



**CRHC**

The Capital Region's Housing Corporation

**CAPITAL REGION HOUSING CORPORATION  
BOARD OF DIRECTORS MEETING**

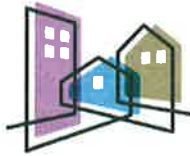
**AGENDA**

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9:30 a.m., Tuesday, June 23, 2015  
625 Fisgard Street, Victoria  
Room 488

1. Approval of Agenda
2. Approval of Minutes of May 26, 2015
3. Mortgage Renewal – The Brambles
4. Mortgage Renewal – The Terraces
5. Property Management Report
6. Adjournment





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#### **4. STRATEGIC PLANNING 2016-2019**

C.Culham presented the report on the Strategic Planning 2016-2019 process.

It was **MOVED** by Director Howe, **SECONDED** by Director Carline

That the Capital Region Housing Board of Directors direct staff to organize strategic planning session for the Capital Region Housing Board of Directors which will be held at the July 2015 Board meeting

**CARRIED**

#### **5. EXTERIOR PAINT CONTRACT**

C.Culham presented the Exterior Paint Contract to the Board for review. It was requested by Director Carline that CRHC staff review the volatile organic compounds (VOCs) levels in the interior and exterior paint.

It was **MOVED** by Director Cecilia, **SECONDED** by Director Howe

That the Capital Region Housing Corporation Board of Directors authorizes any two members of the Executive Committee to execute Contract #15/174 in the amount of \$259,110; and

That the Capital Region Housing Corporation approves the \$69,450 capital plan expenditure for exterior paint from the Parry Place replacement reserve.

**CARRIED**

D. Howe left at 10:47 am

#### **6. FLOORING CONTRACT**

C.Culham presented the Flooring Contract to the Board for review. She noted that there were two instances in the board report where two, one year renewals were mentioned. She corrected that this should have read three, one year renewals. She clarified that these renewals would need to be approved by the Board each year.

It was **MOVED** by Director Plant, **SECONDED** by Director Stock

That the Capital Region Housing Corporation Board of Directors authorizes any two members of the Executive Committee to execute Contract #15/156.

**CARRIED**

Break for everyone at 11:00 am

Everyone returned at 11:05 am

## 7. SMOKE-FREE REPORT

C.Culham presented the Smoke-Free Report to the Board for review.

It was **MOVED** by Director Stock

That the Capital Region Housing Corporation Board of Directors approves that 21 of the 39 Capital Region Housing Corporation properties that currently allow smoking in Capital Region

Housing Corporation units, adjacent balconies and patios and common area property become smoke free on January 1, 2016; and

That the Capital Region Housing Board of Directors directs staff to review the remaining 18 properties that currently allow smoking in 2017 and report back to the Board.

**NOT SECONDED**

It was **MOVED** by Director Carline

That the Capital Region Housing Corporation Board of Directors approves that 39 Capital Region Housing Corporation properties that currently allow smoking in Capital Region

Housing Corporation units, adjacent balconies and patios and common area property become smoke free on January 1, 2016; and

**NOT SECONDED**

Discussion ensued whether smoke free properties created more barriers for people living in low incomes accessing housing.

A call for the question to close the debate.

It was **MOVED** by Director Plant, **SECONDED** By Director Stock

That the Capital Region Housing Corporation Board of Directors approves that 21 of the 39 Capital Region Housing Corporation properties that currently allow smoking in Capital Region

Housing Corporation units, adjacent balconies and patios and common area property become smoke free on January 1, 2016; and

That the Capital Region Housing Board of Directors directs staff to review the remaining 18 properties that currently allow smoking in the second half of 2016.

**CARRIED**

Quorum was lost at 11:35 am

**8. ADJOURNMENT**

The meeting was adjourned at 11:35 am

\_\_\_\_\_  
R. Cooper, Chair

\_\_\_\_\_  
Donna Milonas, Recorder



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS  
MEETING OF June 23, 2015**

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**SUBJECT     MORTGAGE RENEWAL – THE BRAMBLES**

**ISSUE**

BC Housing Management Commission (BCHMC) requires a resolution from the Capital Region Housing Corporation (CRHC) Board of Directors to renew the mortgage for The Brambles and the CRHC Board must authorize any two members of the Executive Committee to sign any documents related to the mortgage renewal.

**BACKGROUND**

The mortgage for The Brambles, 750 Miller Ave., is up for renewal on October 1, 2015. The estimated principal at renewal will be \$368,440.97. The existing mortgage is with Canada Housing and Mortgage Corporation (CMHC) Direct Lending and there are four years and eight months left in the amortization period which coincides with the end of the operating agreement.

BCHMC would like to renew the mortgage through CMHC Direct Lending, which offers lower interest rates than other lenders. The current CMHC direct lending rate for June 2015 is 1.39% for a five year term. BCHMC requires the CRHC Board of Directors to approve and sign the resolution attached as Appendix A.

**ALTERNATIVES**

1. That the Capital Region Housing Corporation (CRHC) Board of Directors
  - a) approves the resolution required by BC Housing Management Commission to renew the mortgage for The Brambles through the CMHC Direct Lending Program for a term not to exceed the expiry of the existing operating agreements; and
  - b) Authorizes any two members of the CRHC Executive Committee to sign any documents related to the mortgage renewal.
2. That the Capital Region Housing Corporation Board of Directors direct staff to review other financing options such as Municipal Financing Authority (MFA).

**FINANCIAL IMPLICATIONS**

1. If the Corporation approves CMHC Direct Lending mortgage renewals, it will ensure that CRHC continues to benefit from the preferential interest rates available through CMHC/BCMHC and continues to receive the mortgage write down subsidy annually (2014 - \$20,598) until the expiry of the operating agreement.

2. A Board decision to not renew the mortgage under CMHC Direct Lending would necessitate securing a commitment for alternate financing through private sector lenders or MFA which would not allow CRHC to benefit from the low CMHC Direct Lending interest rates.

### **CONCLUSION**

The current CMHC direct lending rate for June 2015 is 1.39% for a five year term. Alternative funding sources would unlikely be able to provide an interest rate comparable to what is available through Direct Lending. As an example, the MFA current lending rate is 2.05% and would require a 1% debt retirement required at debenture takeout which would be returned at the five year debenture maturity.

### **RECOMMENDATIONS**

That the Capital Region Housing Corporation (CRHC) Board of Directors

- a) Approves the resolution required by BC Housing Management Commission to renew the mortgage for The Brambles through the CMHC Direct Lending Program for a term not to exceed the expiry of the existing operating agreements, and
- b) Authorizes any two members of the CRHC Executive Committee to sign any documents related to the mortgage renewal.



Christine Culham  
Senior Manager  
Capital Region Housing Corporation



Kevin Lorette, P.Eng., MBA  
General Manager  
Planning & Protective Services  
Concurrence

Attachment: 1

CAPITAL REGION HOUSING CORPORATION  
(the "Borrower")

**CERTIFIED COPY OF RESOLUTION OF DIRECTORS**

BE IT RESOLVED:

That the Borrower hereby irrevocably authorizes British Columbia Housing Management Commission ("BCHMC") to act on its behalf to renew the mortgage presently held by Canada Mortgage Housing Corporation (the "Mortgage") for the project located at 750 Miller Ave, BC (BCHMC File no. 91136 / 4274/ CMHC# 13955919).

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,  
Secretary or President (please circle one) 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 \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (and sanctioned by a special resolution of the Borrower if such sanction is required), 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 and Print Name

\_\_\_\_\_  
Signature of Secretary or President





**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS  
MEETING OF June 23, 2015**

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**SUBJECT     MORTGAGE RENEWAL – THE TERRACES**

**ISSUE**

BC Housing Management Commission (BCHMC) requires a resolution from the Capital Region Housing Corporation (CRHC) Board of Directors to renew the mortgage for The Terraces and the CRHC Board must authorize any two members of the Executive Committee to sign any documents related to the mortgage renewal.

**BACKGROUND**

The mortgage for The Terraces, 1635 Oak Bay Ave., is up for renewal on October 1, 2015. The estimated principal at renewal will be \$395,591.04. The existing mortgage is with Canada Housing and Mortgage Corporation (CMHC) Direct Lending and there are four years and seven months left in the amortization period which coincides with the end of the operating agreement.

BCHMC would like to renew the mortgage through CMHC Direct Lending, which offers lower interest rates than other lenders. The current CMHC direct lending rate for June 2015 is 1.39% for a five year term. BCHMC requires the CRHC Board of Directors to approve and sign the resolution attached as Appendix A.

**ALTERNATIVES**

1. That the Capital Region Housing Corporation (CRHC) Board of Directors
  - a) approves the resolution required by BC Housing Management Commission to renew the mortgage for The Terraces through the CMHC Direct Lending Program for a term not to exceed the expiry of the existing operating agreements; and
  - b) Authorizes any two members of the CRHC Executive Committee to sign any documents related to the mortgage renewal.
2. That the Capital Region Housing Corporation Board of Directors direct staff to review other financing options such as Municipal Financing Authority (MFA).

**FINANCIAL IMPLICATIONS**

1. If the Corporation approves CMHC Direct Lending mortgage renewals, it will ensure that CRHC continues to benefit from the preferential interest rates available through CMHC/BCMHC and continues to receive the mortgage write down subsidy annually (2014 - \$22,669) until the expiry of the operating agreement.

2. A Board decision to not renew the mortgage under CMHC Direct Lending would necessitate securing a commitment for alternate financing through private sector lenders or MFA which would not allow CRHC to benefit from the low CMHC Direct Lending interest rates.

### **CONCLUSION**

The current CMHC direct lending rate for June 2015 is 1.39% for a five year term. Alternative funding sources would unlikely be able to provide an interest rate comparable to what is available through Direct Lending. As an example, the MFA current lending rate is 2.05% and would require a 1% debt retirement required at debenture takeout which would be returned at the five year debenture maturity.

### **RECOMMENDATIONS**

That the Capital Region Housing Corporation (CRHC) Board of Directors

- a) Approves the resolution required by BC Housing Management Commission to renew the mortgage for The Terraces through the CMHC Direct Lending Program for a term not to exceed the expiry of the existing operating agreements, and
- b) Authorizes any two members of the CRHC Executive Committee to sign any documents related to the mortgage renewal.



Christine Culham  
Senior Manager  
Capital Region Housing Corporation



Kevin Lorette, P.Eng., MBA  
General Manager  
Planning & Protective Services  
Concurrence

Attachment: 1

CAPITAL REGION HOUSING CORPORATION  
(the "Borrower")

**CERTIFIED COPY OF RESOLUTION OF DIRECTORS**

BE IT RESOLVED:

That the Borrower hereby irrevocably authorizes British Columbia Housing Management Commission ("BCHMC") to act on its behalf to renew the mortgage presently held by Canada Mortgage Housing Corporation (the "Mortgage") for the project located at 1635 Oak Bay Ave, BC (BCHMC File no. 91148 / 4286/ CMHC# 13955927).

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,  
Secretary or President (please circle one) 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 \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (and sanctioned by a special resolution of the Borrower if such sanction is required), 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 and Print Name

\_\_\_\_\_  
Signature of Secretary or President



# CRHC

The Capital Region's Housing Corporation

## Property Management Report – June 23, 2015 May and June, 2015 Capital Region Housing Corporation Board of Directors

This Property Management Report provides an update since the last report of April 28, 2015

### BCH REGIONAL REGISTRY WAITLIST STATISTICS

Category	June 2015	April 2015	June 2014
<b>Total Registry Units</b>	<b>3,265</b>	<b>3,265</b>	<b>3,246</b>
Family	416	411	393
Seniors	542	534	469
Persons with Disabilities	366	363	358
Wheelchair Modified	59	54	61
Singles	37	41	17
<b>Total</b>	<b>1,420</b>	<b>1,403</b>	<b>1,298</b>

### BUILDING ENVELOPE REMEDIATION & RELATED CAPITAL IMPROVEMENTS

#### The Heathers Building Envelope Remediation

The engineering start up meeting has been held with Read Jones Christofferson Engineering, BC Housing and CRHC staff. Discussions were held regarding exterior finish, tenant accessibility, hours of work among other items. The preliminary date to have a remediation contractor on site is late September.

#### Kings Place Boiler Replacement

Capital Regional District (CRD) staff referred a funding opportunity to the CRHC for a new grant which may be applied to the boiler replacement. CRHC has applied through the CRD for "The Community Energy Leadership Program (CELP)" grant, offered by the Provincial Government for the amount of 1/3 of the replacement project (\$23,000 of \$69,000). Our initial expression of interest to CELP has been accepted, this was done with CRHC Board Chair Cooper acting as Board Champion.

We now move to the full application process. CRHC staff are finalizing the information needed in conjunction with CRD staff. CRD staff will be presenting a resolution to the CRD Board to pursue funding at the July CRD Board meeting.

#### Interior Common Area Painting

This contract has been completed at Beechwood Park, Harbour Lane and Rotary House.

### SERVICE WORKS

Exterior window washing has completed portfolio wide.

## **STORM WATER UTILITY CHARGE**

In 2014, the City of Victoria (City) announced that they are changing the way property owners pay for storm water management. Traditionally this cost has been part of the property tax bill. In 2016, individual property owners will be moved to a user-pay model in the form of a utility charge. The calculation for the user-pay portion is based on the amount of hard surface on the property; typically this is roofs, driveways and parking areas.

The City wishes to slow the rate at which rain water enters the storm drain system and eliminate the rain-water from entering the system where practical. Slowing the water entering the system during a rain may be accomplished by directing water through rain gardens and landscape swales. Eliminating the water entering the system may be accomplished by the use of cisterns, rain barrels, and infiltration chambers. A credit program was planned that could reduce the utility charge to an individual property owner by up to 40%, to encourage the use of the options noted.

CRHC provided two sites as part of the case study the City conducted in developing this utility charge and credit program. Staff's goal was to gain an early understanding of the charge, support the City initiative as well as minimize the financial impact on CRHC.

A review of the available incentives was discussed with City staff who indicated that approved rain water management practices are not financially feasible as stand-alone projects. However if a re-build of landscape or drainage on a site was undertaken, the incentives could be used towards an accepted management system at that time. An example would be if a driveway was being replaced CRHC could use permeable paving rather than using typical concrete and an incentive may be available.

The City has recently mailed out 11, 2016 estimates for the storm water utility charge. The values range from a decrease of \$6 at Caledonia to an increase at Castanea of \$3,594. On average an increase of \$1,000 per site is anticipated for our sites within Victoria. CRHC has 19 sites in Victoria.

## **ARBITRATIONS/COURT ACTIONS**

Arbitration was held in May for a tenant regarding unpaid rent. An agreement was reached during the arbitration that the tenant would pay the rent and vacate at the end of June.

Arbitration was held in May for a vacated tenant. The tenant vacated in October 2014 owing that month's rent. Staff filed for arbitration in November 2014, the hearing date was set for May 2015. The vacated tenant did not participate in the May arbitration. CRHC was awarded the full month rent in the amount of \$957, of that \$350 was retained from the security deposit leaving a balance owing of \$607.


## **STAFFING**

The auxiliary Caretaker position was vacated April 30<sup>th</sup>, three days after hiring. Interviews were held and a new candidate selected; Taylor Smith started June 3rd.

The Administrative Clerk 3 position vacated by Kristine Kusnyerik has been filled with the hiring of Elizabeth Hermosa.

## **FINANCIAL REPORTING: CHEQUES OVER \$50,000**

None to report.



Don Metcalf  
Manager of Operations