



## Minutes

Strata Leasehold Subcommittee (SLS)

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**Meeting Date:** Wednesday, April 13, 2016, 7:00 – 9:00 pm

**Location:** Mariner Point Meeting Room

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**Attendees:** Lisa May (Chair), Anne Kaye, George Stratis, Ralph Skinner, R. Hawrylko, Joseph Skala, Robert Renger, Mats Tholin, Jim Woodward, Paul Ham, Robert Boyd, Sucha Gill, Dennis McCann, Peer-Daniel Krause, Nathan Edelson

**Regrets:** Panos Grames, Richard Marchant, Sharon Yandle, Cal Towle, Jay Bancroft, Jaki Chantler, Cory Lake, Alain Catteau, Richard Creed, Jerry Roy, John Sanders, Steve Jedreicich, Jan Chevarie, Jim Taggart

### 1) RePlan Strategic Plan presentation/discussion

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- The Strategic Plan is an agreed-upon framework outlining the tasks to work on to achieve commonly agreed upon goals. It was developed by 20 RePlan members in May 2015 and is to be updated as the need arises.
- The plan outlines three **Core Strategies**:
  1. Collaboratively **negotiate lease renewal with the City of Vancouver** as legitimate representatives of our community, being prepared to exert pressure if necessary
  2. Participate fully in developing viable **options for land governance**
  3. Participate fully in developing our Community Plan
- The plan outlines five **Supporting Strategies**:
  1. Build an informed, engaged community
  2. Foster and use our influential supporters
  3. Recruit and retain skilled volunteers
  4. Raise funds for expert help and other expenses
  5. Research issues and options and share what we know

**Motion:**

SLS recommends the RePlan Steering & Strategy Group adopt the 2015/16 Strategic Plan.

### Discussion:

It was suggested that RePlan consider incorporating the following elements:

1. Expand on the community planning aspect
2. Consider that commercial stratas not be detrimentally affected in the future
3. Incorporate current work on the Strata Property Act (SPA), which had not arisen when the plan was drafted
4. Update timelines, while maintaining strategic flexibility

**MOTION CARRIED (1 Abstention)**

### Action Task:

- Anne Kaye/Lisa May to prepare to lead a workshop to identify priority strategic actions at the May SLS meeting

## 2) April 8 Meeting with provincial representatives to discuss the Strata Property Act

Following RePlan's written statement to the BC government's Housing Policy Branch, stating our opposition to changes to the Strata Property Act requested by the City of Vancouver (COV), provincial representatives Doug Page and Deputy Assistant Minister Jeff Vasey met with RePlan representatives.

- 1) Regarding the Province's approach to enacting clarifying regulation it was said that:
  - The COV brought the New South Wales (NSW) formula as a possible model for clarifying the methodology for valuation of leaseholders' rights to the attention of the Provincial Government.
  - Essentially the province can a) continue without a regulation on how to value the leasehold tenant's interest on termination of the strata lot lease; b) issue such a regulation that conforms with its legal interpretation of section 214 of the Strata Property Act; or c) propose more fundamental amendments to the Strata Property Act. Provincial staff need to consider leasehold stratas all over BC and were reluctant to put the government in the position of taking sides at this point, if a negotiated solution is in fact what both parties ultimately intend. RePlan asked for time to negotiate with the COV to reach a mutually acceptable solution.
- 2) For further consideration, Vasey and Page said:
  - It may be relevant to consider exploring possible legislative measures in the longer-term to consider alternatives to the current provisions (which stipulate that any renewal be on existing lease terms), to offer greater flexibility in negotiations.
  - It is important to the Province to consider consumer protection in housing decisions; in this specific situation, that requires a thorough understanding of many points of view – both historical considerations and the current housing market in Vancouver.
  - They were there to gather information and better understand the leasehold strata situation in False Creek South, but could not commit the government to a specific course of action at this point.

### **Actions:**

- Clarify whether the UBC/SFU leases refer to a lease end valuation methodology
- Clarify the need/opportunity to make legislative changes to renew leases with different terms from those currently provided
- PD to send the 2014 strata owners survey to provincial representatives, including a covering note explaining developments since the survey was undertaken

### **3) Update on recent developments and status of discussions with City of Vancouver**

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- The City of Vancouver (COV) has created a formal management team, chaired by City Manager Sadhu Johnson, to move the False Creek South file forward. Chris Baas is the project manager, and a meeting will take place in the next week.
- RePlan has raised the importance of a council report and getting key agreements in place before this council's mandate ends on several occasions.
- The co-op committee will meet with representatives from the Housing Department in the coming week.
- RePlan will participate in a panel at the Architectural Institute of British Columbia conference in May.

### **4) Update on motion to obtain an affidavit from Bo Fodchuk**

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- On March 23, 2016, the SLS Committee recommended to RePlan to have RePlan's lawyer, Mike Walker, work with Bo Fodchuk, the lawyer for Frank Stanzl, the original strata developer in False Creek South, to obtain an affidavit to clarify the intent of the language used in lease agreements regarding compensation upon termination of leases drafted in 1976, which were then enshrined in the SPA.
- Nathan reported that Mike Walker has advised there is no benefit in obtaining an affidavit from Bo Fodchuk because:
  - (a) RePlan does not know how it would be used and an affidavit should be drafted in contemplation of the strategic demands of particular litigation; and
  - (b) Should the deponent not be available for cross examination in a court proceeding, the court would be unlikely to give evidentiary status to the affidavit.
- Mike Walker will prepare a write-up of his meeting with Bo Fodchuk.

### **Action:**

- Gather information on whether property taxes for leasehold properties in New South Wales are based on freehold value
- Initiate research into the valuation of leases

## 5) Our Options for Lease Renewal: Update

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- Anne, Richard, Jackie and Peer-Daniel developed a concept for a community-wide strata owner workshop on June 11 to:
  - (1) Include ~50-70 participants
  - (2) Provide relevant information to each participant
  - (3) Increase knowledge of RePlan and affordable home ownership options
  - (4) Get attendees to undertake actions to support lease renewal
  
- The preliminary date of the event is June 11, 2016 from 2:00 – 6:00 pm

### Action:

- All SLS members to provide feedback on the most important interest areas related to lease renewal options (i.e. what do your neighbours want to know?)

## 6) Presentation by Thom Armstrong and RePlan on Community Land Trusts

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- Thom Armstrong gave a presentation on the Co-operative Housing Federation of BC (CHF BC) Community Land Trust on April 11. More information on the presentation can be found at: <http://www.falsecreeksouth.org/2016/04/community-land-trusts-as-flexible-tools-to-achieve-community-objectives/>
- SLS members who attended said:
  - o It was inspiring to see how CHF BC has developed an entity with the capacity to manage and develop affordable housing.
  - o The core focus of the presentation was on co-ops and the applicability to leasehold stratas needs to be further explored.

## 7) Review Fountain Terrace's schedule outlining costs for lease payments by *unit entitlement*

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- Tabled for the next SLS meeting.

## 8) Next SLS meeting

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The next meeting will take place on Wednesday, May 11 at 7:00 pm at 1510 West 1<sup>st</sup> Avenue.

### Action Task:

- Lisa to reserve meeting room
- PD to upload to calendar on the False Creek South Neighbourhood Association website