

Notice of Meeting and Meeting Agenda Capital Region Housing Corporation Board

Wednesday, October 11, 2023

1:00 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

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 THE AGENDA

3. ADOPTION OF MINUTES

3.1. [23-725](#) Minutes of the September 13, 2023 Capital Region Housing Corporation Board

Recommendation: That the minutes of the Capital Region Housing Corporation Board meeting of September 13, 2023 be adopted as circulated.

Attachments: [Minutes - September 13, 2023](#)

4. REPORT OF THE CHAIR

5. PRESENTATIONS/DELEGATIONS

The public are welcome to attend CRD Board meetings in-person.

Delegations will have the option to participate electronically. Please complete the online application at www.crd.bc.ca/address no later than 4:30 pm two days before the meeting and staff will respond with details.

Alternatively, you may email your comments on an agenda item to the CRD Board at crdboard@crd.bc.ca.

6. CONSENT AGENDA

6.1. [23-688](#) Capital Region Housing Corporation Operational Update, Third Quarter, 2023

Recommendation: There is no recommendation. This report is for information only.

Attachments: [Staff Report: CRHC Operational Update, Third Quarter 2023](#)

6.2. [23-690](#) Major Capital Plan Status Report, Third Quarter 2023

Recommendation: There is no recommendation. This report is for information only.

Attachments: [Staff Report: Major Capital Plan Status Rpt, 3rd Quarter 2023](#)

7. ADMINISTRATION REPORTS

8. REPORTS OF COMMITTEES

9. NOTICE(S) OF MOTION

10. NEW BUSINESS

11. ADJOURNMENT

Meeting Minutes

Capital Region Housing Corporation Board

Wednesday, September 13, 2023

1:00 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

PRESENT

DIRECTORS: Z. de Vries (Chair), M. Tait (Vice Chair), M. Alto, P. Brent, S. Brice, J. Brownoff, J. Caradonna (1:03 pm), C. Coleman, B. Desjardins, S. Goodmanson, G. Holman, P. Jones, D. Kobayashi, M. Little, C. McNeil-Smith, K. Murdoch, C. Plant, L. Szpak, D. Thompson (EP) (1:02 pm), S. Tobias, A. Wickheim, K. Williams, R. Windsor (EP)

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer; A. Fraser, General Manager, Integrated Water Services; L. Hutcheson, General Manager, Parks and Environmental Services; K. Lorette, General Manager, Planning and Protective Services; K. Morley, General Manager, Corporate Services; M. Barnes, Senior Manager, Health and Capital Planning Strategies; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

EP - Electronic Participation

Regrets: Director Murdock

The meeting was called to order at 1:00 pm

1. TERRITORIAL ACKNOWLEDGEMENT

Director Little provided a Territorial Acknowledgement.

2. APPROVAL OF THE AGENDA

MOVED by Director Brice, **SECONDED** by Director Tait,
That the agenda for the September 13, 2023 Session of the Capital Region
Housing Corporation Board be approved.
CARRIED

3. ADOPTION OF MINUTES

3.1. [23-627](#) Minutes of the July 12, 2023 Capital Region Housing Corporation Board

MOVED by Director Brice, **SECONDED** by Director McNeil-Smith,
That the minutes of the Capital Region Housing Corporation Board meeting of
July 12, 2023 be adopted as circulated.
CARRIED

4. REPORT OF THE CHAIR

There were no Chair's remarks.

5. PRESENTATIONS/DELEGATIONS

There were no presentations or delegations.

6. CONSENT AGENDA

There were no consent agenda items.

7. ADMINISTRATION REPORTS

There were no administration reports.

Director Thompson joined the meeting electronically at 1:02 pm.

Director Caradonna joined the meeting in person at 1:03 pm.

8. REPORTS OF COMMITTEES

- 8.1. [23-560](#) Carey Lane Mortgage, Final Project Approval and Major Capital Plan (2023-2027) Amendments

K. Lorette spoke to Item 8.1.

MOVED by Director Murdoch, **SECONDED** by Director Szpak,

1) That the Resolution of Directors in the form required by BC Housing Management Commission for the purposes of authorizing the execution of the Section 219 Covenants and the Loan and Mortgage documents for the Carey Lane Building Envelope Remediation (BER), substantially in the form as attached hereto as Appendix A, be approved;

2) That Ted Robbins, Chief Administrative Officer, and Nelson Chan, Chief Financial Officer, or their duly authorized delegates, or any two directors or officers of the Corporation be authorized to do all things necessary to affect the project and take such steps as are required to conclude the financing, construction and operation of the Carey Lane BER project; and

3) That the Capital Region Housing Corporation Major Capital Plan (2023-2027) be approved as amended in Appendix B.

CARRIED

9. NOTICE(S) OF MOTION

- 9.1. **23-679** Notice of Motion - Drake Road Supportive Housing Updates (Director Holman)

Director Holman provided the following Notice of Motion for consideration of the Capital Region Housing Corporation Board:

"That staff include updates on the BC Housing Drake Road supportive housing projects in their progress reports to the Capital Region Housing Corporation".

10. NEW BUSINESS

There was no new business.

11. ADJOURNMENT

MOVED by Director Williams, **SECONDED** by Director Szpak,
That the September 13, 2023 Capital Region Housing Corporation Board meeting
be adjourned at 1:05 pm.
CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, OCTOBER 04, 2023**

SUBJECT **Capital Region Housing Corporation Operational Update, Third Quarter, 2023**

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, 2023.

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 more than 50 properties totalling over 1,900 units of housing providing homes to approximately 4,000 residents of the capital region with low to moderate incomes. In addition, CRHC manages a further three properties totalling 65 units on behalf of third parties to bring the CRHC's total units in operation to just under 2,000.

DISCUSSION

Operations Update

The properties that are managed by CRHC are supported by the work of approximately 52 full-time equivalencies (FTE). Staffing continues to require attention due to planned growth, unanticipated absences, and the movement of staff into various roles within CRHC operations. The CRHC, working collaboratively with Human Resources, has made considerable gains in filling operational vacancies that include roles across the Caretaker workgroup, Property Management staff, as well as both Property and Tenant Assists.

Tenant Engagement (TE)

TE staff have continued to streamline and develop best practices for prospective tenants applying for housing through the Regional Housing First Program (RHFP). This includes the development of an Independent Living Application which highlights community supports, self-identified supports and criteria for independent living.

Working with community partners has been a strong theme for TE staff in quarter three (Q3). Strengthening relationships with the Aboriginal Coalition to End Homeless has provided cultural perspectives to integrate into our work. Saanich Parks and Recreation have worked with TE staff to develop programming to be offered in our buildings, and ongoing Community Partners Meetings allow TE staff to continue to network within the housing industry.

The Fall newsletter for tenants will highlight ongoing TE initiatives including staff meet and greets at buildings and opportunities to engage more with TE staff. For example, staff are developing support for seniors in transitioning from Persons with Disabilities (PWD) benefits to Old Age Security (OAS) benefits to help tenants maintain housing when their income status changes. The newsletter continues to provide tenants resources to allow for supported successful tenancies and connect staff with tenants in a meaningful way.

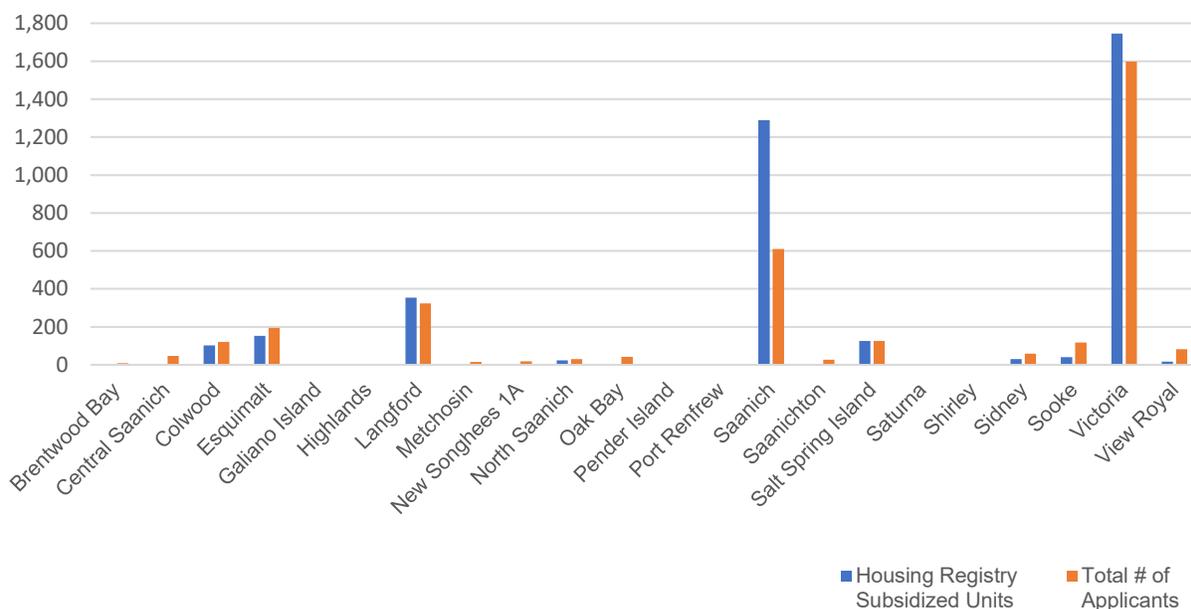
Housing Registry Waitlist Statistics

Table 1: BC Housing Registry Waitlist Statistics

Category	July 2023	August 2023	As at September 10, 2023
Total Registry Rent Geared to Income Units (Capital Region Area)	3,881	3,881	3,881
Applicants as noted below			
Family	872	884	882
Persons with Disabilities	666	689	681
Seniors	1,228	1,230	1,233
Wheelchair Modified	152	150	149
Singles	245	238	233
Total	3,163	3,191	3,434¹

The BC Housing Registry (the Registry) helps housing providers manage applicant lists and eliminate duplication among providers. The statistics provided above are for the CRD only with the highest representation of need in Victoria (47%), Saanich (18%), Langford (9%), Esquimalt (6%), Colwood (4%), Sooke (3%) and View Royal (2%). Chart 1 shows the total number of Housing Registry Subsidized Units across the capital region as well as the total number of current applicants.

Chart 1: Applicant Waiting List Details – Capital Region



The Registry requires applicants to renew their applications every six months to remain active. This process can account for slight fluctuations in the numbers with the number of applicants in Q3 showing an increase of 7.6%.

¹ The total also includes Rent Supplements (2), Transfers (234) and Pending Applications (20).

Vacancy

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

Year	Period	# Units Vacant	# Days Vacant	Average Days Vacant
2023	Jan - March 10	68	3,382	49
2023	April – June 30	97	4,548	47
2023	July 1 – Sept 30	102	5,938	58

As of September 30, there are 102 units reported vacant across CRHC’s units which have all been in operation for more than 12 months. These vacancies total 5,938 days for an average of 58 days vacant. Staff continue to focus on turnover of units to a target of 30 days or less. However, as most units require capital work to occur in them, the turnover time continues to be impacted by contractor and material availability. Currently, wait times for scheduling works means a unit is vacant for a minimum of 45 days.

Turnover

Table 3: Q3 Turnover Rate – All Units

Year	Period	# Turnovers Operating More Than 12 Months	# Turnovers Operating Less Than 12 Months	Total
2023	January 1-March 10	24	1	25
2023	April – June 30	61	0	61
2023	July 1 – Sept 30	44	3	47

Turnover of units decreased in Q3. The reason for higher turnovers is partly due to improved weather, which allows individuals to make life choices about jobs and movement. Portfolio representation of the 47 units that turned over is: RHFP – 65%, Umbrella Operating Agreement (UOA) – 17%, No Operating Agreement (NOA) & Investment in Housing Innovation (IHI) - 11%.

Rent-Up

Staff have been turning their attention to the new 51-unit building, *Prosser Place* which was handed over in April 2023. Staff are actively working to follow up with those households who had previously expressed an interest in applying to CRHC-operated housing to determine their suitability and continued intent in pursuing a tenancy. As of September 18, a total of 43 of the 51 units are rented. The remaining eight vacant units include five that await additional renovations to ensure accessibility standards are met. The three units remaining are being actively marketed and shown.

Routine Capital Plan

The updated Five-Year Routine Capital Plan has a budget of \$4.7 million (M) in 2023. Typically, capital spending is its highest in Q3, with Q1 having the lowest spending due to inclement weather management, lower number of move outs and the focus to begin annual inspections. Q3 spending has progressed as anticipated with many projects underway.

Capital spending as of September 7, 2023, was \$1.5M across the five funding portfolios. The first phase of the reroofing project at Pinehurst is complete with the second phase underway as well as fence replacement and exterior painting work at various properties totalling \$1.4M of budgeted work in progress. Examples of work in progress to award include reroofing at Kings Place, perimeter fencing at Beechwood, Electric Vehicle installation at Spencer Closer and decking at Olympic View. In total, at the end of Q3, an estimated total of \$2.9M in routine capital works will be underway.

Staff have worked hard to initiate and execute capital work projects and will continue to do so throughout the balance of 2023 to get ahead of the market for 2024 scheduled work. New large capital projects going to market will include perimeter fencing, reroofing, exterior/interior painting, and common area flooring.

Staff continue to prioritize unit turnovers and have completed annual inspections. These inspections are used as staff reference for 2024 capital planning which is scheduled to occur through September.

CONCLUSION

Through Q3 2023, CRHC has been actively recruiting, interviewing, and onboarding staff as offers are accepted. The work in communities continues with considerable positive progress on renting up the recently opened Prosser Place. Management for various contracted services are all being addressed through appropriate procurement processes to ensure the contracts are updated regularly and that CRHC staff can continue to test the marketplace seeking the most qualified contractors identified through a fair and competitive process. In total, as of this report, \$1.5M of works has been undertaken through the Routine Capital Plan, with an additional \$1.4M in process.

Staff continue to successfully re-rent units and are continuing to focus on efforts to decrease the average number of days vacant.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Don Elliott, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, OCTOBER 04, 2023**

SUBJECT **Major Capital Plan Status Report, Third Quarter 2023**

ISSUE SUMMARY

To provide a quarterly update to the Hospitals and Housing Committee on the Capital Region Housing Corporation (CRHC) Major Capital Plan (2023-2027). This report is to complement the Capital Variance Report presented quarterly to the Capital Regional District (CRD) Board by the Chief Administrative Officer.

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 almost 1,900 units of affordable housing, providing homes to approximately 4,000 residents of the capital region with low-to-moderate incomes. In addition, the CRHC currently has 255 new units under construction and 559 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), Green Municipal Fund (GMF), Capital Renewal Fund (CRF), Community Works Fund (CWF), Victoria Housing Reserve Fund (VHRF) and Growing Communities Fund (GCF).

IMPLICATIONS

Michigan Square (RHFP, RHTF, VHRF & CHF)

The Michigan Square project, a 97-unit redevelopment in Victoria's James Bay neighbourhood, consists of two four-storey wood frame apartment buildings constructed on top of the existing underground parkade. Onsite, wood framing of the 53-unit west building, and 44-unit east building is now complete. Mechanical and electrical rough-ins are underway in the west building with drywall installation underway on the upper floors. Laying down of the roofing membrane and installation of the building envelope is underway on the east building.

The project budget of \$34.3 million (M), with a total of \$10.9M awarded through grants, remains unchanged from the approved Major Capital Plan (2023-2027). The project is expected to receive its Occupancy Permit in February 2024.

Caledonia (CHF, RHTF, & VHRF)

The Caledonia project is a 158-unit redevelopment in Victoria's Fernwood neighbourhood. The redevelopment will include five new multi-family residential buildings, consisting of two apartment buildings and three townhouse blocks. Construction of the underground parkade structure and final excavation and backfilling is currently nearing completion. Wood framing is underway on the four-storey apartment building.

The project budget of \$71M, with a total of \$19.5 awarded through grants, remains unchanged from the approved Major Capital Plan (2023-2027).

Carey Lane building envelope remediation (BER) (CRF)

Carey Lane, a 22-unit townhouse complex that is owned and operated by the CRHC, will undergo a full BER as well as upgrades to the ventilation, heating, and cooling systems.

On September 13, 2023, the CRHC Board approved the *Carey Lane Mortgage & Final Project Approval and Major Capital Plan (2023-2027) amendments*. The Carey Lane amendment increased the total project budget from \$3.9M to \$6.1M. The CRHC equity contribution of \$600,000, funded through the Portfolio Stabilization Reserve, remains unchanged despite the total budget increase. To account for the budget increase, BC Housing agreed to increase the value of the Capital Renewal Fund (CRF) forgivable mortgage from \$3.3M to \$5.5M. There will be no debt to execute this project. See Table 1 for a detailed breakdown of the budget revision.

Table 1: Capital Budget Revisions

Budget Description	Provisional Budget (December 2022)	Final Budget (September 2023)
Total Project Costs	\$3,871,182	\$6,050,000
CRHC Equity	\$(600,000)	\$(600,000)
BC Housing's Capital Renewal Fund	\$(3,271,182)	\$(5,450,000)
Total Equity/Deductions	\$(3,871,182)	\$(6,050,000)
Forgivable Mortgage Principal	\$3,271,182	\$5,450,000

Staff are in the process of finalizing project schedule and confirming onsite logistics with the Prime Contractor. Work is scheduled to begin in late November 2023.

Pandora (CHF)

The Pandora project is a partnership between the City of Victoria, BC Housing and the CRHC to build non-market rental homes and create a new community space in the North Park neighbourhood. Once complete, the CRHC will lease an air-space parcel and operate approximately 158 affordable rental units.

On July 20, 2023, a Development Permit was issued through the City of Victoria's Rapid Deployment of Affordable Housing (RDAH) approval stream. The design consultants are now able to advance the design drawings in preparation for a Partial Building Permit Application in late Q4, 2023.

The project budget of \$83.4M for the CRHC affordable housing component of this project, with a total of \$25.9M awarded through grants, remains unchanged from the approved Major Capital Plan (2023-2027).

161 Drake Road (CWF)

Throughout Q3, 2023, CRD staff and the consulting hydrogeologist have been coordinating with contractors and the neighbouring property to confirm the final logistics of the upcoming groundwater exploration. Construction of a new access trail and temporary drilling pad is underway, and drilling and pump testing will be carried out in early Q4, 2023. Based on the results of the water exploration, staff will report back to the Board with opportunities for future development. The budget of \$80,000, with all funds coming from CWF, remains unchanged from the CRHC Major Capital Plan (2023-2027).

Separately, BC Housing continues to advance the supportive housing development on 161 Drake Road through a lease agreement with the CRD. The supportive housing development will provide up to 28 permanent homes with supports, as well as a kitchen facility, common area, staff offices and an outdoor amenity space. BC Housing staff continue to provide quarterly updates as they advance the development.

Campus View (RHFP, RHTF, GMF)

Campus View is an existing 12-unit CRHC townhouse complex located in the Gordon Head neighbourhood of Saanich. This site is a high priority redevelopment which as proposed will see the number of units increase to 119 units, including 23 net-new three-bedroom units of affordable housing. A Rezoning and Development Permit Application was submitted to the District of Saanich (Saanich) in April 2022 and the project was presented to Saanich's Advisory Design Panel (ADP) in June 2023. The design documents have been updated to reflect the comments received from ADP and were resubmitted to Saanich in July 2023. Staff are now awaiting confirmation of the date when Saanich Council will review the Rezoning and Development Permit Application. Staff are also actively working with Saanich staff to apply to the Saanich Housing Fund (SHF). The SHF could provide approximately \$2,000 per door, or approximately \$238,000 in grant funding total, however, the overall project budget continues to carry an equity gap of \$6.8M. Staff are pursuing all avenues for capital grant funding to close the gap but at this time no new major grant funding sources have been secured. The project budget of \$52.0M with a total of \$22.7M funded through grants, remains unchanged from the approved Major Capital Plan (2023-2027).

Village on the Green (RHFP, RHTF, GMF)

Village on the Green, a CRHC owned complex located in Victoria's Fernwood neighbourhood, was identified as a property with significant redevelopment potential. The proposed redevelopment will see the number of units increase from 38 units to approximately 140 units, including 15 net-new three-bedroom units. On July 27, 2023, a Development Permit Application was submitted through the RDAH. With the Development Permit drawings complete, staff will be working with a cost consultant to carry out a Class C estimate and update the preliminary budget in advance of the Major Capital Plan (2023-2027).

In September 2023, the CRD Board approved a grant of \$4.2M from the GCF towards the Village on the Green Redevelopment. Staff will work to advance this project as expeditiously as possible and will report back to the CRHC Board in December 2023 through the updated Major Capital Plan (2023-2027) once the updated cost estimates have been received.

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 ongoing supply chain issues, global inflation, labour shortages and rising interest rates, CRHC Major Capital Projects are within budget and in alignment with the Major Capital Plan (2023-2027).

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Don Elliott, MUP, BA, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer