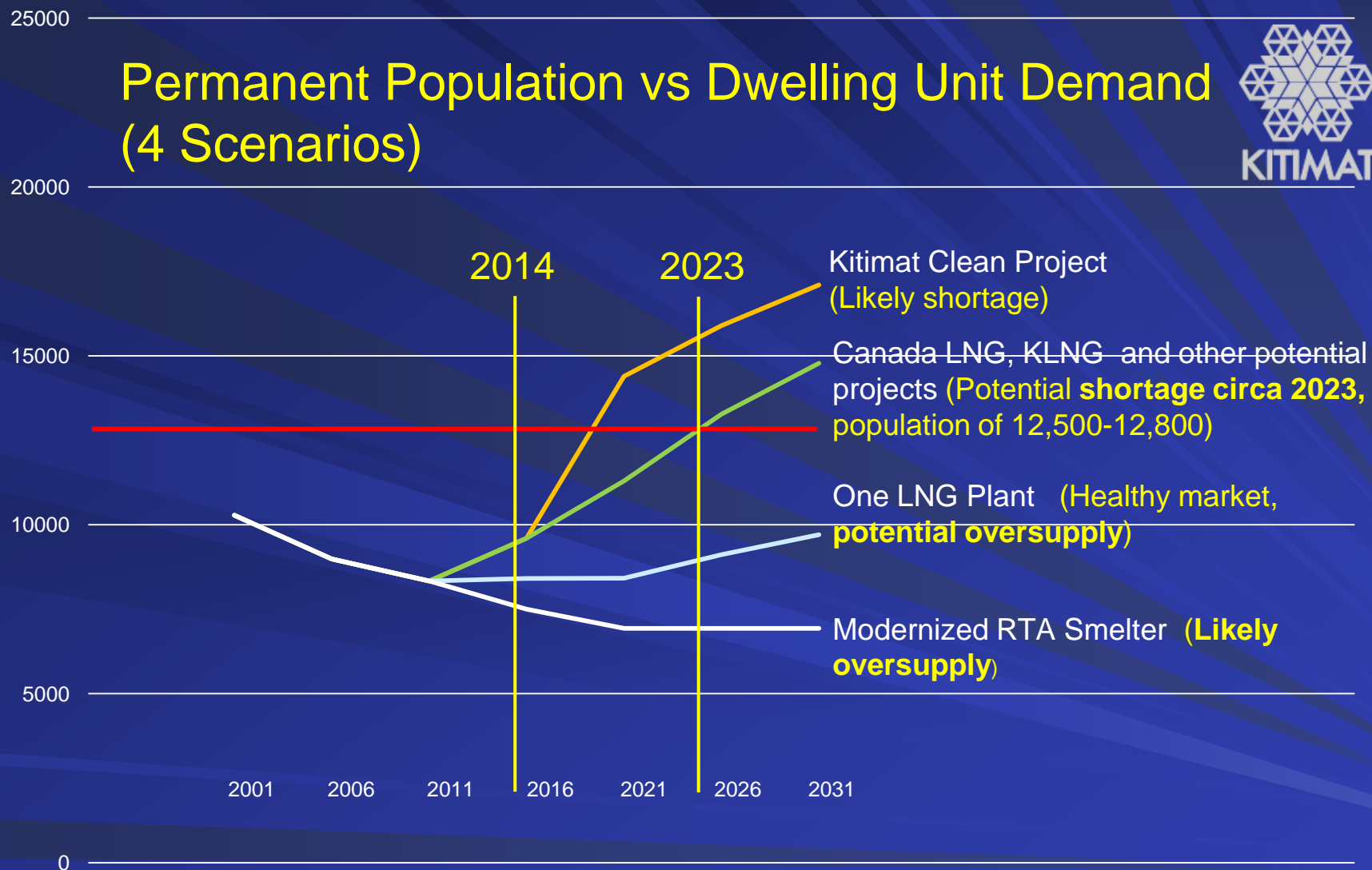
Townhome Concept

54 Proposed  
40 Potential "Cap"





# Permanent Population vs Dwelling Unit Demand (4 Scenarios)



# Leasing New Property



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- We anticipate LNG Canada will require a limited number of residential mixed type units in Kitimat and if necessary will be prepared to add a similar amount a year from now
- These will be allocated to our senior staff during the construction period
- All units will be leased in 5 year blocks from developers of new properties
- These units are currently subject to an RFP process

# Satisfying Demand in a Responsible Manner



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Our objective is to **limit displacement** of existing residents as a first principle.

**Our approach** is to cause creation of new stock to be leased to LNG Canada.

**Avoiding Oversupply** – too much new development will flood the market leading to a downward price trend.

**Integrated** with the community and over time pass back into the market at all price levels. This units will range from affordable to the prime end of the market.

# Satisfying Demand in a Responsible Manner

**Economic Diversity** – Finding a balance between private developers and landowners & First Nations interests



**Geographical Diversity** - Ensuring the units we lease are located throughout the community, to avoid creation of a LNG Canada “gated community”.



# Soaring Prices

## Year                      BCAA Value

2011                      \$274 K

2012                      \$278 K

2013                      \$366 K

2014                      \$467 K

Sold May \$650 K



# Soaring Prices

Year	BCAA Value (Vacant Lot)
2011	\$44 K
2012	\$44 K
2013	\$56 K
2014	\$65 K
Sold June	\$155 K





# Construction and Operations:



Project Phase and Timing	Jobs Required
<b>Construction phase (mid decade)</b> ~5,500 construction jobs identified	<ul style="list-style-type: none"><li>• General Labour</li><li>• Skilled Trades</li><li>• Engineers, Technologists, Machinists</li><li>• Camp Services and catering</li><li>• Transportation</li><li>• Security and other general services</li></ul>
<b>Operations phase (end of decade)</b> ~An estimated 200 to 400 full-time jobs will be required to operate, as well as a large number of contractors	<ul style="list-style-type: none"><li>• Operating Technicians</li><li>• Instrument Technicians</li><li>• Maintenance Technicians</li><li>• Engineering (all)</li><li>• Specialized LNG Operators</li><li>• General Trades</li></ul>

# Jobs and Housing Forecast



## Industrial **Construction** LF\*

Today:  $\approx$  3800 (incl. 1 000 local)

Scenario 1: 6 000

Scenario 2: 10-12 000

Scenario 3: 12-15 000

## **Permanent** Industrial LF\*

After KMP:  $\approx$  1 000

Scenario 1: 1 200-1 400

Scenario 2: 1 400-1 600

Scenario 3: 2 900-3 100

Scenario 4: 3 600-4 600

Circa 1981: 3 900+

## **Housing**

4.5 DU / year 1993-2013

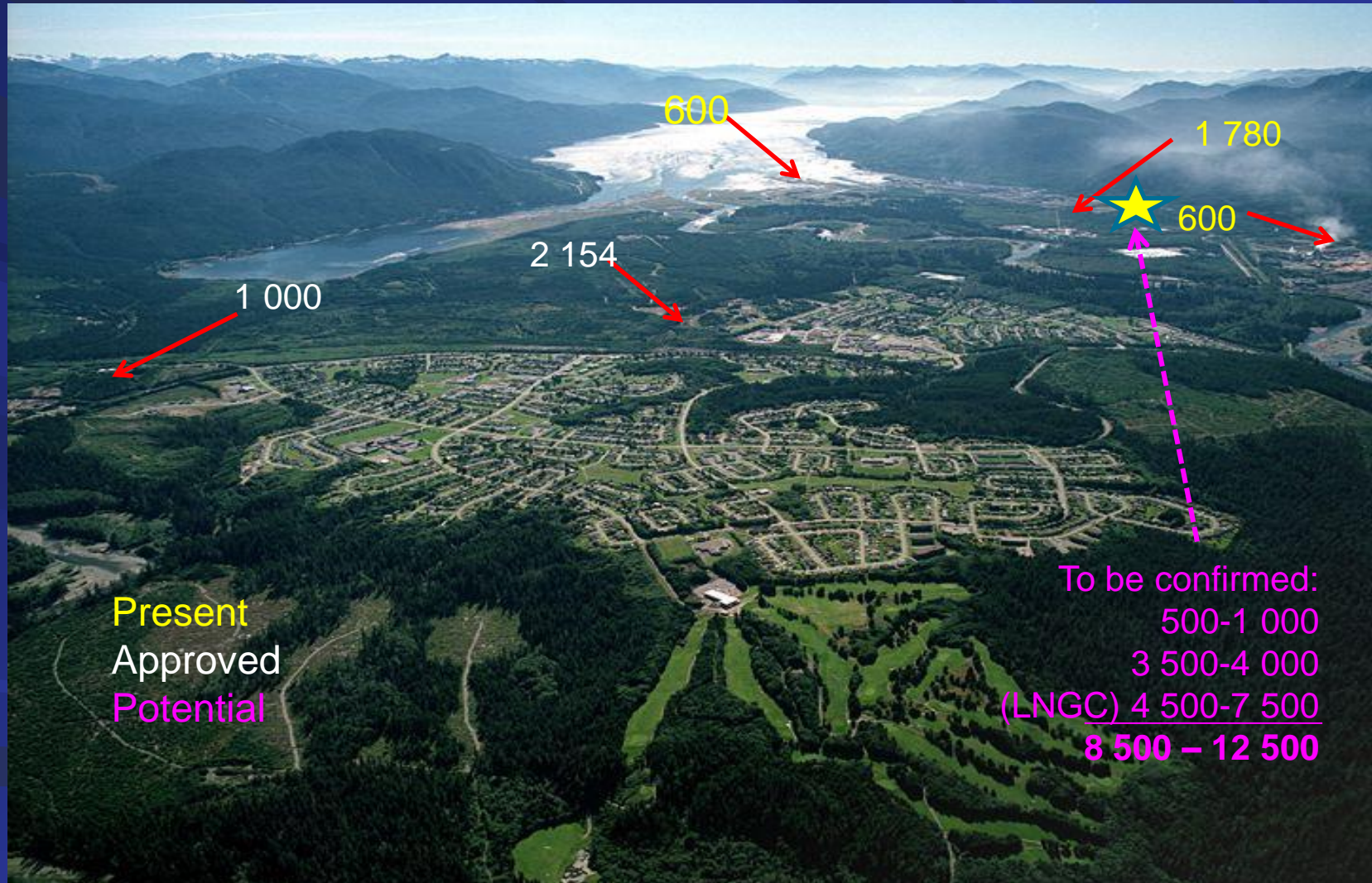
70 DU 2014\*\*

??? 2015

\* TBC      \*\* as at 1 Sept



# Temporary Housing



# Long Term Workforce Accommodation Village

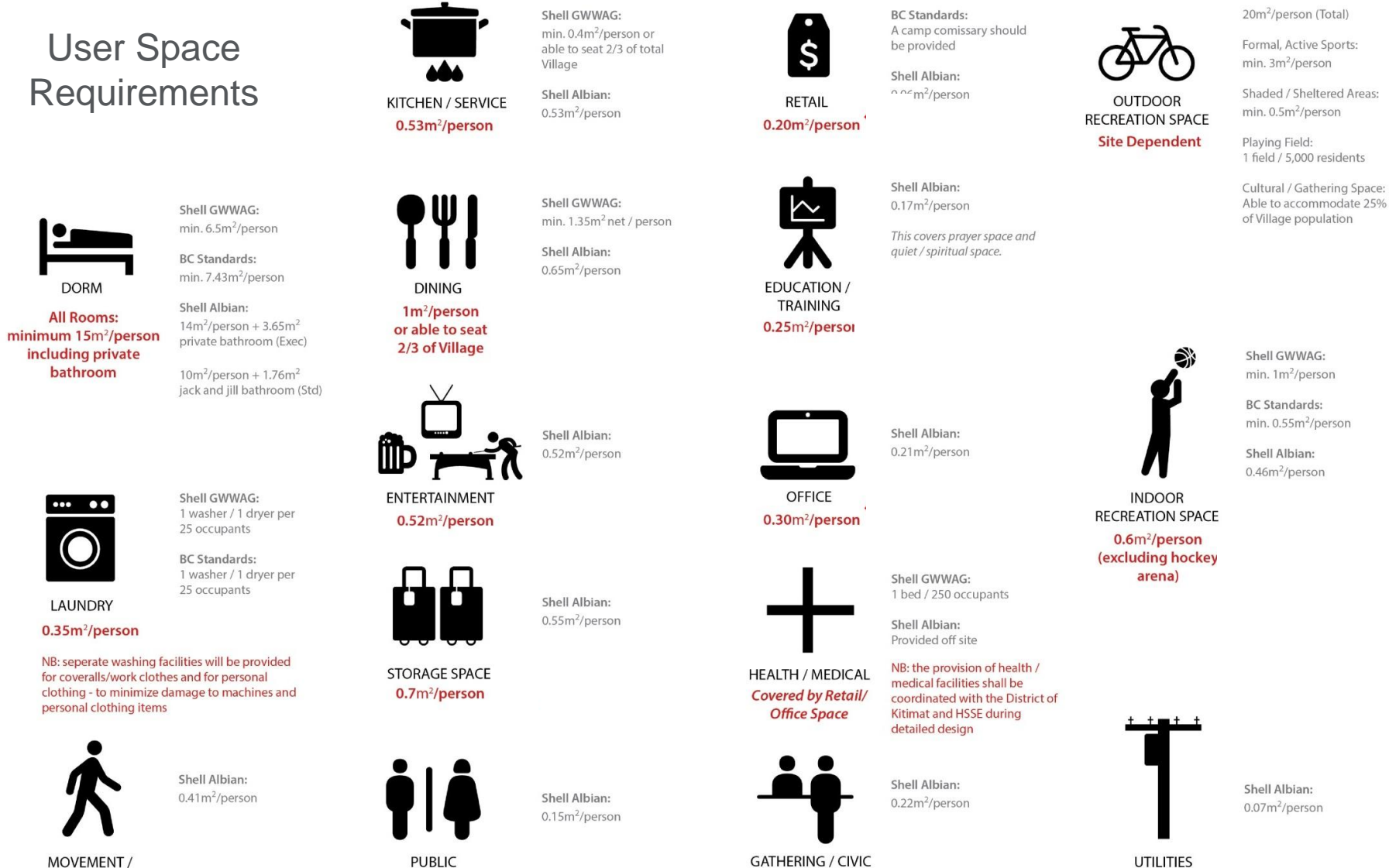
- During Construction of the LNG facility, our workforce will be housed in a worker village, situated in the industrial area of Kitimat
- The Village will have a target capacity of 4500 and will be expandable up to 7500 beds, if required





# Camp of Choice

## User Space Requirements



# Minimizing impacts to Local Way of Life during construction

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- Full-service, self-contained worker accommodation near the project site with sewer, water and solid waste infrastructure
- No personal vehicles at site and development of a Traffic Management Plan
- On-site medical clinic
- On-site amenities like recreation facilities, food and beverage



# Current / Potential DU: Oct 2014

Area	DU* Jan 2014	Potential SF	Potential LS**	Potential MF	Net Gain DU
Kildala	1198	170	11	180	361
Nechako	1389	7	51	214	272
Whitesail	1560	101	22	152	275
Cable Car / Other	201	8	0		8
DU***	4348	286	84	546	916
<b>Estimated Capacity****</b>	<b>10000 – 10870</b>				<b>12100 – 13160</b>

\* Includes approximately 228 units off-market (525 people)

\*\* Assumes 50% of suites available in 1986 are re-activated + zero new LS

\*\*\* Excludes temporary (camp) capacity: increase of ~5000-8000 beds **TBC**

\*\*\*\* Assumes 2.3 to 2.5 people per DU

# Housing Continuum

## THREAT OF HOMELESSNESS

Shelters	SROs	Supportive Housing	Non-market Rental (Social Housing)
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**Federal / Provincial intervention is common**

**BC is expected to lead**

## RENTAL HOUSING

Purpose-built Rental	Secondary Suite/ Coach House	Rented Condo	Condo	Other Ownership
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**Local government may regulate supply and form**

**DOK mandate**

## OWNERSHIP

# Housing Policy Priorities

Kitimat Council set **six priorities** on 10 March 2014

- ✓ **Secondary Suite Program** (communication, construction incentive)
- **Density Bonus** (OCP and bylaw changes)
- **Coach House Feasibility** (research, public consultation, bylaw)
- ✓ **Capital Funding Grants** (\$ for non-profit housing projects)
- ✓ **Strata Conversion Policy** (guidelines to help Council make decisions on applications to convert existing rental units to condominium units)
- **Business Plan** (define DOK role, set targets & priorities for affordable, accessible, supportive, and age-friendly housing)





# Strata Conversion Policy

- **Compliance with *Kitimat Municipal Code***  
(zoning regulations or  
a proposal to eliminate non-compliance)
- **Compliance with BC Building Code**  
Building Report: what needs immediate or imminent repair;  
Projected maintenance costs, and cost increase [or decrease]  
assuming strata conversion
- **Building Life Expectancy: Minimum 35 Years**
- **Priority of Rental Accommodation**  
Vacancy rate  $\leq 5\%$  or an acceptable tenant relocation plan
- **Protection & Relocation of Existing Tenants**  
Notification of application, purchase options and relocation  
aid; 90-day ROFR to purchase at fair market value





# Closing Comments...

- There can be **significant impacts in advance** of development
- Municipalities must understand and respond to pre-FID market activity
- Construction work force isn't what municipalities plan or build for; but they must understand and respond to pre-FID market activity
- **Municipal focus is permanent change**
- Be ready...but not too ready. **Focus on capacity** planning rather than infrastructure construction
- Industry partners can be important allies



# Questions and Discussion

**Suggestions or Feedback?**

**Please email [Dale.Anderson@gov.bc.ca](mailto:Dale.Anderson@gov.bc.ca)**

