

## Slocan Valley Seniors' Housing Society

Special Meeting of the Board of Directors

Sunday, April 2, 2017

**Note that these weekend meetings focus solely on the Slocan project. They are a continuation/expansion of those started by the finance/executive committees. Sally is chairing this ongoing set of meetings, therefor she cannot vote but Rita can.**

**Board members present:** Sally Mackenzie (chair), Rita Moir (minutes), Paul Wilkinson, Ruth Hackett, Sue Harder, Wilf Rimmer, Lynnda Moore, Penny Tees

**Regrets:** Don Currie, Willie Harasemow, Mabel Kabatoff

**Guests present:** Slocan Project Co-ordinator Tamara Smith and Designer Eric Clough

**Meeting called to order** at 3:30 p.m.

### 1. Agenda

- to consider required changes to Societies Act and to set a General Membership meeting date
- work through issues of the Provisional Project Agreement (PPA), PDF, Promissory Note and other paperwork concerning BC Housing.

2. **Minutes** of the March 24 Board meeting approved with the change of reference to Eric Clough as Designer rather than Design Architect.

3. **Society Act Changes:** Penny, Ruth and Sally walked us through all the changes required by the Societies Act and by BC Housing, as well as some of our own needed changes. (See attached committee report.)

***Moved by Penny, seconded by Ruth that we take the proposed constitutional and by-law amendments to a General Meeting for approval. CARRIED***

Rita to write a note to membership to go out 14 days in advance of meeting date, which is set for **Thursday, April 27 at 7 pm at Passmore Lodge**. Penny will send out the notices and information. The meeting will include an update on the Slocan project.

4. **General update:** Work continues with George Maniotakis, our BC Housing rep, Leon Pigott, our lawyer, and Tamara, Eric and Paul.

- **Tender opening** is scheduled for May 1, when the 60-day-period for a hold on prices would begin, with the aim of getting shovels in the ground by the end of June. After the bids are in with final prices, we would sign off on our operating and capital budget April 9, with signing of final approval after May 1. Then BC Housing needs 3-4 weeks to make its final decision.

- **Eric's contract:** After concerns raised by BC Housing, Leon needs to add supplementary conditions by Monday night. BC Housing may want \$2 million liability on a project of \$1 million, and for that liability and Errors and Omissions (E&O) insurance to continue for 72 months (six years) at a cost of \$2,000 per year. Tamara will clarify with George if that is prescriptive (required) or recommended, and if so, how will it be paid for.
- **Eric** has to sign Conflict of Interest Documents (as do we all, but his is a priority.)
- **Rents:** We will discuss exact rents when we get tender prices.
- Signing off on PPA (Provisional Project Approval), PDF (Pre-Development Funds) and the gst promissory note are pressing matters. Much discussion ensued, before and after the following motions.

***Moved by Penny, seconded by Paul that we sign the Provisional Project Approval (PPA) dated March 24, 2017 with BC Housing. CARRIED Wilf opposes (recorded)***

- Discussion of whether a loan proposal is the same as a loan commitment – this has to do with whether or not repayment of the PDF is required if we decide not to go ahead with the project.

***Moved by Paul, seconded by Lynnda that we move to sign the Pre-Development Funding (PDF) agreement subject to clarification from our lawyer that if we choose not to sign the final loan commitment that the PDF is not subject to repayment. CARRIED Wilf opposes (recorded)***

***Moved by Sue, seconded by Paul, that we apply for the gst rebate and pay back to BC Housing the gst funds they will have advanced us on the \$53,000 PDF. CARRIED Wilf abstains (recorded)***

- Tamara will get clarification if signing the PPA is tied to the pdf.
- She will also ask Leon Pigott if the clause in the March 22 Forgivable loan document re: an option to purchase the lease in favour of Provincial Rental Housing Corporation (top of p.5) is in any conflict with any provision in the lease with the Village of Slocan (this is all about what happens if our society ever defaults, dissolves, etc.)
- Also, the forgivable loan document (p. 4) refers to documents that must be registered and executed where applicable: does the above require such a document?
- In an email March 28, George Maniotakis replied to our concerns (the ones Wilf laid out at the last meeting and recorded in the minutes) about the debt servicing ratio, vacancy rates, etc by asking the board to send a proposal which BC Housing will consider. After considerable discussion, the board agreed that

Rita would write a letter to BC Housing to accompany the signed PPA, which sets out our proposal:

- A 3% vacancy rate allowance
- 1:3 debt service ratio
- That we can charge up to 90% of average market rental rates of Castlegar and Nelson as published by CMHC without prior approval by BC Housing

And finally, Eric needs the go ahead to apply for the building and health permits, and to move ahead with tendering.

***Moved by Wilf, seconded by Sue that we give Eric approval to go ahead with applying for the building permit, the health permit, and tendering. CARRIED unanimously.***

Meeting adjourned 6:30 p.m.

**Next meetings/events:**

**Saturday, April 22 Volunteer Appreciation night in Silverton put on by Legacy Society**

**Sunday, April 23 at 3: 30 Board meeting to continue this focus on the Slocan project – Tamara will just be back from holidays so there may be lots of detail work to catch up on**

**Monday April 24 at 6 pm Regular Board meeting 6 pm**

**Thursday April 27 at 7 pm General meeting of entire membership and board**

Sally Mackenzie

Chair

Rita Moir

Recording Secretary