



## Notice of Meeting and Meeting Agenda Capital Region Housing Corporation Board

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Wednesday, July 9, 2025

12:00 PM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC

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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. [25-0730](#) Minutes of the Capital Region Housing Corporation Board Meeting of June 11, 2025

**Recommendation:** That the minutes of the Capital Region Housing Corporation Board meeting of June 11, 2025 be adopted as circulated.

**Attachments:** [Minutes - June 11, 2025](#)

### 4. REPORT OF THE CHAIR

### 5. PRESENTATIONS/DELEGATIONS

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

*Delegations will have the option to participate electronically. Please complete the online application at [www.crd.ca/address](http://www.crd.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](mailto:crdboard@crd.bc.ca).*

### 6. CONSENT AGENDA

6.1. [25-0799](#) Caledonia Affordable Housing Redevelopment - Budget Amendment and Capital Region Housing Corporation Major Capital Plan (2025-2029) Amendment

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

1. That the Caledonia Redevelopment project budget and the Capital Region Housing Corporation Major Capital Plan (2025-2029) be approved as amended in Appendix B;
2. That the Resolution of Directors required by BC Housing Management Commission for the purpose of authorizing the execution of the loan and mortgage documents for the Caledonia Redevelopment project (PID 031-731-848), substantially attached as Appendix A, be approved; and
3. That \$882,392 in surplus capital funding from the Michigan Square Redevelopment project be reallocated to the Caledonia Redevelopment project to offset the budget shortfall.

**Attachments:** [Staff Report: Caledonia Affordable Housing Devt-Budget Amend't](#)

[Appendix A: Draft Certified Resolution of Directors](#)

[Appendix B: CRHC Five Year Major Cap Expend Plan Sum](#)

**7. ADMINISTRATION REPORTS**

**8. REPORTS OF COMMITTEES**

**9. NOTICE(S) OF MOTION**

**10. NEW BUSINESS**

**11. ADJOURNMENT**

## Meeting Minutes

### Capital Region Housing Corporation Board

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Wednesday, June 11, 2025

12:00 PM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC

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#### PRESENT

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

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer/General Manager, Finance and Technology; A. Fraser, General Manager, Infrastructure and Water Services; L. Jones, General Manager, Parks, Recreation and Environmental Services (EP); K. Lorette, General Manager, Housing, Planning and Protective Services; K. Morley, Corporate Officer/General Manager, Corporate Services; R. Tooke, Acting General Manager, Parks, Recreation and Environmental Services; D. Elliott, Senior Manager, Regional Housing (EP); J. Douillard, Senior Transportation Planner; R. Fowles, Manager, Planning and Capital Projects; P. Kickham, Acting Senior Manager, Environmental Protection; P. Klassen, Senior Manager, Regional Planning; H. Rodinger, Manager Housing and Business Development; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

EP - Electronic Participation

The meeting was called to order at 12:03 pm.

#### 1. TERRITORIAL ACKNOWLEDGEMENT

Vice Chair Caradonna provided the Territorial Acknowledgement.

#### 2. APPROVAL OF THE AGENDA

**MOVED** by Director Little, **SECONDED** by Director Caradonna,  
That the agenda for the Capital Region Housing Corporation Board meeting of  
June 11, 2025 be approved.  
**CARRIED**

#### 3. ADOPTION OF MINUTES

3.1. [25-0689](#) Minutes of the Capital Region Housing Corporation Board Meeting of May 14, 2025

**MOVED** by Director Little, **SECONDED** by Director Kobayashi,  
That the minutes of the Capital Region Housing Corporation Board meeting of  
May 14, 2025 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

**MOVED** by Director Kobayashi, **SECONDED** by Director Caradonna,  
That consent agenda item 6.1. be approved.  
**CARRIED**

6.1. [25-0604](#) Capital Region Housing Corporation Quarter 1 Update, 2025

This report was received for information.

#### 7. ADMINISTRATION REPORTS

There were no Administration Reports.

#### 8. REPORTS OF COMMITTEES

There were no Reports of Committees.

#### 9. NOTICE(S) OF MOTION

There were no notice(s) of motion.

#### 10. NEW BUSINESS

There was no new business.

#### 11. MOTION TO CLOSE THE MEETING

11.1. [25-0688](#) Motion to Close the Meeting

MOVED by Director Goodmanson, SECONDED by Director Wickheim,  
1. That the meeting be closed for Land Acquisition in accordance with Section  
90(1)(e) of the Community Charter.  
CARRIED

MOVED by Director Goodmanson, SECONDED by Director Wickheim,  
2. That such disclosures could reasonably be expected to harm the interests of  
the Regional District.  
CARRIED

MOVED by Director Coleman, SECONDED by Director McNeil-Smith,  
That the meeting be recessed for the meeting of the Capital Regional District  
Board.  
CARRIED

The meeting recessed at 12:06 pm to convene the meeting of the Capital  
Regional District Board.

The meeting reconvened and went into the closed session at 4:41 pm.

12. RISE AND REPORT

The Capital Region Housing Corporation Board rose from its closed session at  
4:43 pm without report.

13. ADJOURNMENT

MOVED by Director Caradonna, SECONDED by Director Desjardins,  
That the Capital Region Housing Corporation Board meeting of June 11, 2025 be  
adjourned at 4:43 pm.  
CARRIED

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CHAIR

CERTIFIED CORRECT:

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CORPORATE OFFICER

**REPORT TO HOSPITALS AND HOUSING COMMITTEE  
MEETING OF WEDNESDAY, JULY 2, 2025**

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**SUBJECT**     **Caledonia Affordable Housing Redevelopment – Budget Amendment and Capital Region Housing Corporation Major Capital Plan (2025-2029) Amendment**

**ISSUE SUMMARY**

The BC Housing Management Commission (BCHMC) requires a Resolution of Directors from the Capital Region Housing Corporation (CRHC) Board of Directors to approve the budget amendment on the Caledonia Redevelopment project and to authorize the execution of the financing and mortgage documents related to it. The Policy to Determine Delegation of Authority for the CRHC requires that all documents relating to mortgages valued over \$500 thousand (K) be approved by the CRHC Board.

**BACKGROUND**

In November 2024, the CRHC Board approved the Major Capital Plan (2025-2029) (MCP), which included a total budget of \$73.6 million (M) for Caledonia Affordable Housing project. As outlined in the CRHC 2025 Quarter 1 Update from June 2025, the project is experiencing a budget shortfall of \$1.4M.

**ALTERNATIVES**

*Alternative 1*

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

1. That the Caledonia Redevelopment project budget and the Capital Region Housing Corporation Major Capital Plan (2025-2029) be approved as amended in Appendix B;
2. That the Resolution of Directors required by BC Housing Management Commission for the purpose of authorizing the execution of the loan and mortgage documents for the Caledonia Redevelopment project (PID 031-731-848), substantially attached as Appendix A, be approved; and
3. That \$882,392 in surplus capital funding from the Michigan Square Redevelopment project be reallocated to the Caledonia Redevelopment project to offset the budget shortfall.

*Alternative 2*

That this report be referred back to staff for additional information based on Hospitals and Housing Committee direction.

**IMPLICATIONS**

*Financial Implications*

Caledonia Redevelopment project is currently experiencing budget pressure due to a number of unforeseen conditions and external factors. Part of the pressures are the result of inadequate shorth-term financing.

Of the total project budget approved in June 2022, \$1.2M was allocated for interim construction financing, based on BCHMC’s preferred interest rates. Under the funding program, the project must apply BCHMC’s interest rate assumptions, including the variable interim borrowing rates which included projections over the course of construction. Due to cost pressures experienced throughout the project, initial short-term construction financing allowances were inadequate. See Table 1 for more details.

**Table 1: Interest Rate Analysis**

	Interest Rate at Project Commencement (June 2022)	Projected Rate Over Project Duration (June 2022)	Projected Interest Rate at Project Completion (June 2025)
Interim Borrowing Rate	2.30%	2.60%	3.32%**
Take-Out Borrowing Rate	4.00%	4.00%	4.38%
Total Cost of Borrowing	\$1.2M	\$1.2M	\$3.8M
<i>** Variable interim borrowing rate peaked at 5.66% in November 2023</i>			

At project completion, the short-term financing and interest costs accrued during construction will be consolidated into the overall take-out mortgage as part of the repayable loan. The current forecast estimates total project financing costs at approximately \$3.8M, resulting in a budget impact of \$2.6M.

In addition to the financing cost shortfall, the project is experiencing pressure on the contingency budget due to other unforeseen factors. These include the remediation of contaminated soils, unanticipated Capital Region Emergency Service Telecommunications (CREST) system requirements, increased municipal connection fees, permit delays that have led to higher insurance costs, and additional consultant fees related to on-and-offsite redesign work. Due to financing shortfall and unforeseen conditions, the total project budget has increased by approximately \$1.4 million.

The original intent was to absorb these unplanned costs within the existing contingency budget. However, in Q1 2025, the construction manager provided a schedule update indicating an extended project completion date driven by soil remediation and permitting delays, and the complexity of constructing five distinct buildings simultaneously. These delays resulted in additional costs that could no longer be absorbed within the remaining contingency.

As a result, a funding request was submitted to BC Housing Management Commission (BCHMC) to increase the overall project budget to \$75.0 million to accommodate these unforeseen expenses. The revised project budget was approved by BCHMC in March 2025.

The amendment was made possible without increasing debt servicing levels by reprofiling \$882,000 in surplus capital funds from the Michigan Square Redevelopment Project, adjusting near-market rent levels, and securing an increase to the operating subsidy from BCHMC.

**Table 2: Total Approved Capital Budget & Recommended Budget Updates**

	Project Budget MCP (2025-2029)	Proposed Budget July 2025	Increase from June 2022
<b>Gross Capital Budget</b>	\$ 73,586,979.00	\$ 75,004,723.00	\$ 1,417,744.00
<i>CRHC Equity</i>	\$ 1,000,000.00	\$ 1,882,392.00	\$ 882,392.00
<i>Community Housing Fund (CHF)</i>	\$ 18,475,000.00	\$ 18,475,000.00	\$ -
<i>Victoria Housing Reserve Fund (VHRF)</i>	\$ 1,065,000.00	\$ 1,065,000.00	\$ -
<b>Total Equity</b>	\$ 20,540,000.00	\$ 21,422,392.00	\$ 882,392.00
<b>Mortgage Debt Required</b>	\$ 53,046,979.00	\$ 53,582,331.00	\$ 535,352.00
<b>Estimate Subsidy Per Year</b>	\$ 1,535,802.00	\$ 1,590,405.00	\$ 54,603.00

As a result of the Caledonia Redevelopment project budget increase, an amendment to the MCP is required to reflect the budget increase and the anticipated 2025 expenditures. The required amendments are reflected in Appendix B, CRHC Major Capital Plan (2025-2029) Amendment.

**CONCLUSION**

To ensure successful completion of the Caledonia Redevelopment project, the CRHC Board's approval is required to amend the MCP and authorize the execution of the necessary loan and mortgage documents to reflect the increased mortgage values. The revised project budget of \$75.0M, which is an increase of \$1.4M from the MCP, addressing the unforeseen project costs was approved by BCHMC in March 2025. The equity gap has been closed, and debt servicing requirements will be met through a combination of adjusted near-market RENT levels, the reallocation of surplus capital funds from the Michigan Square Redevelopment project, and an increased operating subsidy from BCHMC.

**RECOMMENDATION**

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

1. That the Caledonia Redevelopment project budget and the Capital Region Housing Corporation Major Capital Plan (2025-2029) be approved as amended in Appendix B;
2. That the Resolution of Directors required by BC Housing Management Commission for the purpose of authorizing the execution of the loan and mortgage documents for the Caledonia Redevelopment project (PID 031-731-848), substantially attached as Appendix A, be approved; and
3. That \$882,392 in surplus capital funding from the Michigan Square Redevelopment project be reallocated to the Caledonia Redevelopment project to offset the budget shortfall.

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



**Hospitals and Housing Committee – July 2, 2025**  
**Caledonia Affordable Housing Redevelopment – Budget Amendment and Capital Region**  
**Housing Corporation Major Capital Plan (2025-2029) Amendment** **4**

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**ATTACHMENTS:**

Appendix A: Draft Certified Resolution of Directors

Appendix B: CRHC Five Year Major Capital Expenditure Plan Summary - 2025-2029  
Amendment

**CAPITAL REGION HOUSING CORPORATION**  
(the "Borrower")

## WHEREAS:

- A. The Borrower has or will be leasing the property at 1211 Gladstone Ave, Victoria, legally described as: **PID 031-731- 848 LOT A SECTIONS 50 AND 53 SPRING RIDGE VICTORIA CITY DISTRICT PLAN EPP88786** (the "Property") in order to construct and operate a housing project on the Property (the "Project") under the British Columbia Housing Management Commission ("BCHMC") Community Housing Fund Program;
- B. The Borrower has a repayable loan facility in the amount of \$50,449,886.00 with BCHMC and has by mortgage registered on June 21, 2022 in the Victoria Land Title Office under No. CB21220 and assignment of rents under No. CB21221 respectively, (the "Original Mortgage") mortgaged its interest in the Property to secure the repayment of the principal sum of \$50,449,886.00 with interest thereon and other monies as provided for therein, and to assign the rents therefrom; and
- C. The Borrower has agreed with BCHMC to amend the loan facility and Original Mortgage.

## BE IT RESOLVED THAT:

1. The Borrower confirms that the Original Mortgage is a valid and subsisting first mortgage charge with assignment of rents charge with respect to the Borrower's interest in the Property;
2. The Borrower borrows further monies to a total amount of \$53,582,331.00 and is granted an extension to the repayment date of the principal amount of the Original Mortgage to facilitate the completion of the construction of the Project in accordance to the Loan Commitment Amendment Letter dated April 7, 2025. These monies and other related amendments will be secured by way of a modification to the Original Mortgage of the repayable loan;
3. The Borrower executes and delivers all documents required by BCHMC or the lender of the monies, including any takeout lenders, in such form and containing such terms, covenants, provisos and conditions as are satisfactory to or required by them, including without limitation the Loan Commitment Amendment, a modification of Original Mortgage, and any other security documents required by BCHMC; and
4. That Edward Robbins, Chief Administrative Officer, or Nelson Chan, Chief Financial Officer, or their respective duly authorized delegates, together, or either of them along with any 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 Property and the Project 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 BCHMC or the lender of the monies.

CAPITAL REGION HOUSING CORPORATION

FIVE YEAR MAJOR CAPITAL EXPENDITURE PLAN SUMMARY - 2025 to 2029 AMENDMENT No. 1

	Type	Estimate Class	Total Project Budget	Forecast	Balance	2025	2026	2027	2028	2029	TOTAL
				spent at Dec. 31, 2024	Remaining at Dec. 31, 2024						
<b>EXPENDITURE</b>											
Caledonia - CHF	B	Class A	75,004,723	61,127,144	13,877,579	13,877,579					13,877,579
Carey Lane - BER	B	Class A	10,539,332	5,396,901	5,142,431	5,142,431					5,142,431
Pandora - CHF	Lease	Class B	114,399,753	20,000	114,379,753	200,000	200,000	113,779,753			114,379,753
Campus View Redevelopment - RHFP	B	Class B	55,446,365	1,011,571	54,434,794	18,227,203	23,906,070	12,301,521	-	-	54,434,793
Village on the Green Redevelopment - RHFP	B	Class C	81,102,549	3,618,746	77,483,803	27,395,730	29,214,357	20,873,715			77,483,803
Cedar Hill Library & HSG Redevelopment - CHF	B	Class D	138,244,506	900,000	137,344,506	12,100,000	41,748,169	41,748,169	41,748,169	-	137,344,506
Verdier / Brentwood - CHF	B	Class C	65,437,392	1,262,083	64,175,308	8,301,416	27,936,946	27,936,946			64,175,309
New Redevelopment Projects	B	Conceptual	2,500,000	-	2,500,000	2,500,000	-	-	-	-	2,500,000
Future Redevelopment Projects	B	Conceptual	1,500,000	-	1,500,000	1,500,000	-	-	-	-	1,500,000
61,673,795			<b>544,174,620</b>	<b>73,336,446</b>	<b>470,838,174</b>	<b>89,244,359</b>	<b>123,005,542</b>	<b>103,060,351</b>	<b>155,527,922</b>	-	<b>470,838,174</b>
<b>SOURCE OF FUNDS (combined)</b>											
Mortgage Debt	Debt		359,108,031	41,180,030	317,928,001	12,402,302	92,749,541	95,910,771	116,865,390	-	317,928,003
Grants (Federal, Provincial, Local)	Grant		182,584,194	31,142,980	151,441,214	75,373,102	30,256,000	7,149,580	38,662,532	-	151,441,214
CRHC Equity	Equity		882,395	-	-	882,392	-	-	-	-	882,392
UOA Reserve	Res		1,600,000	1,013,436	586,564	586,564	-	-	-	-	586,564
Other - Third Party Funding	Other		-	-	-	-	-	-	-	-	-
			<b>544,174,620</b>	<b>73,336,446</b>	<b>469,955,779</b>	<b>89,244,360</b>	<b>123,005,542</b>	<b>103,060,351</b>	<b>155,527,922</b>	-	<b>470,838,173</b>

CAPITAL REGION HOUSING CORPORATION

FIVE YEAR MAJOR CAPITAL EXPENDITURE PLAN SUMMARY - 2025 to 2029 AMENDMENT No. 1

		Total Project Budget	Forecast spent at Dec. 31, 2024	Balance Remaining at Dec. 31, 2024	2025	2026	2027	2028	2029	TOTAL
<b>SOURCE OF FUNDS (by project)</b>										
<b>Caledonia - CHF</b>										
Mortgage Debt	Debt	53,582,328	41,180,030	12,402,298	12,402,301					12,402,301
Michigan Equity	Equity	882,395			882,392					
Grants	Grant	19,540,000	19,007,500	532,500	532,500					532,500
UOA Stabilization Reserve	Res	1,000,000	939,614	60,386	60,386					60,386
		<b>75,004,723</b>	<b>61,127,144</b>	<b>12,995,184</b>	<b>13,877,579</b>	-	-	-	-	<b>12,995,187</b>
<b>Carey Lane - BER</b>										
UOA Stabilization Reserve	Res	600,000	73,822	526,178	526,178					526,178
Grants	Grant	9,939,332	5,323,079	4,616,253	4,616,253					4,616,253
		<b>10,539,332</b>	<b>5,396,901</b>	<b>5,142,431</b>	<b>5,142,431</b>	-	-	-	-	<b>5,142,431</b>
<b>Pandora - CHF</b>										
Mortgage Debt	Debt	82,066,801	-	82,066,801	-	-	-	82,066,801		82,066,801
Grants	Grant	32,332,952	20,000	32,312,952	200,000	200,000	200,000	31,712,952		32,312,952
		<b>114,399,753</b>	<b>20,000</b>	<b>114,379,753</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>113,779,753</b>	-	<b>114,379,753</b>
<b>Campus View Redevelopment - RHFP</b>										
Mortgage Debt	Debt	32,506,535	-	32,506,535	-	20,205,014	12,301,521	-		32,506,534
Grants	Grant	22,939,830	1,011,571	21,928,259	18,227,203	3,701,056	-	-		21,928,259
		<b>55,446,365</b>	<b>1,011,571</b>	<b>54,434,794</b>	<b>18,227,203</b>	<b>23,906,070</b>	<b>12,301,521</b>	-	-	<b>54,434,793</b>
<b>Village on the Green Redevelopment - RHFP</b>										
Mortgage Debt	Debt	43,606,549	-	43,606,549	-	22,732,834	20,873,715			43,606,549
Grants	Grant	37,496,000	3,618,746	33,877,254	27,395,730	6,481,524	-			33,877,254
		<b>81,102,549</b>	<b>3,618,746</b>	<b>77,483,803</b>	<b>27,395,730</b>	<b>29,214,357</b>	<b>20,873,715</b>	-	-	<b>77,483,803</b>
<b>Cedar Hill Library &amp; HSG Redevelopment - CHF</b>										
Mortgage Debt	Debt	104,395,766	-	104,395,766	-	34,798,589	34,798,589	34,798,589		104,395,766
Grants	Grant	33,848,740	900,000	32,948,740	12,100,000	6,949,580	6,949,580	6,949,580		32,948,740
		<b>138,244,506</b>	<b>900,000</b>	<b>137,344,506</b>	<b>12,100,000</b>	<b>41,748,169</b>	<b>41,748,169</b>	<b>41,748,169</b>	-	<b>137,344,506</b>
<b>Verdier/Brentwood</b>										
Mortgage Debt	Debt	42,950,052	-	42,950,052	-	15,013,106	27,936,946			42,950,052
Grants	Grant	22,487,340	1,262,083	21,225,257	8,301,416	12,923,840	-			21,225,257
		<b>65,437,392</b>	<b>1,262,083</b>	<b>64,175,308</b>	<b>8,301,416</b>	<b>27,936,946</b>	<b>27,936,946</b>	-	-	<b>64,175,308</b>
<b>New Redevelopment Projects</b>										
Mortgage Debt	Debt	-	-	-	-	-	-	-	-	-
Grants	Grant	2,500,000	-	2,500,000	2,500,000	-	-	-	-	2,500,000
		<b>2,500,000</b>	-	<b>2,500,000</b>	<b>2,500,000</b>	-	-	-	-	<b>2,500,000</b>
<b>Future Redevelopment Projects</b>										
Grants	Grant	1,500,000	-	1,500,000	1,500,000	-	-	-	-	1,500,000
		<b>1,500,000</b>	-	<b>1,500,000</b>	<b>1,500,000</b>	-	-	-	-	<b>1,500,000</b>