

## Notice of Meeting and Meeting Agenda Hospitals and Housing Committee

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Wednesday, October 6, 2021

1:30 PM

6th Floor Boardroom  
625 Fisgard St.  
Victoria, BC V8W 1R7

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L. Helps (Chair), G. Orr (Vice Chair), D. Blackwell, S. Brice, F. Haynes, G. Holman, J. Loveday,  
K. Murdoch, D. Screech, C. Plant (Board Chair, ex officio)

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

### 1. Territorial Acknowledgement

### 2. Approval of Agenda

### 3. Adoption of Minutes

- 3.1. [21-714](#) Minutes of the September 1, 2021 Hospitals and Housing Committee Meeting

**Recommendation:** That the minutes of the Hospitals and Housing Committee meeting of September 1, 2021 be adopted as circulated.

**Attachments:** [Minutes - September 1, 2021](#)

### 4. Chair's Remarks

### 5. Presentations/Delegations

*Due to limited seating capacity, this meeting will be held by Live Webcast without the public present.*

- 5.1. [21-734](#) Delegation - Kathy Gillis; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.2. [21-735](#) Delegation - Laurence Coogan; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.3. [21-736](#) Delegation - Jennifer Ferris; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.4. [21-737](#) Delegation - Patti Dewhurst; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.5. [21-738](#) Delegation - Laura Taylor; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update

- 5.6. [21-739](#) Delegation - Elizabeth Maurer; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.7. [21-740](#) Delegation - Rowena Locklin; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.8. [21-741](#) Delegation - John Hall; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.9. [21-742](#) Delegation - Byron Plant; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.10. [21-744](#) Delegation - Carol Sokoloff; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.11. [21-745](#) Delegation - David Lemon; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.12. [21-751](#) Delegation - Gillian Hillidge; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.13. [21-752](#) Delegation - Joanne Newell; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update
- 5.14. [21-753](#) Delegation - Alison Patterson; Resident of Victoria: Re: Agenda Item 6.4.: Summit Noise Concerns Update

## 6. Committee Business

- 6.1. [21-691](#) 2022 Service Planning - Health Facilities

**Recommendation:** The Hospitals and Housing Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:  
That Appendix A, Community Need Summary - Health Facilities be approved as presented and form the basis of the 2022-2026 Financial Plan.

**Attachments:** [Staff Report: 2022 Service Planning - Health Facilities](#)  
[Appendix A: Community Need Summary - Health Facilities](#)  
[Appendix B: Capital Plan Report](#)  
[Appendix C: Initiative Progress Report](#)

- 6.2. [21-718](#) 2022 Service Planning - Affordable Housing

**Recommendation:** The Hospitals and Housing Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:  
That Appendix A, Community Need Summary - Affordable Housing be approved as presented and form the basis of the 2022-2026 Financial Plan.

**Attachments:** [Staff Report: 2022 Service Planning - Affordable Housing](#)  
[Appendix A: Community Need Summary - Affordable Housing](#)  
[Appendix B: Capital Plan Report](#)  
[Appendix C: Initiative Progress Report](#)

**6.3.      [21-670](#)      Mortgage Renewal - Cairns Park**

**Recommendation:** The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:  
1) That the resolution required by BC Housing Management Commission to renew the mortgage for Cairns Park for a term not to exceed the expiry of the existing operating agreement be approved; and  
2) That the Chief Administrative Officer and Chief Financial Officer be authorized to sign any documents related to the mortgage renewal.

**Attachments:**      [Staff Report: Mortgage Renewal - Cairns Park](#)  
                         [Appendix A: Resolution of Directors](#)

**6.4.      [21-669](#)      Summit Noise Concerns Update**

**Recommendation:** The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:  
That no further remediation work be undertaken on the rooftop equipment at the Summit.

**Attachments:**      [Staff Report: Summit Noise Concerns Update](#)  
                         [Appendix A: dba Reading and Associated Noise](#)

**6.5.      [21-708](#)      Regional Housing First Program: Project Update, Third Quarter 2021**

**Recommendation:** The Hospitals and Housing Committee recommends to the Capital Regional District Board:  
That the Regional Housing First Program: Project Update, Third Quarter 2021 report be received for information.

**Attachments:**      [Staff Report: RHFP Project Update, Third Quarter 2021](#)  
                         [Appendix A: RHFP Project Summary, October 6, 2021](#)

**6.6.      [21-716](#)      Capital Region Housing Corporation Operational Update No. 3, 2021**

**Recommendation:** The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:  
That the Capital Region Housing Corporation Operational Update No. 3, 2021 report be received for information.

**Attachments:**      [Staff Report: CRHC Operational Update No 3, 2021](#)  
                         [Appendix A: RHFP Rent-up Information](#)

**6.7.      [21-709](#)      Capital Region Housing Corporation Major Capital Plan Status Report Third Quarter, 2021**

**Recommendation:** The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:  
That the Capital Region Housing Corporation Major Capital Plan Status Report Third Quarter, 2021 be received for information.

**Attachments:**      [Staff Report: CRHC Major Capital Plan Status Report Q3, 2021](#)

**7. Correspondence**

- 7.1.     [21-733](#)     Letter from Mayor Helps, dated September 20, 2021 re: Council Motion  
                            - Acquisition and Operation of Older Rental Stock

Attachments:     [Correspondence: Mayor Helps, Sept. 20, 2021](#)

**8. Notice(s) of Motion**

**9. New Business**

**10. Adjournment**

The next meeting is November 3, 2021.

To ensure quorum, please advise Tamara Pillipow (tpillipow@crd.bc.ca) if you or your alternate cannot attend.

## **Meeting Minutes**

### **Hospitals and Housing Committee**

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**Wednesday, September 1, 2021**

**1:30 PM**

**6th Floor Boardroom  
625 Fisgard St.  
Victoria, BC V8W 1R7**

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#### **PRESENT**

Directors: L. Helps (Chair), G. Orr (Vice Chair) (EP), D. Blackwell, S. Brice, F. Haynes, G. Holman, J. Loveday (1:32pm), K. Murdoch, C. Plant (Board Chair, ex officio)

Staff: E. Sinclair, Acting General Manager, Planning and Protective Services (for K. Lorette); N. Chan, Chief Financial Officer; M. Barnes, Senior Manager, Health and Capital Planning Strategies; D. Elliott, Senior Manager, Regional Housing; M. Lagoa, Deputy Corporate Officer; T. Pillipow, Committee Clerk (Recorder)

EP - Electronic Participation

Regrets: Director D. Screech

The meeting was called to order at 1:30pm.

#### **1. Territorial Acknowledgement**

Chair Helps provided a Territorial Acknowledgement.

#### **2. Approval of Agenda**

**MOVED by Director Brice, SECONDED by Director Murdoch,  
That the agenda for the September 1, 2021 Hospitals and Housing Committee  
meeting be approved.  
CARRIED**

#### **3. Adoption of Minutes**

##### **3.1. [21-597](#) Minutes of the July 7, 2021 Hospitals and Housing Committee Meeting**

**MOVED by Director Haynes, SECONDED by Director Murdoch,  
That the minutes of the Hospitals and Housing Committee meeting of July 7, 2021  
be adopted as circulated.  
CARRIED**

#### **4. Chair's Remarks**

Chair Helps noted that this committee has important work to do moving into the fall, and thanked staff for their good work.

## 5. Presentations/Delegations

There were no presentations or delegations.

## 6. Committee Business

### 6.1. [21-604](#) Esquimalt Urgent and Primary Care Centre Funding Request

M. Barnes spoke to Item 6.1.

Discussion ensued on the following:

- how borrowing capacity is determined
- seeking an update from Island Health on the outcomes of new Urgent and Primary Care Centres in the region, including information on the ratio of patients to doctors
- long-term plan for funding commitments
- the impacts of rising interest rates
- designation requirements that allow CRD funding for health or urgent care facilities
- whether CRD bylaws allow funding for a virtual health care centre

**MOVED by Director Holman, SECONDED by Director Haynes,  
The Hospitals and Housing Committee recommends to the Capital Regional  
Hospital District (CRHD) Board:**

- a) That CRHD funding in the amount of \$886,414 be approved for the Esquimalt Urgent and Primary Care Centre (UPCC);
- b) That CRHD Bylaw No. 407, "Capital Regional Hospital District Capital Bylaw No. 181, 2021" be introduced and read a first, second, and third time;
- c) That CRHD Bylaw No. 407 be adopted; and
- d) That CRHD provide Island Health a letter of support to designate Esquimalt UPCC a health facility under Section 49 of the Hospital District Act.

**CARRIED**

### 6.2. [21-605](#) Victoria Urgent and Primary Care Centre #2 Funding Request

M. Barnes spoke to Item 6.2.

Discussion ensued on inviting Island Health to present to the Committee on the urgent care centre model.

**MOVED by Director Loveday, SECONDED by Director Brice,  
The Hospitals and Housing Committee recommends to the Capital Regional  
Hospital District (CRHD) Board:**

- a) That CRHD funding in the amount of \$1,499,592 be approved for the Victoria Urgent and Primary Care Centre #2;
- b) That CRHD Bylaw No. 408, "Capital Regional Hospital District Capital Bylaw No. 182, 2021" be introduced and read a first, second, and third time; and
- c) That CRHD Bylaw No. 408 be adopted.

**CARRIED**

**6.3.     [21-606](#)           Lady Minto Hospital Emergency Redevelopment Funding Request**

M. Barnes spoke to Item 6.3.

Discussion ensued on the Lady Minto Hospital Foundation's fundraising efforts and the CRD funding model that supports advancement of this project.

**MOVED by Director Haynes, SECONDED by Director Murdoch,  
The Hospitals and Housing Committee recommends to the Capital Regional  
Hospital District (CRHD) Board:**

- a) That CRHD funding in the amount of \$3,000,000 be approved for the Lady Minto Hospital Emergency Redevelopment Project;**
- b) That CRHD Bylaw No. 409, "Capital Regional Hospital District Capital Bylaw No. 183, 2021" be introduced and read a first, second, and third time; and**
- c) That CRHD Bylaw No. 409 be adopted.**

**CARRIED**

**6.4.     [21-607](#)           Reaching Home Update**

D. Elliott spoke to Item 6.4.

Discussion ensued on the following:

- measuring the key outcomes
- ensuring aboriginal funding goes to indigenous led organizations
- separation of COVID-19 funding from Reaching Home funds
- administration of COVID-19 rural/remote funding stream

**MOVED by Director Murdoch, SECONDED by Director Loveday,  
The Hospitals and Housing Committee recommends to the Capital Regional  
District Board:**

**That the Reaching Home Update report be received for information.**

**CARRIED**

**6.5.     [21-608](#)           Mortgage Renewal - Village on the Green**

D. Elliott spoke to Item 6.5.

Discussion ensued on the following:

- the purpose of the short-term mortgage
- staff providing a supplementary report to present to the Board

**MOVED by Director Blackwell, SECONDED by Director Loveday,  
The Hospitals and Housing Committee recommends to the Capital Region  
Housing Corporation Board:**

- 1. That the mortgage for Village on the Green be renewed with Vancouver City Savings Credit Union; and**
- 2. That the Chief Administrative Officer and Chief Financial Officer be authorized to sign any documents related to the mortgage renewal.**

**CARRIED**

**6.6.**     [21-602](#)     Previous Minutes of Other CRD Committees and Commissions for Information

**MOVED** by Board Chair Plant, **SECONDED** by Director Brice,  
That the following minutes be received for information:

a) Regional Housing Advisory Committee minutes - June 3, 2021  
**CARRIED**

**7. Notice(s) of Motion**

There were no Notice(s) of Motion.

**8. New Business**

There was no new business.

**9. Adjournment**

**MOVED** by Director Blackwell, **SECONDED** by Board Chair Plant,  
That the September 1, 2021 Hospitals and Housing Committee meeting be  
adjourned at 2:25 pm.  
**CARRIED**

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Recorder

## REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, OCTOBER 06, 2021

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**SUBJECT**     2022 Service Planning – Health Facilities

### **ISSUE SUMMARY**

To provide the Hospitals and Housing Committee with an overview of core service levels, new and progressing initiatives and performance metrics related to the Health Facilities Community Need. These activities are undertaken by the Health and Capital Planning Strategies Division and deliver on approved Board Strategic Priorities and the Capital Regional District (CRD) Corporate Plan.

### **BACKGROUND**

The CRD Board identified its strategic priorities in early 2019. Subsequently, staff prepared the 2019-2022 CRD Corporate Plan to align with this direction. The CRD Corporate Plan presents the work the CRD needs to deliver over the Board term to meet the region's 15 most important needs (community needs). These initiatives are delivered in conjunction with the mandated core services and regulatory requirements that the CRD is accountable for delivering. The priorities were re-confirmed by the CRD Board at the annual check-ins on May 13, 2020 and May 12, 2021.

At the start of the Board term, staff identified that the ambitious plan for the region would require a significant amount of effort and resources to action and implement Board and Corporate Priorities and to keep pace with the anticipated increase in service demands, primarily driven by population growth and construction activity. The general level of effort deployed by the organization has been increasing to keep pace since the direction was set and in some cases emerging trends and changes in economic activity has had a significant impact on the demand for services driving additional resource requirements.

This is the final year of service plan and budget approvals for this CRD Board as well as the final year of implementation of its strategic priorities. 2022 is a transition year for the CRD Board. Staff anticipate that any service planning requests for 2023 will be focused on operational adjustments while the Board is determining its strategic priorities for the 2023-2026 term.

The Community Need Summary Report (Appendix A) provides an overview of the strategic context for service areas by department, core service levels for services, and a summary of the business model and performance metrics associated with targeted outcomes. A summary of the capital investment made in support of the Community Need (Appendix B) and the initiatives progressed over the course of this Board's term (Appendix C) have also been appended to this report.

### **ALTERNATIVES**

#### *Alternative 1*

The Hospitals and Housing Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:

That Appendix A, Community Need Summary – Health Facilities be approved as presented and form the basis of the 2022-2026 Financial Plan.

*Alternative 2*

The Hospitals and Housing Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:

That Appendix A, Community Need Summary – Health Facilities be approved as amended and form the basis of the 2022-2026 Financial Plan.

**IMPLICATIONS**

*Financial Implications*

The CRD continues to look for ways to fund its services in a manner that relieves affordability pressure for the taxpayer. This is reflected in the policy for reserve balance measures and gaps/surplus which was approved by the CRD Board on July 14, 2021. The CRD has had other funding successes optimizing capital funding and leveraging grant funding in a more aggressive way than ever before.

A comprehensive overview of the resources required to advance the initiatives and services listed in all Community Need Summaries, including all proposed staffing changes, will be presented to the Committee of the Whole at the 2022 provisional budget review.

*Service Delivery Implications*

The Capital Regional Hospital District (CRHD) has begun the community engagement, demolition, and planning for the redevelopment of Oak Bay Lodge. This is a high priority project in the capital region. A land acquisition is also underway at Royal Bay for the development of a future designated Health facility in partnership with Island Health. This is an exciting upcoming initiative and the planning work is underway in partnership with Island Health.

On March 24, 2021, the CRD Board approved the onboarding of a Capital Planner, 2-year term position that will support future planning and development initiatives. This position was contingent on securing a new capital project in partnership with Island Health. Hiring has been deferred to 2022 to align with the planning progress and anticipated approval of Island Health of a new capital project. The cost of the Capital Planner position will be recovered from the CRHD Administration and Feasibility Reserve and is included in the 2022 provisional budget.

See Appendix A for more details about core service delivery.

**New initiatives proposed for 2022:**

There are no new initiatives proposed for this community need in 2022.

**CONCLUSION**

Staff have been progressing initiatives and actions identified in the CRD Corporate Plan, including Board Strategic Priorities. The CRD Board determines resourcing through its annual review and approval of financial plans. As per previous years, to support the Board's decision-making, staff are providing recommendations on funding, timing and service levels through the service and financial planning processes.

**RECOMMENDATION**

The Hospitals and Housing Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:

That Appendix A, Community Need Summary – Health Facilities be approved as presented and form the basis of the 2022-2026 Financial Plan.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENTS**

Appendix A: Community Need Summary – Health Facilities

Appendix B: Capital Plan Report

Appendix C: Initiative Progress Report

# Community Need

2022 Summary



## Health Facilities

### Strategy

#### Target Outcome

We envision effectively contributing to improved community health and well-being.

#### Strategic Context

##### Strategies

- [Regional Housing Affordability Strategy](#)
- [Regional Growth Strategy](#)

##### Trends, risks and issues

- The CRHD has begun the community engagement, demolition, and planning for the redevelopment of Oak Bay Lodge. This is a high priority project in the Capital Region.
- A land acquisition is underway at Royal Bay for the development of a future designated Health facility in partnership with Island Health. This is an exciting upcoming initiative and the planning work is underway in partnership with Island Health.
- There are continued investments needed for health facility upgrades, replacement and/or expansion projects, as well as medical equipment throughout the capital region.
- At the same time, future needs have been identified for which strategies will have to be developed and implementation planning undertaken. This includes the following:
  - The Board has identified a need to explore designated health facilities in Sooke, on the Saanich Peninsula, or in the Westshore.
  - Island Health has identified primary, community, and long-term care as priorities and a major focus. This includes both replacement and new beds in long-term care.
- The division needs to be able to respond to emerging opportunities, such as developing existing land holdings and new strategic land acquisition, for future health-related facilities in order to meet future demands across the region.

# Community Need

## 2022 Summary

### Services

Core Services Levels	
Service	Levels
<b>Capital Regional Hospital District (CRHD)</b> Provides the local taxpayers' share of capital funding to expand, improve and maintain health care facilities in the region. Island Health is responsible for the delivery of health care in the region.	<ul style="list-style-type: none"> <li>• Acute care facilities planning</li> <li>• Strategic property acquisition and planning of property development</li> <li>• Research, analyze and coordinate with VIHA in preparation of the CRHD's 10-Year Capital Plan and individual project capital funding requests</li> <li>• Monitor expenditures and administration of payments to Island Health and other partners annually, including oversight of expenditure patterns of multiple capital and equipment projects to ensure CRHD funds are spent according to approved project scope, schedule and budget</li> </ul>
<b>Community Health</b> Includes responsibility for public health bylaws and contracts with Island Health for enforcement and healthy community planning.	<p><u>Public Health:</u></p> <ul style="list-style-type: none"> <li>• Enact and enforce public health bylaws</li> <li>• Contract with Island Health to conduct research, education and enforcement in support of existing or planned health-related bylaws and provide oversight of public health bylaws enforcement</li> </ul> <p><u>Community Health:</u></p> <ul style="list-style-type: none"> <li>• Healthy communities planning through data and analytics, including coordination of Regional Outcomes Monitoring (ROM) Collaborative</li> <li>• Capacity-building and public engagement through consultation, coordination, liaison, hosting of forums and workshops, and provision of tools and resources as needed</li> </ul>
<b>Support Services</b> The core services listed rely on the support of several corporate and support divisions to effectively operate on a daily basis. These services are reported on in the Accountability Community Need Summary.	<ul style="list-style-type: none"> <li>• Services include Asset Management, Facility Management, Financial Services, Information Technology &amp; GIS, Information Services, Human Resources &amp; Corporate Safety, Corporate Communications, Legislative Services, Legal Services, Risk &amp; Insurance and Real Estate Services</li> </ul>

# Community Need

## 2022 Summary



### Initiatives

No new initiatives proposed for 2022

## Business Model

### Funding

#### Who contributes

- **Capital Regional Hospital District (CRHD):** All municipalities, electoral areas (EAs), First Nations, non-profit providers, community, Island health, school districts, and other community planning and funding partners and numerous community foundations.
- **Community Health Service:** All municipalities, EAs, First Nations, non-profit, community, Island Health, school districts, and other community planning and funding partners, such as the United Way, and numerous community foundations.
- **Support Services:** varies by service

#### Funding Sources

- Capital projects, requisition (CRHD and CRD)

### Reporting Structure

- [CRHD Board](#)
- [CRD Board](#)
- [Hospital and Housing Committee](#)

# Community Need

## 2022 Summary

Performance			
Definition and Source	2020 Actual	2021 Forecast	2022 Target
<b>Metric 1: Meet the annual contribution of health infrastructure to minor capital projects and equipment.</b> Projects with total value 100K<\$2.0M (breakdown: Projects \$3.75M; Equipment \$2.955M). 2022 data is from Schedule B of 2022 Provisional Capital Expenditures (approved by Board March 24, 2021)	\$6.7M	\$6.7M	\$6.7M
<b>Metric 2: Meet the annual contribution of health infrastructure to major capital projects.</b> Projects with total value >\$2.0M. Data from Schedule B of 2020 Capital Expenditures (approved by Board March 18, 2020)2021 Amended Capital Plan (approved by Board March 24, 2021)	\$10.7M	\$28.3M	\$14.7M
Discussion			
<b>Link to Target Outcome</b> New, improved or upgraded health facilities contribute to better health and well-being outcomes for the region. The ongoing investments made in major and minor capital projects are an indicator of improved health facilities offering.			
<b>Discussion</b> <ul style="list-style-type: none"> <li>2020 actuals were less than target due to deferral of a land acquisition.</li> </ul>			

# Community Need

## Capital Plan Report

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### Health Facilities

#### Highlights since 2019

- The Capital Regional Hospital District Board (CRHD) has invested \$74.2 million (M) since 2019 in health-related infrastructure and equipment grants. This advances the Health Facilities Community Need and was funded through debt, reserves and capital funds on hand.
- The Summit was completed in late 2019 and received occupancy permit in January 2020. It has been leased to Island Health for 25 years.
- In August 2020, the CRHD acquired from Island Health, the property formerly known as Oak Bay Lodge. In 2021, the CRHD issued the contract for demolition and abatement of the existing buildings on site. This project is expected to be completed in early 2022. The CRHD continues to collaborate with Island Health and undertake a community engagement process on future development options for the site.
- In 2021, the CRHD entered into a contract to purchase land in Colwood for future development of a health care facility.

#### Planned for 2022

- The CRHD will invest \$21.5M in 2022 in infrastructure and equipment grants. Key projects include new Urgent and Primary Care Centres in Greater Victoria, Emergency Department at Lady Minto Hospital, High Acuity Units at Victoria General Hospital and Royal Jubilee Hospital, Energy Centre Replacement at Victoria General Hospital and a Mental Health and Substance Use Residential Program in Greater Victoria. In addition, the CRHD plans to make its \$10M contribution to the Regional Housing First Program.
- This work will be funded through debt, reserves and capital funds on hand.

# Community Need

## Initiative Progress Report



### Health Facilities

Initiatives approved in 2020 and 2021			
Ref	Initiative	% complete	Progress to date
14a-1	Health Capital Projects and Funding	100%	Lead: Health & Capital Planning Strategies (2020) Part of core services – capital project-based work with Island Health
14a-1	Health Capital Planning - Term Position	0%	Lead: Health & Capital Planning Strategies (2021) This position has been deferred to next year and is contingent on the start of a new capital project.
14a-2	Health Capital Planning - FTE conversion	100%	Lead: Financial Services (2021) Completed
14b-1	Public Health Bylaws	100%	Lead: Health & Capital Planning Strategies (2020) Part of core services – public health bylaw enforcement work ongoing
14c-1	Health Data and Analytics	100%	Lead: Health & Capital Planning Strategies (2020) Part of core services – coordination of Regional Outcome Monitoring data ongoing
14c-1	Healthy Communities Planner - Term Position	60%	Lead: Health & Capital Planning Strategies (2021) This position is grant funded and is ongoing until 2024 with the opportunity for renewal at that time.

## REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, OCTOBER 06, 2021

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**SUBJECT**     2022 Service Planning – Affordable Housing

### **ISSUE SUMMARY**

To provide the Hospitals and Housing Committee (HHC) with an overview of core service levels, new and progressing initiatives and performance metrics related to the Affordable Housing Community Need.

### **BACKGROUND**

The CRD Board identified its strategic priorities in early 2019. Subsequently, staff prepared the 2019-2022 CRD Corporate Plan to align with this direction. The CRD Corporate Plan presents the work the CRD needs to deliver over the Board term to meet the region's 15 most important needs (community needs). These initiatives are delivered in conjunction with the mandated core services and regulatory requirements that the CRD is accountable for delivering. The priorities were re-confirmed by the CRD Board at the annual check-ins on May 13, 2020 and May 12, 2021.

At the start of the Board term, staff identified that the ambitious plan for the region would require a significant amount of effort and resources to action and implement Board and Corporate Priorities and to keep pace with the anticipated increase in service demands, primarily driven by population growth and construction activity. The general level of effort deployed by the organization has been increasing to keep pace since the direction was set and in some cases emerging trends and changes in economic activity has had a significant impact on the demand for services driving additional resource requirements.

This is the final year of service plan and budget approvals for this CRD Board as well as the final year of implementation of its strategic priorities. For 2022, staff are recommending a significant package of work to finalize the delivery of the strategic priorities and CRD Corporate Plan. Implementation timeframes for much of the work initiated in 2022 will carry into 2023.

2022 is a transition year for the CRD Board. Staff anticipate that any service planning requests for 2023 will be focused on operational adjustments while the Board is determining its strategic priorities for the 2023-2026 term.

The Community Need Summary Report (Appendix A) provides an overview of the strategic context for service areas by department, core service levels for services, new initiatives and a summary of the business model and performance metrics associated with targeted outcomes.

A summary of the capital investment made in support of the Community Need (Appendix B) and the initiatives progressed over the course of this Board's term (Appendix C) have also been appended to this report.

### **ALTERNATIVES**

#### *Alternative 1*

The Hospitals and Housing Committee recommends the Committee of the Whole recommends to the Capital Regional District Board:

That Appendix A, Community Need Summary – Affordable Housing be approved as presented and form the basis of the 2022-2026 Financial Plan.

*Alternative 2*

The Hospitals and Housing Committee recommends the Committee of the Whole recommends to the Capital Regional District Board:

That Appendix A, Community Need Summary – Affordable Housing be approved as amended and form the basis of the 2022-2026 Financial Plan.

**IMPLICATIONS**

*Financial Implications*

The Executive Leadership Team (ELT) is taking steps to mitigate the financial impacts resulting from the work. ELT has reviewed the phasing of the work for 2022 to ensure that the activities and resources are allocated as efficiently as possible. Phasing out the initiatives over a longer period of time helps avoid delays which can occur when staff are too thinly spread across projects. Additionally, timing initiatives to start mid-year will also reduce the impact in 2022, but will have an incremental annualization impact in 2023 for ongoing impacts.

The CRD continues to look for ways to fund its services in a manner that relieves affordability pressure for the taxpayer. This is reflected in the policy for reserve balance measures and gaps/surplus which was approved by the CRD Board on July 14, 2021. The CRD has had other funding successes optimizing capital funding and leveraging grant funding in a more aggressive way than ever before.

A comprehensive overview of the resources required to advance the initiatives listed in all Community Need Summaries, including all proposed staffing changes, will be presented to the Committee of the Whole at the 2022 provisional budget review.

*Service Delivery Implications*

A number of initiatives continue with some occurring in Q4 2021 and into 2022. The Regional Housing First Program (RHFP) is 65% completed with the timeline in the Definitive Agreement of having construction underway by December 31, 2022. This will be a key focus of staff through 2022. Further, work to identify opportunities for the CRD to determine continuation of a housing supply program beyond RHFP implementation was deferred in 2021 and will be taking place in the first half of 2022.

Capital Region Housing Corporation (CRHC) has a number of funded projects in pre-construction or construction and this work, started in 2021, will continue to 2022 and into 2023. Ongoing projects include construction underway at 2782 Spencer, Michigan Square and Prosser. Funds have been awarded, but are awaiting confirmation for Caledonia and Pandora. Funding applications have been submitted for Drake Road with additional feasibility and water exploration works planned for 2022.

An annual report is also planned for the Regional Housing Affordability Strategy (RHAS) in 2022 and will be absorbed in core.

Finally, the funds being administered through the Reaching Home Program (Reaching Home) has increased by over 300% to a total of more than \$5 million (M) annually, which is expected to remain stable until the end of the current Contribution Agreement in 2024.

See Appendix A for more details about core service delivery.

**New initiatives proposed for 2022:**

Staff have identified three initiatives in support of this community need that will have budget implications in 2022 (Table 1). The key driver for this work is advancing the Community Wellbeing – Transportation & Housing Board Strategic Priority. Since 2017, the federal and provincial governments have made available considerable amounts of funding to address challenges across

the housing spectrum. This includes the RHFP, a \$120M equity partnership between the regional, provincial and federal governments initiated to meet the housing needs of chronically homeless individuals, the federally funded Reaching Home and the provincially funded Community Housing Fund (CHF). Such funding programs from federal, provincial and regional partners provide a considerable opportunity to create additional affordable housing in the region. However, it also creates a significant amount of additional workload for the CRHC and Regional Housing staff.

Table 1: Affordable Housing Community Need Initiatives

#	Initiative	Description	Year(s)	FTE impacts (2022)	Cost impacts (2022)	Funding source
1a-2	Housing Planning & CRHC Operations	Increase staffing complement in Regional Housing in response to increase in operational units	2022	+6.3 FTE* ongoing	\$633K	Fee-for-service, requisition
1a-3	Construction and Capital Project Term Extensions	Extensions of two project-funded positions to support housing development projects delivery	2022	2.0 FTE Term extensions	\$197K	Capital, requisition
1a-10	Reaching Home	Creation of term positions to support effective delivery and administration of increasing program funds	2021-2024	+2.0 FTE Term	\$360K	Grant, requisition

*Blue highlighted areas are initiatives that directly address a Board Priority.*

*\* includes support service(s) adjustment*

This information reflects the business case costs which the executive leadership team reviewed as part of their annual assessment of initiatives.

#### 1a-2 Housing Planning & CRHC Operations

The CRD entered into an agreement for the RHFP with the Canada Mortgage and Housing Corporation (CMHC) and the Provincial Rental Housing Corporation (BC Housing) to deliver up to 2,000 units of housing, with up to 400 rented at provincial assistance shelter rates. As of April 2021, 10 projects have been approved creating a combined total of 1,011 units (229 shelters). Of the \$120M commitment, \$72M has been committed with the remaining funds to be allocated to projects by end of 2022.

In addition, the CRHC was awarded three projects through the provincially funded CHF in 2018 and another in 2021 for a total of four CHF projects currently underway. Staff anticipate another CHF Request for Proposals in 2022/23.

Federal, provincial and regional funding opportunities have been instrumental in advancing the affordable housing goals. They have also materially increased the work undertaken by CRHC and Regional Housing staff. CRHC will add an additional 109 units in 2022 increasing the total portfolio size from 2,007 to 2,116 in 2022. This is expected to grow further in future years (2,317 units in 2023, 2,955 units in 2024 and 3,561 units in 2025).

Initiative 1a-2 seeks to create new caretaker and administrative support ongoing positions (+3.0 full time equivalents (FTEs)) to ensure service levels can be maintained in terms of building maintenance, customer service, rent collection, etc. This is in alignment with existing staffing principles to ensure adequate support and business continuity. In addition, the initiative seeks to create a new Senior Project Coordinator position (+1.0 FTE) and extend an existing project coordinator term (1.0 FTE) to 2025 to ensure the team has adequate capacity to undertake feasibility, conceptual planning, preparation and submission of grant application and identification of redevelopment opportunities. The new Senior Project Coordinator position will not begin until July 1, 2022 with costs in 2022 being covered through the land banking and housing reserve fund. This will limit the impact of requisition in 2022, but will impact the overall requisition in 2023.

Given the size and scope of this program of work, the initiative also seeks to create a position in Financial Services (+0.5 FTE) and in the Information Technology & GIS (+0.8 FTE) divisions. This is due to the continued and increasing support required to plan development and capital project activities, process additional transactions and the requirement for continuous development, implementation and management of system changes and data management to support and manage the growing portfolio of assets.

#### 1a-3 Construction and Capital Project Term Extensions

In 2019, the Board approved two three-year term Senior Project Coordinator positions to assist with all aspects of delivering housing development projects. At the time, funding was in place for a project at 3816 Carey Road and a redevelopment at 1211 Gladstone Avenue. The positions are cost-recovered through project costs, which means their continuation is dependent upon approved projects. The positions are expiring in March 2022.

As noted previously, CRHC has four projects approved through the CHF (Caledonia redevelopment, Michigan Square redevelopment, 2782 Spencer –Triway– and 926 Pandora Avenue). Collectively, these projects will deliver almost 500 new units between 2022 and 2025. The CRD and its entities must also advance the remaining RHFP funding (\$41.7) by the end of 2022. As part of an assessment of the housing stock, staff have already identified three high-priority buildings for renewal and two high-priority buildings for redevelopment. Initiative 1a-3 seeks to extend the two term positions (2.0 FTE) to 2025 to deliver the approved and future affordable housing projects.

#### 1a-10 Reaching Home Program – Additional Funding

The CRD has a formal agreement in place with the Government of Canada to act as the Community Entity (CE) for the RHP. This work advances the Community Wellbeing Board Priority by improving the assignment of housing and support to vulnerable people, and assist individuals to find long-term solutions to their homelessness. Across four separate Contribution Agreements the CRD is currently administering \$12.8M 2019-2024. It is anticipated that there will be an increase of \$8.3M 2022-2024 potentially bringing the total funds being administered to \$21.1M.

The increase in funding will lead to an increase in the number and complexity of programs funded through Reaching Home. Initiative 1a-10 seeks to create term positions (+2.0 FTE) to support the effective delivery of the additional funds in 2021-2024 as well as secure additional administrative funds to manage the program. The costs will be recovered through the program, in alignment with administrative cost allowances.

#### *Alignment with Board & Corporate Priorities*

The direction given to staff was to bring forward work that is of essential nature. This was defined as:

- Initiatives that provide for public health and safety and/or deliver on a regulatory requirement
- Initiatives that are required to deliver the Board Strategic Priorities

- Initiatives that will prevent the materialization of significant negative impacts on service customers, partners, the region, local services or the CRD's finances
- Initiatives that minimize the materialization of financial, reputational or other risks and liabilities for the CRD by ensuring the organization is keeping pace with expectations and demand
- There is an imperative to deliver the work immediately and/or quickly

The ELT has reviewed and assessed all business cases against the criteria. The consolidated package of work is appropriate and commensurate to the challenge facing the organization.

### **CONCLUSION**

Staff have been progressing initiatives and actions identified in the CRD Corporate Plan, including Board Strategic Priorities. The CRD Board determines resourcing through its annual review and approval of financial plans. As per previous years, to support the Board's decision-making, staff are providing recommendations on funding, timing and service levels through the service and financial planning processes.

### **RECOMMENDATION**

The Hospitals and Housing Committee recommends the Committee of the Whole recommends to the Capital Regional District Board:

That Appendix A, Community Need Summary – Affordable Housing be approved as presented and form the basis of the 2022-2026 Financial Plan.

Submitted by:	Don Elliott, BA, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

### **ATTACHMENTS**

Appendix A: Community Need Summary – Affordable Housing

Appendix B: Capital Plan Report

Appendix C: Initiative Progress Report

# Community Need

2022 Summary



## Affordable Housing

### Strategy

#### Target Outcome

We envision that residents have access to affordable housing that enhances community well-being.

#### Strategic Context

##### Strategies

- [Regional Housing Affordability Strategy](#)
- [Capital Regional Housing Corporation \(CRHC\) Strategic Plan](#)
- [Regional Growth Strategy](#)

##### Trends, risks and issues

- Changing rental housing market dynamics related to negative economic impacts of COVID (higher vacancy rates, rent increase freeze).
- Significant increases in the costs of acquiring property for affordable housing projects.
- Increased project administration and oversight.
- Increase in funding available through various streams with considerable administrative demands and pressing timelines.
- Increase in competition for available funds in support of development.
- More units coming online impact on future staffing requirements.
- Increased complexity and number of funding applications required to support increased development costs.
- Increasingly specialized roles in support of service delivery and tight employment market for specific roles.
- Difficulty in staff recruitment.

# Community Need

## 2022 Summary

### Services

Core Services Levels	
Service	Levels
<b>Housing Initiatives and Programs (HIP)</b> Facilitates the development of affordable housing through collaboration with other levels of government, community and housing agencies, private development industry, and other funders in accordance with the Regional Housing Affordability Strategy (RHAS). HIP acts as the Community Entity for the Government of Canada on the Reaching Home Program (RHP).	<ul style="list-style-type: none"> <li>Support continued implementation of the Regional Housing Affordability Strategy and Southern Gulf Island Affordable Housing Strategy.</li> <li>Review and process required Letters of Intent and proposals for the Regional Housing Trust Fund.</li> <li>Renew and manage Greater Victoria Coalition to End Homelessness (GVCEH) and Aboriginal Coalition to End Homelessness Service Agreements.</li> <li>Continue to manage the Reaching Home Program – Designated Funding Stream, Indigenous Funding Stream and COVID streams (if necessary) to support efforts to respond to homelessness in the region.  ↳ Service level adjusted, see IBC 1a-10</li> <li>Support the Government of Canada in its implementation of a sustained agreement to support the RHP Indigenous Communities stream.</li> <li>Administer Housing Agreements.</li> </ul>
<b>Capital Region Housing Corporation (CRHC)</b> Wholly owned subsidiary of the CRD, develops, manages and promotes affordable housing for low and moderate income families, seniors and persons living with disabilities. The CRHC currently owns and operates 1,773 units of housing/49 properties and has three projects in varying stages of development.	<ul style="list-style-type: none"> <li>Operational management of units, adjusting service delivery needs as required.</li> <li>Property management of 114 units for third party owners.</li> <li>Asset management: building envelope remediation of Carey Lane.</li> <li>Contract management of Umbrella Operating Agreement with BC Housing.</li> <li>Development: progressing with construction of 2 CHF-funded redevelopment projects (Michigan and Caledonia), new CHF projects (2782 Spencer, Pandora) and RHFP projects (Hockley, Prosser).</li> </ul>
<b>Regional Housing First Program (RHFP)</b> A \$120m equity partnership the CRD, BC Housing Management Commission (BC Housing), Canada Mortgage and Housing Corporation (CMHC) and	<ul style="list-style-type: none"> <li>Issuing quarterly Request for Proposals to non-profit and private developers.</li> <li>Acquiring, developing and building housing in accordance with the Regional Housing First</li> </ul>

# Community Need



## 2022 Summary

<p>Island Health in delivering the RHFP. There are currently ten projects totaling 1,011 units that have been approved under the RHFP.</p>	<p>Program Framework and, where appropriate, transitioning CRD owned housing to the CRHC for operations.</p> <p>→ Service level adjusted, see IBC 1a-2</p> <ul style="list-style-type: none"> <li>• A CRD Alternative Approval Process has been approved to request authority for an additional \$10m CRD long-term borrowing for the RHFP.</li> </ul>
<p><b>Planning &amp; Development and Capital Construction</b></p> <p>Supports all planning and development processes related to achieving the approval of CRHC projects by municipal authorities and other approval bodies. Facilitates the capital construction of all CRHC projects and also supervises the construction of RHFP projects that will be acquired by the CRD/CRHC for operations.</p>	<ul style="list-style-type: none"> <li>• Fulfills the CRHC mission to develop affordable housing within the capital region through review and analysis of existing residential assets to identify opportunities for redevelopment or renewal</li> <li>→ Service level adjusted, see IBC 1a-3</li> <li>• Further the regional priorities of the CRD Board through collaboration and development of strategic partnerships to enable the planning, design and construction of new affordable housing units within the capital region in a manner that is environmentally, socially and financially responsible.</li> <li>• Responsible for early feasibility, site analysis, conceptual design development and coordination of municipal approvals required to progress new affordable housing developments to the construction stage.</li> <li>• Identifies and secures new and continued funding sources to allow for the continued development of new affordable housing units in the capital region.</li> <li>• Evaluates and recommends to the CRD/CRHC Board of Directors opportunities for new land acquisitions or air space parcel leases to further the vision and mission of the CRHC to provide additional affordable housing to low and moderate income residents of the capital region.</li> </ul>
<p><b>Support Services</b></p> <p>The core services listed rely on the support of several corporate and support divisions to effectively operate on a daily basis. These services are reported on in the Accountability Community Need Summary.</p>	<ul style="list-style-type: none"> <li>• Services include Asset Management, Facility Management, Financial Services, Information Technology &amp; GIS, Information Services, Human Resources &amp; Corporate Safety, Corporate Communications, Legislative Services, Legal Services, Risk &amp; Insurance and Real Estate Services</li> </ul>

# Community Need



## 2022 Summary

Initiatives					
Ref	Initiative	Description	Year(s)	2022 impacts	
1a-2	Housing Planning & CRHC Operations	Increase staffing complement in Regional Housing in response to increase in operational units	2022	+6.3 FTE ongoing	\$633K fee-for-service + requisition
1a-3	Construction and Capital Project Term Extensions	Extension of two project-funded positions to support housing development project delivery	2022	2.0 FTE Term extensions	\$197K capital, requisition
1a-10	Reaching Home	Creation of term positions to support effective delivery and administration of increasing program funds	2021-2024	+2.0 FTE Term	\$360K grant + requisition

## Business Model

Funding
<p><b>Who contributes</b></p> <ul style="list-style-type: none"> <li>• All municipalities and EAs participate in some aspect of these services</li> <li>• All local First Nations</li> <li>• Non-profit housing and private housing providers</li> <li>• BC Housing, CMHC, Employment and Social Development Canada</li> </ul> <p><b>Funding Sources</b></p> <ul style="list-style-type: none"> <li>• Requisitions, operating agreements subsidies, fee-for-service (tenant rent and housing agreements) and grants</li> </ul>

Reporting Structure	
<ul style="list-style-type: none"><li>• <a href="#">Capital Regional District Board</a></li><li>• <a href="#">Capital Region Housing Corporation Board</a></li><li>• <a href="#">Hospitals and Housing Committee Board</a></li><li>• <a href="#">Regional Housing Trust Fund Commission</a></li><li>• <a href="#">BC Housing Executive Committee</a></li></ul>	<ul style="list-style-type: none"><li>• <a href="#">Canadian Mortgage and Housing Corporation</a></li><li>• <a href="#">Employment and Social Development Canada</a></li><li>• Tenant Advisory Committee</li><li>• <a href="#">Regional Housing Advisory Committee</a></li><li>• District Planning Advisory Committee</li></ul>

# Community Need

## 2022 Summary



Performance			
Definition and Source	2020 Actual	2021 Forecast	2022 Target
<b>Metric 1: Increase directly managed affordable housing for low to moderate income households to 2,000 units by 2022</b> Total number of affordable units directly owned and managed by the CRHC; data from Regional Housing Division.	1,773	1,893	2,002
<b>Metric 2: Meet the terms of the RHFP Definitive Agreement by December 31, 2022 of having 400 shelter rate units under construction or completed, with 300 of the 400 under construction or completed by December 31, 2021</b> Total number of approved RHFP units that are under construction or completed; data from Regional Housing Division.	144	229	350
<b>Metric 3: Invest 2020-2024 \$11m (\$2.5m annually) in improving the current existing CRHC housing stock</b> Total annual investment (\$m); data from CRHC Capital Budget.	\$1.2M	\$2M	\$3M
<b>Metric 4: Ensure turnover of CRHC units is no greater than 30 days</b> Average number of days to turnover a unit after it has been vacated; data from CRHC operations.	48	43	30
<b>Metric 5: Decrease chronic homelessness</b> TBC Point in Time metric; data from Point in Time Count & Homeless Individuals and Families Information System (under development).	TBC	TBC	TBC
Discussion			

# Community Need



## 2022 Summary

### Link to Target Outcome

- Ensuring that residents have access to affordable housing and enhancing community well-being require a multi-pronged approach. Increasing supply and maintaining existing affordable housing broadly is a critical measure of efforts made in support of this outcome. However, for those individuals potentially requiring additional support in increasing or maintaining their stability, ensuring there are enough units available to them that are affordable on income assistance while also being linked to available community-based support services is the foundation of their recovery from homelessness. Finally, working collaboratively to develop a Homelessness Management Information System (HMIS) is known as a best practice in reducing the numbers of individuals experiencing chronic homelessness though better being able to respond and mobilize housing and supports around their individuals needs and circumstances.

### Discussion

- Metric 3: spending below target due to impacts of COVID-19 and the inability to undertake certain activities due to restrictions. This is anticipated to continue to impact 2022 operations.
- Metric 4: unit turnover increased due to impacts of COVID-19 and the inability to show units with existing tenancies, having to have contractors staggered, and the booking of move in times to allow for cleaning and elevator use.
- Metric 5: community-level work continued around a Homelessness Management Information System (HMIS) with a completion target of 2023 as per the Reaching Home Contribution Agreement.

# Community Need

## Capital Plan Report

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### Affordable Housing

#### Highlights since 2019

- The Capital Region Housing Corporation (CRHC) has invested **\$196M since 2019** and added an additional **638 units** of affordable housing through the Regional Housing First Program (RHFP). Most of this work was funded through grants and debt. The program as a whole has supported the construction of **1,011 units** of affordable housing and **\$300.1M** worth of development.
- The goal of the RHFP is to support the development of up to 2,000 units of affordable housing for the region. This advances the Affordable Housing Community Need.
- The Regional Housing Trust Fund provided over **\$2.8M** in grants, allowing for the development of **187 units** across the region by other providers.

#### Planned for 2022

- CRHC will invest **\$50M in 2022** and add an additional **109 units** to its portfolio at 1909 Prosser Road and 2782 Spencer Road. Investment in housing stock will have follow-on operating cost once construction is complete.

# Community Need

## Initiative Progress Report



### Affordable Housing

Initiatives approved in 2020 and 2021			
Ref	Initiative	% complete	Progress to date
1a-1	Affordable Housing per RGS	N/A	Lead: Regional Housing (2020) Progressing – This is being actioned through IBC 1a-2 and IBC 1a-10.
1a-2	Housing Investment through RHFP	65%	Lead: Regional Housing (2020+2021) Progressing – Currently a total of \$72M in RHFP funds are Confirmed.
1a-3	Housing Investment through CRHC	63%	Lead: Regional Housing (2020) Progressing – Project underway include: Confirmed funding/construction underway for Michigan Square and Westview. Funds awarded, but not confirmed for Caledonia. Funding application submitted for Drake Road.
1a-4	Housing Continuation beyond RHFP	--	Lead: Regional Housing (2020) Deferred – due to extension of RHFP. Anticipated to be completed at end of Q2 2022.
1a-5	Housing Affordability Measurement	N/A	Lead: Regional Housing (2020) Progressing – implantation of outcomes from 1a-8.
1a-6	Housing Assets	100%	Lead: Regional Housing (2020) Part of core services – annual budget of \$2.2m (capital) for improvements.
1a-7	Greater Victoria Coalition to End Homelessness Support	100%	Lead: Regional Housing (2020) Part of core services – support extension to Aboriginal Coalition to End Homelessness.
1a-8	Municipal Housing Support	100%	Lead: Regional Housing (2020) Regional Housing Needs report completed. Administration of agreements ongoing.
1a-9	Housing System Improvement	100%	Lead: Regional Housing (2020) Part of core services.

# Community Need



## Initiative Progress Report

Initiatives approved in 2020 and 2021			
Ref	Initiative	% complete	Progress to date
1a-10	Reaching Home	55%	<p>Lead: Regional Housing (2020+2021)</p> <p>Progressing – Funds being administered increased 333% from \$1.2M to \$5.3M and staff are meeting all program requirements (100%). CAA and HIFIS work underway with a target to completion of March 31, 2023 (10%).</p>

**REPORT TO HOSPITALS AND HOUSING COMMITTEE  
MEETING OF WEDNESDAY, OCTOBER 06, 2021**

**SUBJECT      Mortgage Renewal – Cairns Park**

**ISSUE SUMMARY**

BC Housing Management Commission (BCHMC) requires a resolution from the Capital Region Housing Corporation (CRHC) Board of Directors to renew the mortgage for Cairns Park.

**BACKGROUND**

The mortgage for Cairns Park, a 6-unit townhome complex at 9882 – 7<sup>th</sup> Street, Sidney, BC, constructed in 1996, is due for renewal on December 1, 2021. The current mortgage is held by MCAP Financial Corporation at a rate of 1.6980%.

The Cairns Park operating agreement states that at the expiry of the loan term, CRHC is required to secure the loan balance in accordance with the BCHMC requirements. BCHMC will publish tender calls to interested Canada Mortgage and Housing Corporation (CMHC)-approved lenders to secure the best interest rate and terms available in the market. BC Housing requires a Resolution of the Board, attached as Appendix A, to authorize any two officers or directors of the Borrower to execute all documents related to the mortgage renewal.

Renewal details are shown in Table 1.

**Table 1 – Mortgage Details**

Building	Existing mortgage interest rate	Principal at renewal	Annual Subsidy	Remaining Term	Operating Agreement & Mortgage Maturity Date
<b>Cairns Park</b> 6-unit townhouse	1.698%	\$291,059	\$22,315	10 years	December 1, 2031

**ALTERNATIVES**

*Alternative 1*

The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:

- 1) That the resolution required by BC Housing Management Commission to renew the mortgage for Cairns Park for a term not to exceed the expiry of the existing operating agreement be approved; and
- 2) That the Chief Administrative Officer and Chief Financial Officer be authorized to sign any documents related to the mortgage renewal.

*Alternative 2*

The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:

That staff be directed to review other financing options based on Capital Region Housing Corporation Board direction.

### **IMPLICATIONS**

#### *Financial Implications*

Recent tender rates BCHMC has obtained for 10-year mortgage terms are shown in Table 2:

**Table 2 – BCHMC 10-year Tender Rates**

Date	Rate
January 2020	2.840%
September 2020	1.631%
January 2021	1.519%
June 2021	2.459%

If the Board approves the BCHMC tendered mortgage renewal process, CRHC will continue to benefit from the preferential interest rates available through the BCHMC tender process and continue to receive the annual rent subsidy assistance for Cairns Park until the expiry of the operating agreement.

A Board decision to not renew the mortgage under the BCHMC tender process would necessitate acquiring BCHMC's permission and securing a commitment for alternate financing through private sector lenders. Commercial lenders typical charge rates based on the current bond yield cost of funds plus 20 basis points. For comparison, rates in recent months have been in the 2.25% - 2.50% range.

The Municipal Finance Authority (MFA) is a lending option that would require the Capital Regional District (CRD) to borrow on behalf of the CRHC. Under this option, CRD's Land Banking and Housing Service borrowing capacity would be reduced by the required \$291,000 and any increase to the maximum borrowing capacity (Bylaw No. 3715) would require an alternative approval process.

An evaluation of borrowing rates and subsidy levels shows the BCHMC tendered mortgage renewals interest rate is the most cost-effective option.

Should the Board direct staff to borrow outside the BCHMC tendered mortgage renewal process, the annual rent subsidy assistance will be revised based on the lesser of the BCHMC tendered interest rate or the CRHC acquired interest rate for the remaining 10-year term.

### **CONCLUSION**

As per the Cairns Park operating agreement, BCHMC is required to secure the loan on behalf of CRHC at expiry of the loan term. BCHMC will tender the mortgage renewal to CMHC approved lenders to secure the best interest rate and terms available in the market.

**RECOMMENDATION**

The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:

- 1) That the resolution required by BC Housing Management Commission to renew the mortgage for Cairns Park for a term not to exceed the expiry of the existing operating agreement be approved; and
- 2) That the Chief Administrative Officer and Chief Financial Officer be authorized to sign any documents related to the mortgage renewal.

Submitted by:	Don Elliott, BA, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENT**

Appendix A – Resolution of Directors

Capital Region Housing Corporation  
(the "Borrower")

CERTIFIED COPY OF RESOLUTION OF DIRECTORS

BE IT RESOLVED:

That the Borrower hereby irrevocably authorize and direct British Columbia Housing Management Commission ("BCHMC") to act on its behalf to renew the existing mortgage presently held by MCAP Financial Corporation (the "Mortgage") for the project located at 9882 Seventh Street, Sidney, BC (BCHMC file no. 13329 / 841), including but not limited to selecting, at BCHMC's sole discretion, the mortgage renewal terms and arranging mortgage renewal with the take-out lender (the "Take-out Lender") on terms and conditions that are acceptable to BCHMC.

BE IT FURTHER RESOLVED:

That any two officers or directors of the Borrower for and on behalf of the Borrower be and are hereby authorized to execute and deliver under the seal of the Borrower or otherwise, all such deeds, documents and other writings and to do such acts and things in connection with the Mortgage assignment, renewal and amendment as they, in their discretion, may consider to be necessary or desirable for giving effect to this resolution and for the purpose of fulfilling the requirements of the lender of the monies.

I, \_\_\_\_\_, THE UNDERSIGNED,  
Corporate Officer of the Borrower, hereby certify the above to be a true copy of a resolution duly passed by the Directors of the Borrower at a meeting held on the 13 day of October, 2021 and that such resolution has not been rescinded, amended or modified and is now in full force and effect.

WITNESS my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature

## REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, OCTOBER 06, 2021

### **SUBJECT**     Summit Noise Concerns Update

### **ISSUE SUMMARY**

Noise concerns from surrounding neighborhood at the Summit.

### **BACKGROUND**

In August 2020, the Capital Regional District Board began receiving noise complaints for the Summit, located at 955 Hillside Avenue. The Summit is leased to Island Health for 25 years and has been operating since February 1, 2020 and tenanted since July 12, 2020. When the Summit was designed an acoustics consultant was hired to provide reports to align the design of mechanical systems to meet the Victoria Noise Bylaw. The rooftop screens that surround the air handling units, for example, were designed collaboratively between the acoustics consultant, mechanical engineer, and suppliers based on this report. In an effort to address the noise concerns staff have undertaken the following process and steps.

On September 1, 2020 the Capital Regional Hospital District (CRHD) engaged an Acoustical Specialist at RWDI Consulting Engineers (previously Wakefield Acoustics). The engineer is familiar with the 955 Hillside Avenue site, having completed pre-construction noise measurements at three adjacent properties in June 2016. Based on the pre-construction noise measurements, and the City of Victoria Noise Bylaw limits Wakefield/RWDI provided mechanical equipment noise control recommendations in 2018 and 2019.

CRHD testing was completed by RWDI on September 17, 2020. Measurements were conducted at midnight to remove as much traffic noise as possible. RWDI reported that preliminary results confirm that at 50% load, noise levels are below that required by the City of Victoria bylaw. The equipment was operated to produce a continuous noise, this being the most accurate way to establish noise levels. Table 2 from the report shows the results of noise measurements at four locations.

**Table 2: HVAC Noise Measurement Results**

Site	Address	Post-Project Measurements (September 2020)		Pre-Project Measurements (June 2016)	Noise Bylaw Limits (dBA)	
		Nighttime L <sub>90</sub> (dBA)	Tonal noise?	Nighttime L <sub>90</sub> (dBA)	Day	Night
1	920 Hillside Avenue	47	Yes	38	55 <sup>[1]</sup>	50 <sup>[1]</sup>
2	2670 Dowler Place	42	Yes	34	55 <sup>[1]</sup>	50 <sup>[1]</sup>
3	2560 Wark Street	40	No	37	60	50
4	1100 Vista Heights	36	No	[2]	60	50

**Table Notes:**

[1] 5 dBA tonality penalty applied.

[2] Background measurements at Site 4 were not taken back in June 2016.

Table 2 shows that:

- HVAC noise levels are below the Noise Bylaw limits

On September 20, 2020 a City of Victoria Bylaw Enforcement Officer conducted testing at the Summit in response to the noise complaints they received. The results found AHU #9 was 60.4 dba, AHU #10 was 60.9 dba (see Appendix A for dba reading and associated noise) on the roof of the building beside the air handling units. The Bylaw Enforcement Officer concluded the Summit was not in violation of the noise bylaw.

In addition the City of Victoria Bylaw also states:

**Bylaw No. 03-12 (13f) also states the bylaw does not apply to:**

“a sound or noise resulting from the use, in a reasonable manner, of the premises of a Community Care Facility duly licensed under the *Community Care Facility Act*, or from the use of a similar institution”.

Zoning allows for a health facility at this site and the environment can best be described as an urban one with noises from a variety of other sources present in the community as well as other buildings with similar rooftop equipment. It is difficult to isolate the various noises and attribute any specific noise to the Summit with so many other buildings producing noise within the community.

CRHD engaged Trane Canada-West to service and reprogram the variable frequency speed drives to address the tone noted by RWDI at location #2 on October 22, 2020.

On site, they confirmed that sound blankets had been installed around the air handling units during the construction phase and that the units were operating at optimal efficiency and installed as per manufacturer’s recommendations. CHRD staff directed Trane Canada-West to report back additional recommendations to further decrease the noise being produced.

On January 06, 2021 the CRHD Board approved the purchase and installation of a sound attenuation kit. Unfortunately the manufacturer experienced significant delays due to COVID and the kit was not received and installed until July, 2021.

On August 05, 2021 an additional round of testing was conducted at the three community identified sites and one previously tested site. The testing was conducted at 0% chiller load, 60% chiller load, and full chiller load of 85%-100%. These testing loads align with ambient temperatures at which the neighborhood has indicated they can hear noise.

Address	Nighttime L <sub>90</sub> (dBA)			Chiller Audible (Yes/No)	Noise Bylaw Limits (dBA)	
	Chiller 0% Load	Chiller 60% Load	Chiller Full Load 85-100%		Day	Night
2916 Prior Street	49	49	49	No	60	50
1155 Vista Heights	44	44	44	No	60	50
971 Market Street	46	49	49	Yes	55 [2]	45[2]
920 Hillside Avenue	46	47	48	Yes	60	55

**Table Notes:**

[1] Measurement not available

[2] 5 dBA tonality penalty applied.

The findings from the second round of testing indicate that the chillers operating at full capacity or zero do not have any impact or very minimal impact on the decibel results. During the testing tone was also measured and a tonal penalty was applied to the decibel readings when it was present so the above results also take tone into consideration. Additionally the results found that the sound attenuation kit had no impact on reducing the noise being produced by the rooftop equipment. After further consultation with the manufacturer, staff believe the rooftop equipment is operating as quietly and efficiently as possible.

### **ALTERNATIVES**

#### *Alternative 1*

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

That no further remediation work be undertaken on the rooftop equipment at the Summit.

#### *Alternative 2*

That this report be referred back to staff for additional information.

### **IMPLICATIONS**

#### *Financial Implications*

To date the following has been spent in an effort to understand and reduce the noise from the rooftop equipment at the Summit.

Year	Cost	Expense
2020	\$ 4,000	RWDI: Site HVAC Measurement Testing
	\$ 1,650	Trane West Speed Drive ReProgramming
2021	\$16,000	Sound Attenuation Kit Purchase
	\$ 4,000	RWDI: Site HVAC Measurement Testing
	\$ 2,000	Trane West: Noise Abatement Consultations
	<b>\$27,650</b>	

### **CONCLUSION**

Staff have taken considerable time and resources to evaluate all technical and practical solutions to the noise concerns expressed by the community. This includes staff visiting the community at different times with variable ambient temperatures, the installation of a sound attenuation kit, and consultation with other industry specialists. Trane Canada-West has advised that all noise reduction measures available have been pursued and no further action can reasonably be undertaken to reduce the sound from the rooftop equipment at The Summit. Staff are confident the building has been designed and is performing as efficiently and as quietly as possible. The Summit is located in an urban environment, with many noises that make it difficult to attribute any noise to any particular source. The noise being produced from The Summit is below the City of Victoria noise bylaw and is exempt from this bylaw as a health facility. The rooftop equipment is critical for the proper functioning and quality of life of the facility and those who reside within. Long term care facilities are an essential and vital health service which are a high priority for our region.

### **RECOMMENDATION**

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

That no further remediation work be undertaken on the rooftop equipment at the Summit.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health & Capital Planning Strategies
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENT**

Appendix A: dba Readings and Associated Noise

## dba Reading and Associated Noise:

**85dB** Prolonged exposure to any noise at or above this level can cause hearing loss

**110db** Regular exposure of more than 1 minute risks permanent hearing loss

Eardrum Perforation Possible	<b>160</b>	Pistol shot
	<b>150</b>	Fireworks display
Painful Acoustic Trauma	<b>140</b>	Shotgun blast
Painfully Loud	<b>130</b>	Jet engine 25m away, motor racing
	<b>120</b>	Rock concert, thunder
Extremely Loud	<b>110</b>	Car horn, snowblower, Pneumatic Hammer
	<b>100</b>	Blow dryer, subway, helicopter, chainsaw
<b>PROTECT YOUR EARS</b>	<b>90</b>	Motorcycle, lawn mower, convertible ride on highway
Very Loud	<b>80</b>	Factory, noisy restaurant, vacuum, screaming child
Loud	<b>70</b>	Car, alarm clock, city traffic
	<b>60</b>	Conversation, dishwasher
Moderate	<b>50</b>	Moderate rainfall
Faint	<b>40</b>	Refrigerator
	<b>30</b>	Whisper, library
	<b>20</b>	Watch ticking
	dB levels	

## REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, OCTOBER 06, 2021

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**SUBJECT**     Regional Housing First Program: Project Update, Third Quarter 2021

### **ISSUE SUMMARY**

To provide the Hospitals and Housing Committee with a quarterly update on the implementation of the Regional Housing First Program (RHFP).

### **BACKGROUND**

The RHFP was formed in 2016, through which the Capital Regional District (CRD), BC Housing Management Commission (BC Housing) and the Canada Mortgage and Housing Corporation (CMHC) committed \$30 million (M) each to build housing units to help address chronic homelessness in the region. The program model includes 20% of all units having rent levels set at the Government of BC's Income Assistance Rate Table Shelter Maximum (Shelter Rate) and the remaining 80% of units being Affordable Rental Units.

In 2020, the CRD, BC Housing and CMHC committed to increasing their contributions by \$10M each to address escalating land acquisition and construction costs. The total capital fund now available is \$120M and better positions the program to achieve its target of up to 2,000 Affordable Rental Units, with up to 400 of those units having rents set at Shelter Rate. Overall, the program is expected to leverage the development of approximately \$600M in capital development.

### **ALTERNATIVES**

#### *Alternative 1*

The Hospitals and Housing Committee recommends to the Capital Regional District Board: That the Regional Housing First Program: Project Update, Third Quarter 2021 report be received for information.

#### *Alternative 2*

That the Regional Housing First Program: Project Update, Third Quarter 2021 report be referred back to staff for additional information based on Hospitals and Housing Committee direction.

### **IMPLICATIONS**

#### *Program Delivery*

Appendix A, attached to this report, summarizes the progress in the development of 10 RHFP capital projects that have received approval from the CRD Board. These projects represent a total of 1,011 units with 229 to be rented at Shelter Rate. There is currently an open call for new projects with the next rolling submission review date of October 31, 2021.

#### *Financial*

These projects have been approved to receive a total of \$67.6M in RHFP funding and represent a total value of \$300.9M. In total, \$72M of the RHFP funds have been committed as of September 30, 2021 with \$48M remaining.

## **CONCLUSION**

The Project Summary provides the Hospitals and Housing Committee with an update on the status of program implementation and high-level details of the 10 approved projects.

## **RECOMMENDATION**

The Hospitals and Housing Committee recommends to the Capital Regional District Board:  
That the Regional Housing First Program: Project Update, Third Quarter 2021 report be received for information.

Submitted by:	Don Elliott, BA, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

## **ATTACHMENT**

Appendix A – Regional Housing First Program: Project Summary, October 6, 2021

Description	Total Estimated Project Cost	RHFP Contribution	Partner Agency Funding RHFP	RHFP Units	Total Units	Operator	Funding Sources		HHC Approval Date	CRD Board Approval Date	Year Completed	Update
Cedar Grove (Victoria)	\$19,318,000	\$9,000,000	BC Housing	30	72	Victoria Cool Aid Society (VCAS)	BC Housing	Regional Housing Trust Fund \$600,000	n/a	March 8, 2017 & November 13, 2019 (increase)	2022	Construction of the 210 Gorge project continues with all structural framing, wall, and roof framing now complete. At the end of August, the roof membrane and building envelope waterproofing were being applied and windows were being installed. Over the next few months interior work including drywall and finishes will proceed. The project is on time and on budget and the occupancy permit is expected in late February 2022.
Croftonbrook (Salt Spring)	\$19,092,858	\$3,300,000	BC Housing	11	56	Island Women Against Violence	BC Housing	Regional Housing Trust Fund \$408,000	n/a	March 8, 2017 & November 13, 2019 (increase)	2020 and 2022	Phase III, a 34 unit apartment building broke ground on May 6, 2021. Occupancy in the spring of 2023. Site works - Perimeter drainage, under slab mechanical/ electrical. Waterproofing around walls and pre-fab wall framing complete. Office flooring, drywall, siding and finishes. 1 <sup>st</sup> floor framing. Main building 2 <sup>nd</sup> floor framing.
Drennan and Sooke (Sooke)	\$45,622,950	\$10,200,000	BC Housing	34	170	M'akola Housing Society	BC Housing	Regional Housing Trust Fund \$765,000	June 13, 2018	June 13, 2018 & November 13, 2019 (increase)	2023	Site works – grubbing site prep commenced (under Development Permit). Foundations work ongoing. Retaining walls (lock-block walls) ongoing. Civil on-site works ongoing. Commissioning meeting scheduled to September 20. The Building Permit has been issued on June 28, 2021.
Charters (formerly called Throup) (Sooke)	\$20,917,220	\$3,375,000	BC Housing	15	75	M'akola Housing Society	BC Housing	Regional Housing Trust Fund \$330,000	June 13, 2018	June 13, 2018	2022	Site works – Backfill around footings. Parking lot storm system in progress. Craning scheduled for the week of September 27. The construction will be concluded in January 2022, as we had a delay on the issuance of the Building Permit.
Spencer Road (Langford)	\$38,263,972	\$7,800,000	CMHC	26	130	CHRC	CMHC \$7,800,000	n/a	June 13, 2018	June 13, 2018	Nov 2020	Project completed.
Treanor (Langford)	\$45,215,533	\$9,000,000	CMHC	30	132	CRHC	CMHC \$9,000,000	n/a	n/a	November 14, 2018	2019	Project completed.

Description	Total Estimated Project Cost	RHFP Contribution	Partner Agency Funding RHFP	RHFP Units	Total Units	Operator	Funding Sources		HHC Approval Date	CRD Board Approval Date	Year Completed	Update
Hockley (Langford)	\$32,775,610	\$7,200,000	CMHC	24	120	CHRC	CMHC \$7,200,000	n/a	n/a	November 14, 2018	March 2021	Project Completed.
West Park Lane (View Royal)	\$41,673,485	\$10,200,000	CMHC	34	152	CRHC	CMHC \$10,200,000	Regional Housing Trust Fund \$660,000	May 1, 2019	May 8, 2019	Nov 2020	Project Completed.
Michigan Square Building 1	\$21,000,000	\$4,500,000	CRHC	15	53	CRHC	CRHC \$4,500,000	Regional Housing Trust Fund \$570,000	July 29, 2020	August 12, 2020	2023	Construction Contracts will be procured throughout September/October 2021. Demolition will commence in January 2022.
Prosser Road (Central Saanich)	\$16,981,555	\$3,000,000	CMHC	10	51	CRHC	CMHC \$3,000,000 BC Housing \$3,250,000	Regional Housing Trust Fund \$615,000	N/A	April 14, 2021	2022	Funds confirmed from RHFP and RHTF. BC Housing granted Final Project Approval in March 2021. Demolition is complete and excavation work currently underway. Assignment agreement between CRD and BCH have been executed. Foundation work is underway.
Total RHFP Units				229	1,011							
Total RHFP Investment	\$300,861,183	\$67,575,000										

## REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, OCTOBER 06, 2021

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**SUBJECT**     Capital Region Housing Corporation Operational Update No. 3, 2021

### **ISSUE SUMMARY**

To provide the Capital Region Housing Corporation (CRHC) Board with a quarterly update on operations, Tenant Engagement (TE), the Routine Capital Plan 2020 – 2024 and performance in the areas of turnover, vacancy and move-ins up to and including September 10, 2021. This report also includes detailed Regional Housing First Program (RHFP) rent-up information up to September 10, 2021, attached as Appendix A.

### **BACKGROUND**

The CRHC is a wholly owned subsidiary of the Capital Regional District (CRD) with the mandate to develop and manage affordable housing to meet the needs of individuals and families residing within the capital region. In working to fulfill its mandate, the CRHC owns and operates 1,893 units of housing providing homes to more than 3,500 residents of the capital region with low to moderate incomes. In addition, CRHC manages an additional 114 units on behalf of third parties.

### **ALTERNATIVES**

#### *Alternative 1*

The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:

That the Capital Region Housing Corporation Operational Update No. 3, 2021 report be received for information.

#### *Alternative 2*

That the Capital Region Housing Corporation Operational Update No. 3, 2021 report be referred back to staff for additional information based on Hospitals and Housing Committee direction.

### **DISCUSSION**

#### *Operations Update*

The 2,007 units of housing across 54 properties that are currently managed by CRHC are supported by the work of approximately 44 full time equivalencies and five auxiliary staff. Staff hires continue to require attention due to a retirement and staff movement into new roles within CRHC and into other areas of Regional Housing. In the third quarter (Q3) CRHC was successful in filling two of the vacant positions remaining from the second quarter 2021 (Q2) and back filling three positions that occurred due to internal advancements. Shortage of qualified applicants is adding to the challenge with one caretaker position remaining vacant.

#### *Tenant Engagement (TE)*

The BC Restart Plan has allowed TE to shift from a virtual meet with staff to in-person. A 'meet-the-team' event took place at Viewmont Gardens which was well attended leading to lots of feedback and many good questions. This meeting gave staff a chance to connect with tenants in-person, allowing an opportunity to see the results of the seedling program and respond to questions directly. Based on the success, TE will work to replicate these events at other communities, including a larger community event at Westview planned for September.

TE were able to organize more seedling distributions which resulted in the nearly 300 plants being given to tenants free of charge. As one tenant said, “It’s hard to feed myself and having greens conveniently nearby and that I grew them myself is awesome”... “I really want to stop my pain and heal, feel better, and part of that’s having healthy food.”

In an effort to promote tenant retention and ongoing success, the TE team have been focused on tenant onboarding. This includes already existing support (such as the sign-up of new tenancies), projects in progress (tenant orientation videos), and planned future projects (in-person orientation and a welcome email and satisfaction survey). The in-person orientation is being developed and will require further testing prior to full implementation.

During the recent heat events, TE has worked on getting information out to tenants about how to manage the abnormally high temperatures. Information sheets containing resources were distributed to buildings, put on the website, available at reception and raised at the portfolio meetings so staff know what to look for among our more vulnerable tenants. Staff continue to work on other solutions for tenants, as more frequent extreme heat events are anticipated.

#### *Housing Registry Waitlist Statistics*

**Table 1: BC Housing Registry Waitlist Statistics**

Category	July 2021	August 2021	As at Sept. 10, 2021
Total Registry Units	3,650	3,650	3,650
Applicants			
Family	827	826	803
Seniors	988	982	990
Persons with Disabilities	548	554	557
Wheelchair Modified	122	123	130
Singles	152	153	154
Total	2,637	2,638	2,634

The Housing Registry, managed by BC Housing, helps housing providers manage applicant lists and helps to eliminate duplication among providers that may otherwise receive and process applications from many of the same households. According to BC Housing-provided data, the number of households on the registry has decreased by four from August to September 10, 2021.

#### *Vacancy*

**Table 2: Vacancy Rate – Units Operating More than 12 Months**

Year	Period	# Units Vacant	# Days Vacant	Average Days Vacant
2021	As of June 15	17	816	48
2021	As of September 10	18	785	43

As of September 10, there are 18 units reported vacant across housing that is owned and operated by the CRHC that has been in operation for more than 12 months. These vacancies total 785 days for an average of 43 days vacant. This figure is down slightly from the Q2, 2021 numbers as staff have worked to prioritize renting units that have been vacant longer in an effort to reduce the vacancy loss.

**Table 3: Vacancy Rate – Units Operating Less Than 12 Months**

Year	Period	# Units	# Unit Vacant	% Units Vacant
2021	As of March 31	402	203	51%
2021	As of June 18	402	135	34%
2021	As of September 10	402	95	24%
Difference since last report		0	(-40)	(-10%)

At the end of Q3, 2021 CRHC reported a vacancy rate of 34% in the 402 units that had been opened up at the end of the fourth quarter (Q4), 2020. Between mid-June and September 10, 2021 staff have rented another 40 units bringing the overall vacancy rate down to 24% for an overall reduction of 10% in these new units. Spencer Close has been moved to operational staff to continue with tenant selection allowing the rental team to focus on the remaining units at West Park Lane and Hockley House.

#### Turnover

**Table 4: Q3 Turnover Rate – All Units**

Year	Period	# Turnovers Operating More Than 12 Months	# Turnovers Operating Less Than 12 Months	Total
2021	March 31	39	4	43
2021	April 1-June 15	31	6	37
2021	June 16-September 10	40	11	51
	<b>Year to Date Total</b>	<b>110</b>	<b>21</b>	<b>131</b>

The higher number of turnovers in this quarter was anticipated in part due to annual seasonal movement ahead of school terms starting. The increase in vacancies allowed staff to offer temporary relocation options to the remaining tenants at Michigan Square before the November 1, 2021 construction start.

#### Housed

**Table 5: Q3 Housed Rate**

Year	Period	# Housed Operating Less Than 12 Months
2021	January 1 – March 31	60
2021	April 1 – June 18	69
2021	June 16-September 10	51
	<b>Year to Date Total</b>	<b>180</b>

#### RHFP Unit Turnover and Rent-Up

Turnover at Millstream Ridge continues to decrease, however the building and property are still impacted by neighbouring construction. New tenants are aware of the surroundings prior to move in which adds longevity to tenancies, reducing 2021's unit turnovers to 25% of the building, down from 48% in 2020.

As of September 10, 2021, Spencer Close is 93% rented with only accessible units remaining. As noted earlier, the building has been moved to operational staff to finish the rent up process. West Park is 77% rented and Hockley House is 59% rented, trending with the revised rent up period previously reported. Staff continue to network with societies and organizations that have clients who require fully modified units, as well as exploring how CRHC might be able to further incentivize these units to meet the financial constraints of the end user.

Staff efforts to increase the rent-up rates has brought considerable success in terms of the high numbers of inquiries being received. Staff continue to manage the volume on inquiries and have been able to keep responses prompt. Additionally, staff have maximized available resources by streamlining responsibilities and utilizing caretaker staff to show units when possible. The influx of students to the region has been considered and staff have proactively connected with student housing offices at various educational institutions within the region.

*Routine Capital Plan*

The updated Five-Year Routine Capital Plan budgeted for \$4 million (M) in 2021. Up to August 31, 2021, staff have spent approximately \$1.7M under this Plan. The pandemic continues to impact this work due to the available capacity of contractors as well as wait times for materials and products. Routine capital work that can be completed before year end continues to move forward. As part of the capital planning process that staff are currently engaged in, work that is not likely to be completed this fiscal year will be balanced across the remaining three years to ensure the \$11M Umbrella Operating Agreement (UOA) targets are met by the end of 2024. This realignment is done annually and currently there is good capacity in the final year to ensure we won't create excessive work in any one year. Warranty inspections and deficiency reporting continues at new buildings as they reach the end of their warranty period.

**CONCLUSION**

Through Q3, 2021, CRHC has been impacted by unexpected staffing changes across all levels of the Corporation, finding it more challenging to find qualified staff once the bumping of internal moves has occurred. TE activities have moved to face to face connections with the anticipation that this may change again as we move into the autumn and winter. Some new ideas involving welcomes and satisfaction surveys have come forward through the quarterly work with the Tenant Advisory Committee, which will roll out in the coming months.

Most of CRHC's housing portfolios are stable though the ongoing pandemic does impact unit turnover timelines and targets. Unit Vacancy in the newly opened buildings is coming down although slower than anticipated, but staff are working to capitalize on the increased demand to fill existing vacancies.

Work on the Routine Capital Plan slowed during the summer due to staffing changes and with training underway it is expected more work will be underway or in process ahead of Q4.

**RECOMMENDATION**

The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:

That the Capital Region Housing Corporation Operational Update No. 3, 2021 report be received for information.

Submitted by:	Don Elliott, BA, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENT:**

Appendix A: RHFP Rent-up Information

## West Park Rent-Up

Unit Mix						
Total Units	152					
Rental Type	Affordable	RHFP Shelter Rate	Affordable	RHFP Shelter Rate	Affordable	RHFP Shelter Rate
	Proposed		Pending		Rented	
September 2020	Marketing	Marketing	-	-	-	-
October 2020	Marketing	Marketing	4	1	15	22
November 2020	34	9	3	0	8	7
December 2020	28	9	4	0	3	0
January 2021	28	8	5	0	11	1
February 2021	28	8	3	0	1	4
March 2021	-	-	4	0	0	0
April 2021	-	-	4	0	5	0
May 2021	-	-	2	0	8	0
June 2021	-	-	11	0	8	0
July 2021	-	-	15	0	12	0
August 2021	-	-	10	0	12	0
Total	118	34	-	-	83	34
Total Combined	152				117	
				% Rented (Unit Type)	70%	100%
				% Rented (Total)	77%	

Financials				
Unit Type	RHFP Shelter Rate 20%	No. Units	Affordable 80%	No. Units
Studio	\$375	32	0	0
1 Bedroom	\$375	2	\$1,395	74
2 Bedroom	\$570	0	\$1,735	44
Total		34		118

Langford Median Apartment Rents	
1 Bedroom	\$1,545
2 Bedroom	\$1,955

Reference: [www.zumper.com](http://www.zumper.com) as of June 2021

## Spencer Close Rent-Up

Unit Mix						
Total Units	130					
Rental Type	Affordable	RHFP Shelter Rate	Affordable	RHFP Shelter Rate	Affordable	RHFP Shelter Rate
	Proposed		Pending		Actual	
October 2020	Marketing	Marketing	3	1	0	0
November 2020	35	7	1	0	43	22
December 2020	23	7	3	0	16	3
January 2021	23	6	4	0	15	0
February 2021	23	6	3	1	9	0
March 2021	-	-	0	0	10	0
April 2021	-	-	1	0	1	0
May 2021	-	-	0	0	1	0
June 2021	-	-	0	0	1	0
July 2021	-	-	2	0	0	0
August 2021	-	-	0	0	0	0
Total	104	26	-	-	96	25
Total Combined	130				121	
				% Rented (Unit Type)	92%	96%
				% Rented (Total)	93%	

Financials				
Unit Type	RHFP Shelter Rate 20%	No. Units	Affordable 80%	No. Units
1 Bedroom	\$375	24	0	0
1 Bed + Den	0	0	\$1,275	12
2 Bedroom	\$570	2	\$1,600	27
2 Bed + Den	0	0	\$1,675	65
Total		26		104

Langford Median Apartment Rents	
1 Bedroom	\$1,545
2 Bedroom	\$1,955

Reference: [www.zumper.com](http://www.zumper.com) as of June 2021

## Hockley House Rent-Up

Unit Mix						
Total Units	120					
Rental Type	Affordable	RHFP Shelter Rate	Affordable	RHFP Shelter Rate	Affordable	RHFP Shelter Rate
	Proposed		Pending		Actual	
February 2021	Marketing	Marketing	11	0	0	0
March 2021	Marketing	Marketing	12	1	8	1
April 2021	30	8	7	6	11	13
May 2021	21	8	3	0	16	6
June 2021	20	7	5	0	4	1
July 2021	20	6	13	0	10	0
Aug 2021	-	-	7	3	1	0
Sept 2021	-	-	-	-	-	-
Total	91	29	-	-	50	21
Total Combined	120				71	
				% Rented (Unit Type)	55%	72%
				% Rented (Building)	59%	

Financials				
Unit Type	RHFP Shelter Rate 20%	No. Units	Affordable 80%	No. Units
Studio	\$375	23	\$1,000	4
1 Bedroom	\$375	2	\$1,400	39
2 Bedroom	\$570	4	\$1,750	48
Total		29		91

Langford Median Apartment Rents	
1 Bedroom	\$1,545
2 Bedroom	\$1,955

Reference: [www.zumper.com](http://www.zumper.com) as of June 2021

**REPORT TO HOSPITALS AND HOUSING COMMITTEE  
MEETING OF WEDNESDAY, OCTOBER 06, 2021**

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**SUBJECT**      **Capital Region Housing Corporation Major Capital Plan Status Report Third Quarter, 2021**

**ISSUE SUMMARY**

To provide a quarterly update to the Hospitals and Housing Committee on the Capital Region Housing Corporation (CRHC) Major Capital Plan (2021-2025). This report is to complement the Capital Variance Report presented quarterly to the Capital Regional District (CRD) Board by the Chief Administrative Officer (CAO).

**BACKGROUND**

The CRHC is a wholly owned subsidiary of the CRD with the mandate to develop and manage affordable housing to meet the needs of individuals and families residing within the capital region. In working to fulfill its mandate, the CRHC owns and operates 1,893 units of affordable housing, providing homes to more than 3,500 residents of the capital region with low to moderate incomes. In addition, CRHC currently has 109 new units under construction and 661 units in pre-construction and development. This report contains projects that will receive grant funding through the following programs; Regional Housing First Program (RHFP), Regional Housing Trust Fund (RHTF), Building BC: Community Housing Fund (CHF), Investment in Housing Initiative (IHI), and Capital Replacement Fund (CRF).

**ALTERNATIVES**

*Alternative 1*

The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:

That the Capital Region Housing Corporation Major Capital Plan Status Report Third Quarter, 2021 be received for information.

*Alternative 2*

That the Capital Region Housing Corporation Major Capital Plan Status Report Third Quarter, 2021 be referred back to staff for additional information based on Hospitals and Housing Committee direction.

**IMPLICATIONS**

*Hockley House (RHFP)*

In March 2021, CRHC acquired Hockley House, a 120 unit building, through a lease agreement under the CRD RHFP. The project was completed on time and within budget. The final mortgage amount was \$25,575,610, as anticipated.

*2782 Spencer (CHF)*

2782 Spencer, a 58-unit development in Langford, will be completed through a fixed price design-build contract. Foundation work is underway on site with wood framing scheduled to start in early November 2021. Construction will be completed in Q4, 2022. The project budget of \$19,883,209, remains unchanged from the final budget approval by the CRHC Board in April 2021.

*Prosser (RHFP, RHTF & IHI)*

Prosser, a 51-unit affordable housing development located in the District of Central Saanich, received \$3,000,000 in grant funding through the RHFP, \$3,250,000 in grant funding through IHI and \$615,000 in grant funding through the RHTF. The total project budget is \$16,981,555 and CRHC will take on mortgage debt of approximately \$10,116,555, with CRD owning the property and entering into a 60-year lease agreement with CRHC. Construction work is underway, with excavation completed and foundations progressing for the underground parkade. Construction is projected to be completed in Q3, 2022.

*Michigan Square (RHFP, RHTF & CHF)*

The Michigan Square project, a 97-unit redevelopment in James Bay, is in the final stages of design. Alteration and building permits are anticipated to be received in Q4, 2021. Procurement of construction contracts will close at the end of October 2021. Staff will return to the Board for final project approval in December 2021, as planned. The project budget of \$38,357,678, remains unchanged from the CRHC Major Capital Plan (2021-2025).

*Caledonia (CHF)*

It was reported in the CRHC Major Capital Plan (2021-2025) that construction of the Caledonia project, a 158-unit redevelopment in the Fernwood neighbourhood, would commence in May 2021. Currently, all design work has halted until the Master Agreement has been signed by all partners. Finalizing the terms of the Master Agreement and proposed land transactions have delayed the execution of the Agreement. The anticipated timeline to have the Master Agreement and subsequent land covenants signed by all parties, including the Ministry of Education is September 30, 2021. This will allow for final municipal approvals, including the Official Community Plan amendment, rezoning, and development permit to take place throughout October 2021. The adjusted timeframe for ground breaking onsite is anticipated to be Q3, 2022.

This delay has contributed to an increase in the project budget from \$59,471,636, as reported in the CRHC Major Capital Plan (2021-2025), to \$64,391,985. The primary drivers of the budget increase include escalated labour and material costs, increase in energy efficiency targets as well as offsite construction requirements that were unknown at the time of the September, 2019 Class D estimate. The updated project budget was compiled through a Class B estimate in August 2021 and reflects current market conditions with an escalation contingency to account for construction contract procurement in Q2, 2022. This budget increase will be advanced through the CRHC Major Capital Plan (2022-2026) for approval in December 2021 and will be funded through a combination of increased equity (grant funding), an operating subsidy to help service the debt and the final mortgage registered to CRHC.

*Pandora (CHF)*

Pandora is a partnership project between the City of Victoria, BC Housing and CRHC to build 220 new non-market rental homes and create a new community centre in the North Park neighbourhood. The CRHC would lease an air-space parcel to accommodate 170 affordable rental units that would be operated by CRHC. Design work is in the early conceptual stages with a targeted rezoning submission in Q4, 2021.

*Carey Lane BER (CRF)*

Carey Lane, a 22-unit townhouse complex that is owned and operated by CRHC, will undergo a full building envelope remediation (BER) throughout 2022 and 2023. Procurement of design consultants is underway. Design work and contractor procurement will take place throughout Q4, 2021 and Q1, 2022 with an anticipated construction start in Q2, 2022. The project budget of \$2,400,000, remains unchanged as reported in the CRHC Major Capital Plan (2021-2025).

Tenant notifications were provided in September 2021 and tenant engagement will continue throughout the project lifecycle.

*Drake Road, Salt Spring Island*

Staff continue to explore the potential to advance the Drake Road property through one of BC Housing's funding programs.

*Campus View*

Campus View, an existing 12-unit CRHC townhouse complex, located in the Gordon Head neighbourhood, has been identified as a possible redevelopment opportunity through the CRHC Redevelopment and Renewal Strategy. Existing tenants were notified prior to minor feasibility work that was carried out on site in Q2, 2021. As the conceptual design work progresses towards a rezoning application, staff will initiate a broader community engagement. The proposed design would see the potential number of units on site increase from 12 to approximately 104 units of affordable housing.

**CONCLUSION**

As part of staff's commitment to providing updates to the CRHC Board, the CRHC Major Capital Plan Status Report provides a snapshot of issues and items that have a potential to impact the Major Capital Plan. Despite the impacts from the ongoing pandemic, the majority of CRHC major capital projects are within budget, on schedule and in alignment with the Major Capital Plan (2021-2025). The only deviation from the Major Capital Plan (2021-2025) is the Caledonia Redevelopment, which can be attributed to an extremely complex land exchange, lot consolidation, municipal approval and escalated construction costs.

**RECOMMENDATION**

The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:

That the Capital Region Housing Corporation Major Capital Plan Status Report Third Quarter, 2021 be received for information.

Submitted by:	Don Elliott, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

## Dawn Sheppard

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**From:** Carolyn Jenkinson  
**Sent:** Monday, September 20, 2021 3:19 PM  
**To:** CRDBoard  
**Subject:** City of Victoria: 2021-09-20 Council Motion - Acquisition and Operation of Older Rental Stock  
**Attachments:** 2021-09-20 Council Motion - Acquisition and Operation of Older Rental Stock.pdf

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**From:** Victoria Mayor and Council [mailto:mayorandcouncil@victoria.ca]  
**Sent:** Monday, September 20, 2021 2:18 PM  
**To:** CRD Chair <crdchair@crd.bc.ca>  
**Cc:** Lisa Helps (Mayor) <LHelps@victoria.ca>  
**Subject:** City of Victoria: 2021-09-20 Council Motion - Acquisition and Operation of Older Rental Stock

**CAUTION:** This Email is from an EXTERNAL source. Ensure you trust this sender before clicking on any links or attachments.

Good afternoon,

Please see attached for a letter from Victoria Mayor Lisa Helps.

Sincerely,

**Lucas de Amaral**  
Correspondence Coordinator  
Mayor's Office  
City of Victoria  
1 Centennial Square, Victoria BC V8W 1P6



The City of Victoria is located on the homelands of the Songhees and Esquimalt People.

THE CITY OF VICTORIA



OFFICE OF THE MAYOR

September 20, 2021

Colin Plant  
Chair, Capital Regional District  
625 Fisgard Street  
Victoria, BC V8W 1R7  
crdchair@crd.bc.ca

Dear Chair Plant,

On behalf of Victoria City Council, I am writing today to advocate for the inclusion of the acquisition and operation of older rental stock as part of future CRD affordable housing initiatives.

Older rental stock in City of Victoria and across the Capital Regional District is quickly being purchased by large investment firms. These rental housing units are a crucial part of the housing eco-system and represent most of the workforce affordable rental housing in the City of Victoria. It is in the public interest to protect these older housing units, while providing tenant protections and ensuring rents remain affordable.

*The COVID 19: The beginning of the end of homelessness A report on the barriers and recommendations to ending homelessness in the Capital Region* report states that:

The Capital Region is losing affordable housing faster than we can create it. A non-profit acquisition strategy will help prevent homelessness and expand the supply of homes preserved for non-speculative uses. An acquisition strategy must go hand in hand with tenant protections, especially for tenants in the lowest income bracket, to ensure there is no displacement or homelessness due to future redevelopment projects.

Therefore, we view a robust acquisition and operation strategy as a crucial tool in combatting the housing crisis.

Thank you for your time and consideration. Please do not hesitate to contact me should you have any questions regarding this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa Helps".

Lisa Helps  
Victoria Mayor

Cc: The Capital Region Housing Corporation (CRHC) Board

*"The City of Victoria recognizes the Songhees and Esquimalt Nations in whose traditional territories we live and work "Hay swx qa"*