



Notice of Meeting and Meeting Agenda Hospitals and Housing Committee

Wednesday, December 4, 2024

1:30 PM

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

K. Murdoch (Chair), J. Caradonna (Vice Chair), M. Alto, P. Brent, S. Brice, Z. de Vries, C. Harder, G. Holman, P. Jones, D. Kobayashi, C. McNeil-Smith (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. [24-1299](#) Minutes of the November 6, 2024 Hospitals and Housing Committee Meeting

Recommendation: That the minutes of the Hospitals and Housing Committee meeting of November 6, 2024 be adopted as circulated.

Attachments: [Minutes - November 6, 2024](#)

4. Chair's Remarks

5. Presentations/Delegations

5.1. Presentations

5.1.1. [24-1281](#) Presentation: Janine Stevenson, RN, and Andrea Derban, RN, Community Action Initiative; Re: Local Leadership United - Myth Busting around Mental Health and Substance Use in Today's World

5.2. 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. Committee Business

6.1. [24-1217](#) Leblond Place Building Envelope Remediation Mortgage Renewal

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 second mortgage for Leblond Place through the Canada Mortgage and Housing Corporation Tendered Lending Program for a term not to exceed 10 years as required be approved; and
2. That Edward Robbins, Chief Administrative Officer or Nelson Chan, Chief Financial Officer, or their duly authorized delegates together or with any one officer or director of the Borrower for and on behalf of the Borrower be authorized to sign any documents related to the mortgage renewal.

Attachments: [Staff Report: Leblond Place BER Mortgage Renewal](#)
[Appendix A: Resolution of Directors](#)

7. Notice(s) of Motion

7.1. [24-1268](#) Motion with Notice: Rural Housing Program (Director Holman)

Recommendation: [At the November 13, 2024 Capital Region Housing Corporation Board meeting, the following notice of motion was read into the record by Director Holman and referred by the CRHC Chair to the next meeting of the Hospitals and Housing Committee for discussion:]

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

That staff provide a report on possible ways in which the CRHC can play a role in the Rural Housing Program.

8. New Business

9. Adjournment

The next meeting will be held in 2025.

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

Meeting Minutes

Hospitals and Housing Committee

Wednesday, November 6, 2024

1:30 PM

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

PRESENT

Directors: K. Murdoch (Chair), J. Caradonna (Vice Chair), M. Alto, P. Brent, Z. de Vries, C. Harder, G. Holman (EP), P. Jones, D. Kobayashi (EP), C. McNeil-Smith

Staff: N. Chan, Chief Financial Officer; K. Lorette, General Manager, Planning and Protective Services; D. Elliott, Senior Manager, Regional Housing; J. Proctor, Manager, Planning, Policy & Programs, Regional Housing; H. Rodinger, Manager, Housing and Business Development, Regional Housing (EP); M. Lagoa, Deputy Corporate Officer; J. Dorman, Committee Clerk (Recorder)

EP - Electronic Participation

Regrets: Directors S. Brice, C. Plant

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

1. Territorial Acknowledgement

Vice Chair Caradonna provided a Territorial Acknowledgement.

2. Approval of Agenda

MOVED by Director Alto, **SECONDED** by Director McNeil-Smith,
That the agenda for the November 6, 2024 Hospitals and Housing Committee
meeting be approved.
CARRIED

3. Adoption of Minutes

3.1. [24-1064](#) Minutes of the October 2, 2024 Hospitals and Housing Committee Meeting

MOVED by Director Alto, **SECONDED** by Director Jones,
That the minutes of the Hospitals and Housing Committee meeting of October 2,
2024 be adopted as circulated.
CARRIED

4. Chair's Remarks

There were no Chair's remarks.

5. Presentations/Delegations

There were no presentations or delegations.

6. Committee Business

6.1. [24-907](#) Revenue Anticipation Borrowing Resolution for Current Capital Regional Hospital District Operating Expenditures

N. Chan spoke to Item 6.1.

Discussion ensued on the following:

- utilization history and function scale
- regional and hospital districts provisions

**MOVED by Director McNeil-Smith, SECONDED by Director Brent,
The Hospitals and Housing Committee recommends to the Capital Regional
Hospital District Board:**

**That the Revenue Anticipation Resolution be adopted to allow the temporary
borrowing of up to \$11 million for current Capital Regional Hospital District
operating expenditures.**

CARRIED

6.2. [24-1078](#) Provincial Rental Protection Fund Overview and Analysis

K. Lorette presented Item 6.2. for information

Discussion ensued on the following:

- pre-qualified capital outlay and application process
- qualification eligibility and additional opportunities
- funding anticipation, capacity and barriers

6.3. [24-1079](#) Reassignment of Collateral Charge for Vergo Mortgage

K. Lorette spoke to Item 6.3.

**MOVED by Director Brent, SECONDED by Director de Vries,
The Hospitals and Housing Committee recommends to the Capital Region
Housing Corporation Board:**

**1. That Edward Robbins, Chief Administrative Officer and Nelson Chan, Chief
Financial Officer, or their duly authorized delegates be authorized to sign any
documents related to the mortgage amendment; and**

**2. That the Capital Region Housing Corporation be authorized to pay the
Amendment Fee of \$1,000 to Vancouver City Savings Credit Union.**

CARRIED

6.4. [24-1080](#) Capital Region Housing Corporation Umbrella Operating Agreement
Routine Capital Plan 2020-2024 Amendment

K. Lorette spoke to Item 6.4.

Discussion ensued on the following:

- Umbrella operating agreement between CRHC and BC Housing
- future 5 year capital plans and projections

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

- 1. That the amended Five-Year Umbrella Operating Agreement Routine Capital Plan 2020-2024 be approved; and,**
- 2. That staff be authorized to implement the Five-Year Umbrella Operating Agreement Routine Capital Plan 2020-2024.**

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 McNeil-Smith, SECONDED by Director Alto,
That the November 6, 2024 Hospitals and Housing Committee meeting be
adjourned at 2:17 pm.**

CARRIED

CHAIR

RECORDER

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, DECEMBER 4, 2024**

SUBJECT **Leblond Place Building Envelope Remediation Mortgage Renewal**

ISSUE SUMMARY

BC Housing Management Commission (BCHMC) requires a Resolution from the Capital Region Housing Corporation (CRHC) Board of Directors to renew the building envelope remediation (BER) mortgage on Leblond Place.

BACKGROUND

The BER mortgage (second mortgage) for Leblond Place, a 43-unit family townhome complex at 390 Waterfront Crescent on the Gorge Waterway is funded through BCHMC and is part of the Umbrella Operating Agreement (UOA). The mortgage is due for renewal on March 1, 2025, and the current mortgage is held by MCAP at a rate of 2.150%.

BCHMC intends to renew the mortgage through Canada Mortgage and Housing Corporation's (CMHC) Tendered Lending Program and will publish tender calls to interested approved lenders to secure the best interest rate and terms available in the market. BC Housing also requires a Resolution of the Directors, attached as Appendix A, to authorize the Chief Administrative Officer or Chief Financial Officer to execute all documents related to the mortgage renewal.

Renewal details are shown in Table 1.

Table 1 – Mortgage Details

Building	Current interest rate	Estimated principal at renewal	Annual subsidy (2023)	Remaining term	Mortgage maturity date	Operating agreement expiry
Leblond Place	2.150%	\$2,255,673	\$330,298	20 years	March 1, 2045	Dec 31, 2024

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 second mortgage for Leblond Place through the Canada Mortgage and Housing Corporation Tendered Lending Program for a term not to exceed 10 years as required be approved; and
2. That Edward Robbins, Chief Administrative Officer or Nelson Chan, Chief Financial Officer, or their duly authorized delegates together or with any one officer or director of the Borrower for and on behalf of the Borrower be authorized to sign any documents related to the mortgage renewal.

Alternative 2

That staff be directed to review other financing options based on Hospitals and Housing Committee direction.

IMPLICATIONS

Financial Implications

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

Table 2 – CMHC 10-year Tender Rates

Date	10-Year Rate
June 2024	4.47%
July 2024	4.25%
August 2024	4.50%
September 2024	3.96%

If the Board approves the CMHC tendered mortgage renewal process, CRHC will continue to benefit from the preferential interest rates available from this process.

A Board decision to not renew the mortgage under the CMHC tender process would necessitate acquiring BCHMC's permission and securing a commitment for alternate financing through private sector lenders. For comparison, current posted rates for a 10-year fixed term mortgage from Vancity is 5.79% and Scotiabank is 7.19%. An evaluation of borrowing rates shows the tendered mortgage renewals interest rate is the most cost-effective option and will ensure maximum annual rent subsidy assistance.

The UOA states that the economic operating costs will be recalculated on the renewal of the mortgage to consider new payments for the loan. This language ensures that the monthly subsidy amount received from BCHMC will be adjusted to absorb the anticipated increase in debt servicing costs, which is the result of a likely higher rate on renewal.

CONCLUSION

The second mortgage for Leblond Place is due for renewal on March 1, 2025. The most cost-effective option is to renew through CMHC Tendered Lending Program.

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 second mortgage for Leblond Place through the Canada Mortgage and Housing Corporation Tendered Lending Program for a term not to exceed 10 years as required be approved; and
2. That Edward Robbins, Chief Administrative Officer or Nelson Chan, Chief Financial Officer, or their duly authorized delegates together or with any one officer or director of the Borrower for and on behalf of the Borrower be authorized to sign any documents related to the mortgage renewal.

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, GM Finance & IT
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: Resolution of Directors

Appendix A

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 2980 Jutland Rd/390 Waterfront Cres, Victoria, BC (BCHMC file no. 13325 / 703), 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 Edward Robbins, Chief Administrative Officer, or Nelson Chan, Chief Financial Officer, or their respective duly authorized delegates, together or with any one officer or director 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, Edward Robbins, Chief Administrative Officer of the Capital Region Housing Corporation 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 _____ day of _____, 20____ 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 _____, 2024.

Witness

Name:

Title: