

Strategy Meeting: December 15, 2015

Present: Jerry Roy, Herb Barbolet, Nathan Edelson, Peer-Daniel Krause, Lisa May, Sharon Yandle, Wendy Herdin, Dennis McCann, Jay Bancroft, Jim Woodward.

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1. ACTION TASKS SUMMARY (open)

- Jay to clarify the objectives and content areas of a survey
- PD to summarize the enclave outreach notes and screen for shared concerns for a survey
- PD to upload RePlan open forum minutes to the website (www.falsecreeksouth.org)
- Lisa to share strategy meeting minutes with the Strata Leasehold Subcommittee members
- Nathan to set up date for a presentation and follow-up meeting with Real Estate and Facilities Management in January
- Nathan to contact Sadhu Johnson and update the strategy group about progress of council report
- Jim/PD/Jay to prepare a presentation to Real Estate in January re: Community Trusts
- Jerry/Dennis/PD to develop a process that includes accountability, explains deliverables, and creates a structure for receiving, approving, and dispensing funds in a fiscally accountable way for enclave members
- Sharon to lead discussion at the next meeting on how to gain traction on the idea of a community trust
- Dennis McCann to prepare a discussion of a Contingency Reserve Fund mechanism with the purpose of allowing owners to maintain control over RePlan spending

2. BUSINESS ARISING FROM PREVIOUS MEETINGS

2.1. Discuss undertaking an online survey on lease renewal

- Background
 - Peer-Daniel and Jay discussed the objectives, content and approach to another survey.
- Potential Objectives and Content are:
 - Objectives:
 - Building a constituency to support our negotiations
 - Clarity about thinking and concerns of constituents
 - Continuing the two-way communication
 - Content:
 - Topics and degrees of concerns
 - Interest in affordability schemes
 - Willingness to transition into a new scheme
 - Timeline:
 - A survey is not realistic and beneficial before mid-spring (March).
- **Actions:**
 - Clarify the objectives and content areas of a survey (Jay)
 - Summarize the enclave outreach notes and screen for shared concerns for a survey (PD)

2.2. Updates to the Strata Property Act and revised City SPA letter

- **Background:**
 - The City favours a methodology from New South Wales for valuing leaseholders' lease end interests. RePlan stated its position that it is not supporting any changes to the Strata Property Act that would affect the value of individual properties.
 - RePlan urges the department to consider the effects of any legislative/regulatory changes from the perspective of lease renewal.
 - A short letter outlining our position went to Bill Aujla. Nathan is leading follow-up conversations with the City to determine next steps.
 - The City was advised by its legal team not to share a PowerPoint presentation on its suggested changes to the SPA in order not to interfere with decision-making processes at the Provincial level.
- **Next Steps**
 - A meeting with Real Estate will be set for January. The agenda should include:
 - Discussion of our Letter to the Province (forthcoming)
 - Community Trust presentation
- **Actions:**
 - Nathan to set up date for a presentation and follow-up meeting with REFM in January
 - Sharon/Nathan to update the SLS on our position
 - Jim/PD/Jay to prepare a presentation to Real Estate in January

2.3. Revise budget & administrative structures

- **Recent Activity**
 - Jerry presented the budget to the co-op subcommittee on December 10. A lot of gratitude towards the work that is being done was expressed at the meeting.

- The budget was reduced by 53% from original estimates and did not include any potential revenue for 2016 from other sources such as the COV, VanCity and foundation grants.
- With regards to the volume of funding, co-ops said \$100/door is doable and there may be some pushback at \$200/door (although Marina co-op has already agreed to \$200/door).
- **Next steps**
 - At the meeting, the problem of aggregated legal costs was raised and the need to split designated funds between community, co-ops and stratas was noted.
 - Other questions that were raised are:
 - What is the return on the investment?
 - How is accountability established?
 - How will funds be administered?
 - What is the status of the funding ask to stratas and their existing contributions?
- **Actions:**
 - Jerry/Dennis/PD to develop a process that includes accountability, explains deliverables, and creates a structure for receiving, approving, and dispensing funds in a fiscally accountable way for enclave members.

2.4. Strategy: Write to A/City Manager Sadhu Johnson

There was discussion of the status of the council report/motion and RePlan's involvement in the planning process.

- **Current Status**
 - No detailed updates to date
 - The council report is the most important piece in working towards lease renewal
 - Nathan reported that Bill Aujla referred to Sadhu for guidance on the council report
- **Actions:**
 - Nathan to contact Sadhu Johnson and update the strategy group about progress.

3. NEW BUSINESS

3.1. Decision-making and information sharing

- **Background**
 - Due to the SLS's request for more information around ongoing discussions with staff, a discussion about our current decision-making structure and communication was initiated.
- **Decision-making**
 - It was clarified that RePlan as an initiative is separate in its decision-making from the FCSNA, while its authority stems from being a committee of the False Creek South Neighbourhood Association, which has a long history and enclave network. RePlan's subcommittees (SLS/Co-op) are a conduit between strata owners and RePlan and co-op members and RePlan.

- Financial oversight legally rests with the treasurer and the FCSNA executive.
- The RePlan Strategy group is RePlan’s decision-making body for **administrative and strategic decisions**. These are not binding to owners and all information arising from the work of paid consultants is shared with the community. Hence, RePlan is developing an approach to lease renewal but does not make decisions on individual leases.
- **Information sharing (between strategy group and committees/community)**
 - RePlan and the FCSNA have merged their websites into a new one that has just been launched. It will be the source for RePlan, SLS and Co-op minutes (www.falsecreeksouth.org).
 - All relevant information arising from the strategy level, particularly on finances, is to be shared with the subcommittees through monthly updates on the website, contained in RePlan’s regular minutes from the RePlan Open Forum.
- **Information sharing (of City meetings)**
 - We do not have a process in place for reviewing minutes of meetings with COV yet, but will bring this up at the next meeting with COV, likely in the new year.
 - In the meantime, we are providing oral updates at committee meetings and open forums which are reported in meeting minutes (see above).
 - Nathan added that at this point in time we are feeling our way to develop trust and relationships with City staff. Once it comes to real negotiations, the members of the SLS will be consulted more rigorously for their input.
- **Actions:**
 - Lisa to provide an oral update to the SLS on decision-making and information sharing.
 - PD to upload RePlan open forum minutes to the website (www.falsecreeksouth.org).
 - Lisa to share strategy meeting minutes with the SLS members.

3.2. Strata Fundraising Process

- Dennis McCann reported that Fountain Terrace approved RePlan’s 2016 budget.
- Dennis reported owners require less emphasis on the leasehold background and current state and more on the plans to move forward.
- The following are the summary comments provided by 18 owners (with three proxies) who voted to approve the budget with RePlan funding:
 1. Recognition that RePlan participants are volunteers
 2. The RePlan process is important
 3. The process will move forward with or without our strata's participation and funding
 4. We are all in this together, meaning all owners and enclaves
 5. Putting trust in RePlan to protect their interests
 6. Looking for financial accountability
 7. Looking for confidence that all enclaves are contributing equitably
 8. Expecting more information on structure
 9. This is a one year trial contribution and future contributions will depend on evidence their trust isn't misplaced
 10. Expectations Dennis will report back to the owners on a regular basis

- Comments from the two owners present who voted no or abstained are as follows (also representing one proxy):
 1. Don't want to pay anything because the building might not even be standing at the end of the lease
 2. This will happen whether we pay or not and we can just ride along
 3. RePlan is not down to earth enough on the renewal issue
- **Actions:**
 - Dennis to provide an update on fundraising progress to SLS

3.3. Outreach Presentations to Strata Enclaves

- Jim reported from the outreach presentation at Market Hill strata on December 8, where 13 owners represented a third of all units. A lively discussion unfolded and good questions were raised.
- As key feedback, Jim advised RePlan has to clarify administrative procedures for finances.

3.4. Others

a) Website

- RePlan and the FCSNA have merged their websites into a new one that has just been launched and will be the source for RePlan, SLS and co-op minutes.
- The website is accessible via www.falsecreeksouth.org

b) BC Law Institute

- Peer-Daniel is in touch with the BC Law Institute to understand its involvement in providing recommendations to the BC government regarding updates to the SPA.

c) Emily Carr University Arts and Design Meeting

- FCSNA representatives will meet with a CMHC planner to discuss Emily Carr's move and the future of Granville Island in relationship to the False Creek South neighbourhood.

d) Meeting with Lance Jacobec

- Val Embree and Peer-Daniel will meet with Lance Jacobec to discuss the potential involvement of CMHC in exploring the feasibility of infill development in False Creek South in light of lease renewal and a community plan.

e) Co-op Valuation

- The Co-op Committee wants to model the impacts of lease renewal on co-op affordability for Creekview, Marina and Heritage Housing co-ops, which are on short-term leases. The Co-op Housing Federation agreed to work with Peer-Daniel on the project.

f) Spruce Harbour Marina – Water Lease

- Spruce Harbour Marina has a water lease, as well as a ground lease.
- Nathan discussed this with Bill Aujla, who said his department is aware of this fact.

g) Five strata units that did not prepay their leases

- Bill Aujla mentioned that a reassessment of monthly payments will come up in 2016 for the few owners who did not prepay their leases in 2010.

- REFM will evaluate the adjustment based on the outcomes of the 2010 arbitration process and will keep RePlan informed about the proceedings.
- h) For further discussion:**
 - Discuss how to gain traction on the idea of a community trust at the next meeting (Sharon).
 - Review a Contingency Reserve Fund with the purpose of allowing owners to maintain control over RePlan spending to discuss at next RePlan meeting (Dennis).

4. NEXT MEETING

Next meeting set for Monday, December 28th at 711 Millyard

Strategy Meeting: December 7, 2015

1. Action Tasks

- Discuss undertaking a survey on lease renewal – Jay/PD
- Streamlined communications – Bring forward at next meeting
- Revise City SPA letter – Sharon/PD/Nathan
- SLS Meeting: introduce SPA changes – Lisa/PD
- Revise budget: Prepare overview of what money is used for and bring under 200k for SLS December 16 Meeting – Jerry/Dennis/PD (covered in fundraising above)
- Strategy: Nathan will write to A/City Manager Sadhu Johnson re: the status of the council report/motion and RePlan's involvement in the planning process
- Letter to Province: RePlan does not want changes to the SPA that would affect the value of individual leases on termination

2. Update on other issues and related discussion

- PD said the website will be launched in the next couple of days. A communication about the Carolling event and the Refugee Initiative will be sent out to promote the website (and the events) on December 9th.
- Richard Vallee expressed his concern with **siloe**d thinking among strata leaseholders and co-ops as we move ahead with the RePlan initiative.
 - To broaden self-interest into a community-wide approach, we have to communicate that:
 - RePlan principles underpin our approach to lease renewal and community development across tenure groups. We believe our collective approach will optimize benefits for the entire community.
 - RePlan is working in the interest of all residents. At the same time, each owner and co-op has a lease with COV. RePlan is not trying to infringe anyone's legal rights, but is representing everyone's interest to the best of our abilities, trying to find as much common ground as possible. People can choose to join or not.
 - RePlan believes the renewal of our lease is the best avenue to protect the equity and investments of leaseholders.
- Nathan reported that the Real Estate Foundation asked for more information for our funding proposal and he will consult with PD/Jerry/Jim for their input.
- Transparency on two-way communication was raised as important to maintain trust in our community:
 - The new website provides for the upload of information, and minutes and events will be posted here regularly.
 - We have to ensure information communicated at meetings is shared in a timely manner and the website is kept up to date.

3. Strata Property Act

a) Response to the City

- RePlan does not support any position that will diminish owner's equity. The methodology being considered by COV focuses on lease end termination values, not lease renewal.
- RePlan has a legal opinion that owners have a remaining interest in the land at the point of lease end. Whether or not this is the case can only be established in court. However, RePlan prefers joint planning with COV and want to avoid a court case.
- It is important that we are clear with COV that RePlan does not support lease termination unless it seamlessly integrates with lease renewal. The council report/motion is the most important vehicle for this discussion.

4. Strategy moving forward

a) Council Motion

- In order to reach our objective (lease renewal), we have to raise the interconnectedness of lease end and lease renewal, as well as the relationship to the community and different tenure groups.
- The council report is a prerequisite for this discussion and the best opportunity to seek COV funding for RePlan's work. It will provide direction to all COV departments and clarify that we are not just discussing a legislative change but are exploring the future of our neighbourhood as a whole. We are operating in the context of community benefit, not just the focus of the real estate department.

5. Budget

a) Revised Budget

- Jerry and Dennis paired down the budget by 53.4% based on SLS/strata feedback. Jim said reducing it further will help get the support of strata councils;

b) Processes and Communication

- Next steps are to:
 - i. Define the services included in each budget category;
 - ii. Develop other sources of funding, including crowd sourcing;
 - iii. Profiling previous work achievements;
- Contingency fund mechanism
 - Tabled for next meeting
- Fundraising Strategy
 - Tabled for next meeting

6. Next Meeting

- Monday, December 14th @Jay's Place

Strategy Meeting: November 21, 2015

RePlan Steering & Strategy Leadership Group

MEETING NOTES

November 21, 2015, 9:30-11:30am, 711 Millyard

Present: Richard Evans, Lisa May, Anne Kaye, Jay Bancroft, Peer-Daniel Krause, Sharon Yandle, Wendy Herdin, Herb Barbolet, Nathan Edelson, Jim Woodward, Jerry Roy, David Cookson (Vancity)

Action items arising from meeting

- 1. Real Estate Foundation BC:** Peer-Daniel to update application based on feedback from REFBC meeting.
Note: Application sent and received.
- 2. BC Law Institute:** PD to send a note to Leanne from REFBC to establish contact with the BC Law Institute, which is looking into changes to the Strata Property Act.
- 3. COV Real Estate Meetings:** The RePlan COV liaison team met with Sadhu Johnson, Acting City Manager, Jane Pickering, Acting City Planner, and Bill Ajula, Manager of Real Estate and Facilities Management, and updated the COV representatives on previous work. As a result of the meeting, Sadhu asked staff to prepare a council motion that will instruct staff to work on resolving the lease issue. The motion will include the necessary resources to undertake the work.
Note: Nathan and Sharon are to draft a letter to Acting City Manager Sadhu Johnson suggesting RePlan and COV explore joint planning and requesting funding from the City.
- 4. Position Paper on SPA:** RePlan representatives met with Bill Ajula who introduced models the City is considering for lease end valuation. RePlan representatives were invited to make a presentation on their own position for the next meeting (yet to be scheduled).
Note: PD will prepare a preliminary discussion paper, which Nathan and Sharon will use to draft a Position Paper on the Strata Property Act for the RePlan Steering & Strategy Leadership Group to consider.
- 5. Funding Strategy:** David C. to work with Graham, Nathan and PD to develop a written work plan and strategy to initiate applications to foundations and other potential approaches to raising funds.
Note: David, Graham, Nathan and PD met for two hours on November 26 to initiate this work. Nathan is his primary point of contact.
- 6. Budget:** David, Jerry, Jay, PD will meet on December 3 to revise the budget based on the meeting discussions.
Note: PD met with Jerry on November 24 to update him on feedback received.
- 7. Outreach presentations:** Anne to revise the strata outreach presentation to focus the introductory section on what RePlan has accomplished to date, and remove specific funding references while the budget is updated.
Note: Anne shared a revised presentation on November 22.