



CRHC
The Capital Region's Housing Corporation

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

AGENDA

10:00 a.m., Tuesday, April 25, 2017
625 Fisgard St., Victoria
Room 488

- | | <u>Att. #</u> |
|---|------------------|
| 1. Approval of Agenda | |
| 2. Approval of Minutes of March 28, 2017 Meeting | 17-09 |
| 3. Westview - Letter of Intent – Easement | PPS/CRHC 2017-10 |
| 4. Capital Region Housing Corporation (CRHC) Umbrella Operating Agreement (UOA)
Administration and Operating Budget Revision | PPS/CRHC 2017-11 |
| 5. Quarterly Financial Update – First Quarter | PPS/CRHC 2017-12 |
| 6. Turnover and Vacancy Quarterly Report – First Quarter | PPS/CRHC 2017-13 |
| 7. Management Report | PPS/CRHC 2017-14 |
| 8. Motion to Close the meeting in accordance with the Community Charter, Part 4, Division 3,
Sections 90 (1): | |
| (a) personal information about an identifiable individual who holds or is being considered for
a position as an officer, employee or agent of the municipality or another position
appointed by the municipality; and | |
| (i) the receipt of advice that is subject to solicitor-client privilege, including communications
necessary for that purpose. | |
| 9. Adjournment | |

5. RISE AND REPORT

The Capital Region Housing Corporation Board approved that the lease of vacant land at 3816 Carey Road (PID 028-584-350) from the Capital Region District for nominal consideration in substantially the form included in the Appendix be approved and that the Capital Regional Housing Corporation Board Chair be authorized to finalize the lease and execute all documents necessary to effect the transaction.

6. MANAGEMENT UPDATE

Staff was requested to draft congratulation letters for signature by the chair for any staff retiring after 20 plus years of service.

It was **MOVED** by Director Carline **SECONDED** by Director Braude
Receive the report for information.

CARRIED

A break was called at 10:55am, the meeting resumed at 11:02 am.

7. 3816 CAREY RD.

N.Chan arrived 11:03am

P.Kitson presented the report and the provisionary budget that has been approved by BC Housing. The Design Team reviewed the project design in detail. It was discussed that the team can't start working drawings until the District of Saanich approves the development permit and therefore occupancy is currently set for January 2019. Discussion ensued regarding the north facing inner courtyard. Director Carline requested the team do all they can to link the family units with the District of Saanich playground and green space adjacent to the property.

C.Culham discussed that a competition amongst staff was held to name the new community. The top three names was presented to the board.

It was **MOVED** by Director Price, **SECONDED** by Director Braude
That the new project to be constructed at 3816 Carey Rd. be named Westview.

CARRIED

It was **MOVED** by Director Price, **SECONDED** by Director Braude

1. Approve the 3816 Carey Road Development Provisional Budget of \$18,250,235; and
2. Resolve that the Capital Region Housing Corporation (CRHC) will be providing a cash equity of \$1,000,000 contribution to the 3816 Carey Rd. development project from the CRHC Capital Surplus.

CARRIED

8. ADJOURNMENT

It was **MOVED** by Director Braude **SECONDED** by Director Carline
That the meeting the adjourned.

CARRIED

The meeting was adjourned at 11:38 a.m.

David Screech, Chair

Kristine Kusnyerik, Recorder



REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS MEETING OF APRIL 25, 2017

SUBJECT **Westview – Letter of Intent – Parking Easement**

ISSUE

The Capital Region Housing Corporation (CRHC) Signing Authority requires that the CRHC Board approve all legal documents pertaining to land acquisition and disposal of land relating to purchases, easements, rights-of-way, encroachment agreements and restrictive covenants.

In order to obtain a development approval for the Westview Development from the District of Saanich, including a variance as to parking requirements, the CRHC must make arrangements for a specified number of parking spaces, and for this purpose requires the grant of an easement by Baptist Housing to permit the use of a portion of their property at 3812 Carey Rd. to contain 5 additional parking spaces for the benefit of the Westview Development.

BACKGROUND

In the course of the design phase of the Westview development, it was determined that the project requires a total of 83 parking spaces, as per the "Off-Street Parking regulation - 7.3 Number of Off-street Parking Spaces". The design team has been balancing the desire to maximize the number of units in the building, to stay within BC Housing's approved budget while limiting the number of required variances in the development of the design.

In the initial design phase, the design team had identified that Westview could accommodate 53 parking spaces – 5 above grade and 48 below grade. The CRHC would require two parking variances: a) providing 30 spaces less than the required 83 spaces and b) for providing less than the required 15% of parking at grade.

The primary concern raised during the community consultation for the Westview development was that the surrounding neighbourhood has been experiencing significant difficulties with visitor parking on side streets as a result of the previous five developments at the Mount View Height's site.

In order to mitigate these concerns, the design team considered it prudent to review all possible options to resolve concerns regarding adequate visitor parking.

The proposed solution includes the addition of 5 spaces to be provided on the adjacent land at 3812 Carey Rd. owned by the CRD and leased by Baptist Housing to increase parking to 58 parking spaces – 10 above grade and 48 below grade.

ALTERNATIVES

1. Approve the registration of the easement on 3812 Carey Rd. for the purposes as outlined in the Letter of Intent.
2. Direct staff to change the building layout to accommodate increased parking alternatives.
3. Direct staff to maintain the existing building layout.

IMPLICATIONS

If CRHC does not register the easement on 3812 Carey Rd to increase at grade parking by 5 spaces and maintains the current layout, the CRHC would require two parking variances: a) providing 30 spaces less than the required 83 spaces and b) for providing less than the required 15% of parking at grade.

The CD-2 MV zoning for the site requires that we provide 0.5 parking spaces per seniors' units and 1.5 parking spaces for the remainder of the units for a total of 83 parking spaces. Additionally, zoning regulations requires that all of lot "A" which includes Westview, The Heights, and Carey Place provide no less than 15% of the parking at grade and no more than 85% of the parking below grade.

As mentioned above, by only providing 53 parking spaces, a variance will be required. In order to limit our requested variances, especially for parking, the design team proposed the modification to provide an additional five spaces on 3812 Carey Rd. and this has been supported by Baptist Housing. This solution will allow CRHC to meet the zoning requirements of providing no less than 15% parking at grade.

The CRHC Board approved a change to the building layout to provide increased parking as identified in alternative 2, a significant change in layout would need to occur in order to eliminate the parking variance of providing no less than 15% parking at grade.

In addition, alternative 2 would require the CRHC to present a new layout to the community which will not result in eliminating the need for a parking variance. A parking variance would still be required in order to have a financially feasible project, and it would not solve the problem presented by the previous five developments at the site as it would not be addressing the issue of visitor parking.

The risks of changing the design significantly as discussed in alternative 2 would delay our project by months that will not result in a guaranteed approved parking proposal.

CONCLUSION

In order to obtain a development approval for the Westview Development from the District of Saanich, including a variance as to parking requirements, the CRHC must make arrangements for a specified number of parking spaces. Baptist Housing has agreed and for this purpose requires the grant of an easement by Baptist Housing to permit the use of a portion of their property at 3812 Carey Rd. to contain 5 additional parking spaces for the benefit of the Westview Development would improve the chances for the success of the application.

The increased parking has created an improved traffic flow at the front of the building.

Also, adding the additional 5 spaces will show that we have responded to the residents' concerns and will increase our chances of receiving our development permit approval.

RECOMMENDATION

Approve the registration of the easement on 3812 Carey Rd. for the purposes as outlined in the Letter of Intent.



Paul Kitson,
Manager, Capital Projects
Capital Region Housing Corporation



Christine Culham
Senior Manager
Capital Region Housing Corporation



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

Attachment: Letter of Intent

LETTER OF INTENT – EASEMENT

This Letter of Intent is dated for reference the ___ day of April, 2017

BETWEEN:

CAPITAL REGIONAL DISTRICT
625 Fisgard Street
Victoria, BC V8W 2S6

(the "CRD")

- and -

THE BAPTIST HOUSING SOCIETY OF B.C. (Inc. No. S-0006968)
#125 – 6165 Highway 17
Delta, BC V4K 5B8

("Baptist Housing")

(CRD and Baptist Housing are together referred to as "the "Grantor")

AND:

CAPITAL REGION HOUSING CORPORATION
631 Fisgard Street
Victoria, BC V8W 1R7

("CRHC" or the "Grantee")

WHEREAS:

- A. CRD is the registered owner of lands and improvements municipally described as 3812 Carey Road, Victoria BC, which is subdivided by leasehold strata plan into strata lots legally described as Strata Lots 1-56, Section 24, Victoria District Strata Plan VIS7140, together with an interest in the common property in proportion to the unit entitlement of the strata lots as shown on Form V (all such lands and improvements referred to collectively as the "Servient Tenement");
- B. Baptist Housing is lessee of the whole of the Servient Tenement under a lease granted by CRD and registered on title to the Servient Tenement May 31, 2011 under registration number FB416240 (the "Baptist Housing Lease");
- C. CRD is registered owner of that parcel of unimproved land which is adjacent to a portion of the Servient Tenement, and is municipally described as 3816 Carey Road, Victoria BC, and legally described as Lot A, Section 24 Victoria District Plan VIP88857 (the "Dominant Tenement");
- D. CRHC is lessee of the whole of the Dominant Tenement under a lease granted by CRD effective March 31, 2017 for a term of 60 years, for the purpose of constructing and operating a residential rental housing complex (the "Project") to provide affordable housing for Eligible Occupants with Low and Moderate Incomes, as those terms are defined in the said lease;
- E. In order to obtain development approval for the Project from the District of Saanich, including a variance as to parking requirements, CRHC must make arrangements for a specified number of parking spaces, and for this purpose requires the grant of an easement to permit the use of a portion of the Servient Tenement to contain 5 additional parking stalls to benefit the Dominant Tenement;

- F. The Grantor agrees to grant an easement (the "Easement") to the Grantee in respect of that portion of the Servient Tenement (the "Easement Area"), being a portion of the common property, as designated on the Site Plan of the Project which is attached hereto as Schedule A, for the uses and purposes as outlined herein;
- G. The Grantor and Grantee acknowledge that the grant of the Easement by the Grantor is conditional upon certain consents, acquiescence or waivers of third parties (the "Consents"), including the grant of priority agreements, as may be required by the terms of the Baptist Housing Lease, or any covenant, easement, encumbrance, or other interest as may be registered on all or any portion of the title to the Servient Tenement (a title search of the Common Property, Strata Plan VIS7140, is attached hereto for reference, as Schedule B).


NOW THEREFORE, by signing this Letter of Intent, and for good and valuable consideration, the sufficiency of which is hereby acknowledged, the Grantor confirms its intention to grant the Easement to the Grantee, subject to the Consents. The Grantor and Grantee further agree as follows:

1. **Use of Easement Area** - The Easement is for the purpose of installing and constructing in the Easement Area a paved parking area (the "Parking Improvements") containing five (5) parking stalls and additional space for vehicles manoeuvring to use the parking stalls, all such work and intended use to be in conformity with all provincial, federal and local laws and good industry standards, including without limitation performing all demolition, excavation, remediation, removal of soil necessary for grading, grading, placing fill as necessary, providing drainage, paving, marking and painting the agreed number of stalls, and providing cement wheel stop bumpers at each marked stall in the Easement Area.
2. **Grant of Easement** - The Grantor as owner of the Servient Tenement will grant in favour of the Grantee as for the benefit of the Dominant Tenement the full, free and unrestricted right and liberty to construct, maintain, repair, replace or renew any or all of the Parking Improvements in, over and upon those portions of the Servient Tenement contained within the Easement Area, and to enter upon and have full and uninterrupted access at all times over, through and under the Easement Area for the intended uses by its residents, occupiers or invitees, and for the purpose of repairing, cleaning and otherwise servicing the Parking Improvements.
3. **Maintenance and Oversight** - Upon completion of the Parking Improvements the Grantee will at its sole expense provide for upkeep and maintenance and will be solely responsible for granting rights of use and access to its residents or visitors, and establishing and enforcing rules and regulations pertaining to the use and access thereto.
4. **Further Agreement - Conditions** - This agreement will be formally binding upon CRHC upon approval by the CRHC board of directors. Under this agreement, the Grantee and Grantor will take such steps as may be reasonably necessary to diligently pursue and obtain the Consents, and will enter into and execute a registrable form of easement agreement containing substantially the terms hereof in addition to such other terms or covenants as are usual and appropriate to the grants of rights and interests contemplated herein, and as agreed by the Grantor and Grantee, acting reasonably, and will cause same to be registered (the "Registered Easement") against the title to the Dominant and Servient Tenements.
5. **Agreement to Expire** - If the parties are unable to complete the steps required in order to procure a Registered Easement on or before 240 days from the date hereof, this agreement will expire automatically, with no further rights or obligations of any party after that date, unless extended by agreement in writing of all parties.

[Signature Page Follows]


ACKNOWLEDGED AND AGREED:

CAPITAL REGIONAL DISTRICT
By its authorized signatory(ies)



[signature]
Kevin Lorette
[print name]

Date: April 13, 2017

THE BAPTIST HOUSING SOCIETY OF B.C.
By its authorized signatory(ies)


[Signature]
Howard Johnson
[print name]

Date: April 18/2017


[signature]
Gordon Braun
[print name]

Date: April 18/2017

CAPITAL REGION HOUSING CORPORATION
By its authorized signatory(ies)


[signature]
Christine Culham
[print name]

Date: April 13, 2017



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF APRIL 25, 2017**

SUBJECT **Capital Region Housing Corporation (CRHC) Umbrella Operating Agreement (UOA) Administration and Operating Budget Revision**

ISSUE

To provide the CRHC Board with a revised 2017 Umbrella Operating Agreement (UOA) Administration and Operating budget to include the \$50,000 allocation for the Tenant Engagement Framework Pilot Project.

BACKGROUND

A Tenant Engagement Framework Pilot Project was approved for 2017 at the December 2016 Board meeting. The funding allocation of \$50,000 was not included in the budget that was approved at the same meeting.

ALTERNATIVES

1. That the Capital Region Housing Corporation Board of Directors approves the revised 2017 Umbrella Operating Agreement budget.
2. That the Capital Region Housing Corporation Board of Directors directs staff to amend the revised budget submission and report back to the Board.

IMPLICATIONS AND CONCLUSION

The \$50,000 allocation represents a 5% increase to the management fees. The forecasted surplus in the budget approved in December 2016 was \$1,133,920 and is now forecasted at \$1,083,920.

RECOMMENDATIONS

That the Capital Region Housing Corporation Board of Directors approves the revised 2017 Umbrella Operating Agreement budget.



Christine Culham
Senior Manager
Capital Region Housing Corporation



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

Attachments: Appendix A

**CAPITAL REGION HOUSING CORPORATION
2017 ADMINISTRATION BUDGET**

**APPENDIX A
REVISED**

	2016 Board Approved (A)	2016 Estimated Actuals (B)	2016 \$ Variance (C)	2016 % Variance (D)	2017 CRHC Revised (E)	2017 Budget \$ Change (F)	2017 Budget % Change (G)
REVENUE							
Management Fees - CMHC	324,864	324,864	0	0.0%	343,138	18,274	5.6%
Management Fees - BCHMC	494,597	494,597	0	0.0%	523,424	28,827	5.8%
Management Fees - Homes BC	118,272	118,272	0	0.0%	124,925	6,653	5.6%
Management Fees - ILBC	24,236	24,236	0	0.0%	24,720	484	2.0%
Management Fees - No Operating Agreement	43,008	43,008	0	0.0%	45,427	2,419	5.6%
Management Fees - Others	87,133	87,133	0	0.0%	88,126	993	1.1%
Management Fees - Tenant Engagement Pilot Project	0	0	0	0.0%	50,000	50,000	100.0%
Service Fees - Housing Agreements	150	150	0	0.0%	150	0	0.0%
Interest Income	100,000	90,000	(10,000)	-10.0%	100,000	0	0.0%
Miscellaneous Revenue - NSF s/c	1,150	1,600	450	39.1%	1,050	(100)	-8.7%
Grant - UBCM Seniors Project	0	20,000	20,000	100.0%	0	0	0.0%
Transfer from Stabilization Reserve - CRD IT Project	150,000	80,550	(69,450)	-46.3%	69,450 (1)	(80,550)	-53.7%
Recovery from Capital Surplus - PIAH Project EOI	20,000 (3)	20,000	0	0.0%	0	(20,000)	-100.0%
Recovery from Capital Surplus - Manager, Capital	0	0	0	0.0%	136,300 (3)	136,300	100.0%
TOTAL REVENUE	1,363,410	1,304,410	(59,000)	-4.3%	1,506,710 (4)	143,300	10.5%
EXPENDITURES							
Salaries & Benefits - CRHC Administration Staff	754,730	764,760	(10,030)	-1.3%	772,340	17,610	2.3%
Salary & Overhead Exp - Manager, Capital Projects	0	0	0	0.0%	136,300 (3)	136,300	100.0%
Salary & Program Exp - Tenant Engagement Project	0	0	0	0.0%	50,000	50,000	100.0%
Training (includes related travel costs)	11,300	6,000	5,300	46.9%	11,300	0	0.0%
CRD Regional Housing Allocation	142,450	142,450	0	0.0%	144,590	2,140	1.5%
2016 Recovery - Snr Manager overhead costs	(7,570)	(7,570)	0	0.0%	0	7,570	-100.0%
CRD Administration Allocation	139,970	138,206	1,764	1.3%	143,180	3,210	2.3%
CRD Office Rental Allocation	50,920	52,474	(1,554)	-3.1%	52,170	1,250	2.5%
CRD Computer Support Allocation	45,020	43,130	1,890	4.2%	61,550 (2)	16,530	36.7%
Consultants	10,000	5,700	4,300	43.0%	15,000	5,000	50.0%
Legal Fees	5,000	5,000	0	0.0%	5,000	0	0.0%
Audit Fees	2,000	2,000	0	0.0%	2,000	0	0.0%
Insurance	1,680	1,590	90	5.4%	1,680	0	0.0%
Telephone	10,890	11,000	(110)	-1.0%	12,400	1,510	13.9%
Advertising	500	500	0	0.0%	500	0	0.0%
Stationery	7,000	7,000	0	0.0%	7,000	0	0.0%
Courier Services	600	350	250	41.7%	600	0	0.0%
Credit Bureau	1,000	0	1,000	100.0%	1,000	0	0.0%
Subscriptions & Memberships	2,250	1,870	380	16.9%	2,250	0	0.0%
Postage	3,200	3,200	0	0.0%	3,200	0	0.0%
Printing/Photographics	5,000	5,700	(700)	-14.0%	5,000	0	0.0%
Photocopier Supplies & Rental	1,970	2,200	(230)	-11.7%	2,200	230	11.7%
Miscellaneous	2,000	4,200	(2,200)	-110.0%	2,000	0	0.0%
Bank Service Charges	1,000	1,000	0	0.0%	1,000	0	0.0%
Transfer to Equipment Replacement Reserve	2,500	10,000	(7,500)	-300.0%	5,000	2,500	100.0%
Capital Purchases - New Manager's office & equip	0	13,100	(13,100)	-100.0%	0	0	0.0%
Special Project - PIAH EOI for 3816 Carey Road	20,000 (3)	20,000	0	0.0%	0	(20,000)	-100.0%
Special Project - SAP Real Estate Implementation	150,000	70,550	79,450	53.0%	69,450 (1)	(80,550)	-53.7%
TOTAL EXPENDITURES	1,363,410	1,304,410	59,000	4.3%	1,506,710 (4)	143,300	10.5%
TOTAL ADMINISTRATION Surplus/(Deficit)	0	0	0		0	0	
Beginning Balance Corporation Stabilization Reserve		1,046,687			966,137		
2016 Approved transfer: CRD IT Project costs to date		(80,550)			(69,450)		
End Balance Corporation Stabilization Reserve		966,137			896,687		

Notes:

- (1) 2017 CRD IT Project - \$69,450 remaining balance to complete project in June, 2017.
- (2) 2017 CRD Computer Support - \$16,530 increase due to ongoing IT support for SAP Real Estate Module.
- (3) 2016-2017 Recovery from Combined Unspent Capital Funding (Capital Surplus) - PIAH EOI 3816 Carey Road & Manager, Capital Projects.
- (4) 2017 Base Budget increase is 4.8% (\$57,550) excluding new Capital Manager's position and Special Projects that are recoverable.

To be approved at April 25, 2017 Board meeting

CAPITAL REGION HOUSING CORPORATION
2017 UMBRELLA AGREEMENT OPERATING BUDGET SUMMARY
- 42 Buildings: 1,209 Mixed Income Family/Seniors Housing

APPENDIX B
REVISED

	2016 Board Approved (A)	2016 Estimated (B)	2016 Budget \$ Variance (C)	2016 Budget % Variance (D)	2017 CRHC REVISED (E)	2017 Budget \$ Change (F)	2017 Budget % Change (G)
Revenue							
BCHMC Subsidy	3,079,447	3,069,515	(9,932)	-0.3%	3,024,431	(55,016)	-1.8%
CMHC Mortgage Subsidy	445,760	442,329	(3,431)	-0.8%	438,702	(7,058)	-1.6%
Tenant Rent Contribution	9,586,161	9,977,251	(1) 391,090	4.1%	10,049,615	463,454	4.8%
Misc Revenue - parking and laundry	42,252	45,485	3,233	7.7%	42,252	0	0.0%
Total Revenue	13,153,620	13,534,580	380,960	2.9%	13,555,000	401,380	3.1%
Expenditures							
Audit	30,607	28,949	1,658	5.4%	29,983	(623)	-2.0%
Caretaker	1,005,038	995,147	9,892	1.0%	1,025,163	20,125	2.0%
Contingency	57,809	54,922	(2) 2,887	5.0%	60,396	2,587	4.5%
Garbage	188,427	186,805	1,623	0.9%	187,564	(863)	-0.5%
Gas	110,200	86,870	23,330	21.2%	98,700	(11,500)	-10.4%
Hydro	232,534	222,610	9,924	4.3%	231,518	(1,015)	-0.4%
Insurance	299,480	332,942	(3) (33,462)	-11.2%	379,641	80,161	26.8%
Landscape Maintenance	302,440	302,291	149	0.0%	307,784	5,344	1.8%
Land Lease	0	63,000	(4) (63,000)	-100.0%	63,000	63,000	100.0%
Maintenance	577,733	610,619	(5) (32,886)	-5.7%	633,449	55,716	9.6%
Management Fee	931,584	931,584	0	0.0%	983,986	52,402	5.6%
Management Fee - TEFP Project	0	0	0	0.0%	50,000	(6) 50,000	100.0%
Mortgage	6,154,250	6,138,115	16,135	0.3%	6,093,164	(61,086)	-1.0%
Property Taxes	754,222	625,986	(6) 128,236	17.0%	644,406	(109,816)	-14.6%
Transfer to Replacement Reserve	943,020	943,020	0	0.0%	943,020	0	0.0%
Water	688,746	686,602	2,144	0.3%	739,305	50,559	7.3%
Total Expenditures	12,276,090	12,209,460	66,630	0.5%	12,471,080	194,990	1.6%
Total Umbrella Agreement Surplus/(Deficit)	877,530	1,325,120	447,590		1,083,920	206,390	
Beginning Balance UOA Stabilization Reserve at Dec 31/15		1,076,272			2,101,392		
Transfer to UOA Capital Replacement Reserve - Board Approved Jan/15		(300,000)			0		
End Balance UOA Stabilization Reserve at Dec 31/16		2,101,392			3,185,312		

Notes:

- (1) Tenant Revenue: 2016 \$391,090 additional revenue due to vacancy rate .7% with avg. 27 day turnover. 2017 anticipate continued low vacancy rate.
- (2) Contingency: 2016 \$54,922 Leblond Strata Administration and CRHC building insurance appraisals. Anticipate future appraisals every five years.
- (3) Insurance: renewal July 1st so true impact of 26% increase shown in 2017. CRHC part of BCNPHA joint purchaing contract with Marsh Canada.
- (4) Land Lease: \$63,000 requirement of PRHC land transfer - CRHC continues to pay Willowdene land lease to CRD Land Banking & Housing Service.
- (5) Maintenance: 2016 (\$32,886) overspent due to annual building site sprinkler repairs. Future requirements under review.
- (6) Property Taxes: 2016 128,236 underspent because CRHC budgeted conservatively due to assessment appeal & Victoria storm water utility transfer.
- (7) Management Fee - TEFP Project: 50,000 for fund 2017 Tenant Engagement Framework Pilot Project


To be approved at April 25, 2017 Board meeting

**CAPITAL REGION HOUSING CORPORATION
ADMINISTRATION DIVISION
YEAR-TO-DATE (YTD) REVENUE AND EXPENDITURES
JANUARY to MARCH, 2017**

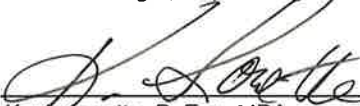
<u>Administration</u>	<u>Revised Budget 2017</u>	<u>Budget Jan-Mar</u>	<u>Actual Jan-Mar</u>	<u>Variance \$ Jan-Mar</u>
Revenues				
Management Fees - UOA, ILBC2, NOA and Others	1,149,760	287,440	287,440	0
Management Fees - Tenant Engagement Pilot Project	50,000	12,500	12,500	0 (A.1)
Interest Income	100,000	25,000	25,000	0
Service Fees - Royal Oak Housing Agreement	150	38	0	(38)
Miscellaneous - Tenant Service Charges	1,050	263	890	627
Transfer from Corporate Stabilization Reserve - IT Project	69,450	34,725	18,070	(16,655) (B)
Recovery from Capital Surplus - Manager Capital Projects	136,300	34,075	31,500	(2,575)
Total Revenues	1,506,710	394,040	375,400	(18,640)
Expenditures				
Salaries and Benefits - CRHC Administration Staff	772,340	193,085	183,346	9,739
Salary and Overhead Exp - Manager, Capital Projects	136,300	34,075	31,500	2,575
Salary and Program Exp - Tenant Engagement Pilot Project	50,000	12,500	0	12,500 (A.2)
Training (includes related travel costs)	11,300	2,825	141	2,684 (C)
Consultants and Legal Fees	20,000	5,000	575	4,425 (D)
CRD Regional Housing Allocation	144,590	36,148	36,148	0
CRD Administration and Audit Fees	145,180	36,295	36,295	0
CRD Office Rental and Insurance	53,850	13,463	13,962	(500)
CRD Computer Support	61,550	15,388	12,305	3,083 (E)
Telephone	12,400	3,100	2,646	454
Advertising	500	125	0	125
Stationery and Services	24,250	6,063	7,901	(1,839) (F)
Equipment Replacement Reserve	5,000	1,250	1,250	0
Project - Enhanced Information Technology System	69,450	34,725	18,070	16,655 (B)
Total Expenditures	1,506,710	394,040	344,138	49,902
Total Administration Surplus/(Deficit)	0	0	31,262	31,262

Variance Notes:

- (A.1) Management Fees: 50,000 to fund Tenant Engagement Framework Pilot Project. Approved Dec 6, 2016 Board meeting.
- (A.2) Salary and Program Exp - Tenant Engagement Pilot Project: 12,500 under budget due to delayed start date of Phase 2 (.5FTE staff).
- (B) Transfer from Corporate Stabilization Reserve - IT Project: 16,655 under budget due to delayed completion date of June, 2017
- (C) Training: 2,684 under budget due to BCNPHA conference in Nov each year.
- (D) Consultant and Legal Fees: 4,425 underbudget due to no consulting or legal work assigned in 1st quarter.
- (E) CRD Computer Support: 3,083 under budget due to operational support of IT Project to start June, 2017
- (F) Stationery and Services: (1,839) over budget due to large purchase of printed materials in 1st quarter.


 Christine Culham
 Senior Manager, Capital Region Housing Corporation


 Amber Donaldson, MA, CPA, CMA
 Acting Senior Manager, Financial Services
 Concurrence


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

**CAPITAL REGION HOUSING CORPORATION
 UMBRELLA AGREEMENT PORTFOLIO
 YEAR-TO-DATE REVENUE AND EXPENDITURES
 JANUARY TO MARCH, 2017**

UMBRELLA AGREEMENT 42 Buildings - 1,209 Mixed Income Family/Seniors Housing Constructed between 1983-2002	Revised UOA Budget 2017	UOA Budget Jan-Mar	UOA Actual Jan-Mar	UOA Variance \$ Jan-Mar
Revenues				
BCHMC Fixed Payment	3,463,133	865,783	865,296	(487)
Tenant Rent	10,049,615	2,512,404	2,552,707	40,303 (A)
Misc Revenue - parking and laundry	42,252	10,563	12,460	1,897
Total Revenues	13,555,000	3,388,750	3,430,463	41,713
Expenditures				
Audit/Legal	29,983	7,496	7,696	(200)
Caretakers	1,025,163	256,291	245,575	10,716
Contingency & Vacancy Loss	60,396	15,099	0	15,099 (B)
Garbage	187,564	46,891	48,137	(1,246)
Gas	98,700	24,675	26,458	(1,783)
Electricity	231,518	57,880	63,314	(5,435)
Insurance	379,642	94,911	93,350	1,561
Landscape Maintenance	307,784	76,946	76,097	849
Land Lease	63,000	15,750	15,750	0
Maintenance	633,449	158,362	148,389	9,973
Management Fee	983,986	245,997	245,997	0
Management Fee - TAFP Project	50,000	12,500	12,500	0 (C)
Mortgage	6,093,164	1,523,291	1,524,101	(810)
Property Taxes	644,406	161,102	161,102	0 (D)
Replacement Reserve Contribution	943,020	235,755	235,755	0
Water	739,305	184,826	183,190	1,636
Total Expenditures	12,471,080	3,117,770	3,087,410	30,360
Total Umbrella Agreement Surplus/(Deficit)	1,083,920	270,980	343,053	72,073

Variance Notes:

- (A) Tenant Rent: 40,303 additional revenue due to Jan-Mar vacancy rate of .63% with average 35 day turnover.
- (B) Contingency & Vacancy: pre Umbrella Operating Agreement this budget line allowed for funding to offset fixed overhead related to vacant units. With implementation of UOA in 2015 the budget line was kept for Contingency items.
- (C) Management Fee - TAFP Project: 50,000 to fund Tenant Engagement Framework Pilot Project. Approved Dec 6, 2016 Board meeting.
- (D) Property Taxes: Jan-Mar estimate based on 2017 budget.

**CAPITAL REGION HOUSING CORPORATION
INDEPENDENT LIVING BC 2 PORTFOLIO
YEAR-TO-DATE REVENUE AND EXPENDITURES
JANUARY TO MARCH, 2017**

3 of 5

ILBC 2 1 Building - 21 Seniors Independent Living Housing Constructed 2008	ILBC 2 Budget 2017	ILBC 2 Budget Jan-Mar	ILBC 2 Actual Jan-Mar	ILBC 2 Variance \$ Jan-Mar
Revenues				
BCHMC Subsidy	299,320	74,830	76,992	2,162 (A)
Tenant Rent	333,900	83,475	75,689	(7,786) (B)
Misc Revenue - parking and cable recovery	0	0	2,696	2,696
Total Revenues	633,220	158,305	155,377	(2,928)
Expenditures				
General Costs				
Audit/Legal	545	136	136	0
Cable - offset by Misc Revenue	0	0	1,406	(1,406)
Contingency & Vacancy Loss	5,000	1,250	0	1,250 (C)
Contracted Services	267,216	66,804	66,756	48
Garbage	3,000	750	940	(190)
Electricity	31,583	7,896	8,001	(105)
Insurance	7,280	1,820	1,521	300
Memberships	500	125	263	(138)
Mortgage	221,596	55,399	55,399	0
Property Taxes	14,290	3,573	3,573	0 (D)
Replacement Reserve Contribution	17,270	4,318	0	4,318
Water	6,215	1,554	1,779	(225)
	574,495	143,624	139,773	3,851
Manageable Costs				
Caretaker	10,785	2,696	2,728	(32)
Landscape Maintenance	3,320	830	830	0
Maintenance	19,900	4,975	3,001	1,974 (E)
Management Fee	24,720	6,180	6,180	0
	58,725	14,681	12,739	1,942
Total Expenditures	633,220	158,305	152,512	5,793
Total ILBC 2 Surplus/(Deficit)	0	0	2,865	2,865

Variance Notes:

- (A) BCHMC Subsidy: CRHC responsible for vacant unit cost @ 2,513 per month; anticipate BCHMC to decrease May Subsidy payment for recovery of Jan-Mar vacancies costs.
- (B) Tenant Rent: (7,786) revenue shortfall due to 7 vacancies Jan-Mar, 2017.
- (C) Contingency & Vacancy: 5,000 budget allows for 2 vacant units per year.
- (D) Property Taxes: Jan-Mar estimate based on 2017 budget.
- (E) Maintenance: 1,974 under budget due to annual unit inspections completed Jan-July and resulting maintenance work completed July-Dec.

**CAPITAL REGION HOUSING CORPORATION
CRHC NO OPERATING AGREEMENT
YEAR-TO-DATE REVENUE AND EXPENDITURES
JANUARY TO MARCH, 2017**

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VILLAGE ON THE GREEN

**1 Building - 38 Mixed Income Family Housing
Constructed 1984**

	VOG Budget 2017	VOG Budget Jan-Mar	VOG Actual Jan-Mar	VOG Variance Jan-Mar
Revenues				
Tenant Rent	405,449	101,362	103,627	2,265 (A)
Misc Revenue - laundry	760	190	100	(90)
Total Revenues	406,209	101,552	103,727	2,175
Expenditures				
Audit/Legal	920	230	230	0
Caretaker	31,675	7,919	6,978	941
Garbage	4,549	1,137	1,216	(79)
Electricity	1,865	466	360	106
Insurance	9,800	2,450	2,402	48
Landscape Maintenance	7,335	1,834	1,834	(1)
Maintenance	15,693	3,923	2,624	1,299 (B)
Management Fee	30,826	7,707	7,706.50	0
Mortgage	134,329	33,582	33,627	(45)
Property Taxes	47,898	11,975	11,975	0 (C)
Replacement Reserve Contribution	34,900	8,725	8,725	0
Water	10,653	2,663	4,490	(1,827) (D)
Total Expenditures	330,443	82,611	82,167	443
Total Village on the Green Surplus/(Deficit)	75,766	18,942	21,560	2,618

Variance Notes:

(A) Tenant Rent: 2,265 additional rent due to no vacancies Jan-Mar, 2017.

(B) Maintenance: 1,299 under budget due to annual unit inspections completed Jan-July and resulting maintenance work completed July-Dec.

(C) Property Taxes: Jan-Mar estimate based on 2017 budget.

(D) Water: (1,827) over budget due to meter failure. City of Victoria estimated consumption until meter can be replaced.

**CAPITAL REGION HOUSING CORPORATION
CRHC NO OPERATING AGREEMENT
YEAR-TO-DATE REVENUE AND EXPENDITURES
JANUARY TO MARCH, 2017**

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VERGO

**1 Building - 18 Affordable Family Housing
Constructed 2012**

	Vergo Budget 2017	Vergo Budget Jan-Mar	Vergo Actual Jan-Mar	Vergo Variance Jan-Mar
Revenues				
Tenant Rent	260,291	65,073	65,991	919 (A)
Misc Revenue	0	0	0	0
Total Revenues	260,291	65,073	65,991	919
Expenditure				
Audit/Legal	436	109	109	0
Caretaker	8,677	2,169	2,030	139
Garbage	2,606	652	844	(193)
Electricity	1,216	304	90	214
Insurance	8,254	2,064	2,023	41
Landscape Maintenance	4,335	1,084	1,084	0
Maintenance	6,828	1,707	475	1,232 (B)
Management Fee	14,602	3,651	3,651	(1)
Mortgage	239,962	59,991	60,063	(73)
Property Taxes	29,671	7,418	7,418	0 (C)
Replacement Reserve Contribution	7,000	1,750	1,750	0
Water	5,130	1,283	1,500	(218)
Total Expenditures	328,717	82,179	81,037	1,143
Total Vergo Surplus/(Deficit) to be supplemented by No Operating Agreement Portfolio Stabilization Reserve	(68,426)	(17,107)	(15,046)	2,061

Variance Notes:

(A) Tenant Rent: 919 additional rent due to no vacancies Jan-Mar, 2017.

(B) Maintenance: 1,232 under budget due to annual unit inspections completed Jan-July and resulting maintenance work completed July-Dec.

(C) Property Taxes: Jan-Mar estimate based on 2017 budget.

**Capital Region Housing Corporation
Reserve Summary Schedule
January to March, 2017**

Reserve Descriptions	Reserve Restrictions
(1) Corporation Stabilization Reserve Account	At discretion of CRHC Board
(2) Admin Equipment Replacement Reserve Account	Approval of equipment replacement purchases based on CRHC Delegation Authority & Signing Authority Policy
(3) Vehicle Replacement Reserve Account	Approval of vehicle replacement purchases based on CRHC Delegation Authority & Signing Authority Policy
(4) Guestsuite Surplus Reserve Account (accum. operating surplus)	Approval of guestsuite related operating expenses based on CRHC Delegation Authority & Signing Authority Policy
(5) NOA Portfolio Stabilization Reserve (accum. operating surplus)	CRHC is responsible for managing Village Green and Vero annual operating surplus/(deficits)
(6) UOA Portfolio Stabilization Reserve (accum. operating surplus)	surplus/(deficits)
(7) ILBC2 Parry Stabilization Reserve (accum. operating deficit)	BCHMC Agreement requires CRHC to be responsible for managing Parry Place annual operating surplus/(deficits)
(8) Capital Replacement Reserve Fund for UOA, NOA, ILBC2	As defined by BC Housing and/or CRHC Board this reserve can only be used to fund capital expenditures

	Unrestricted (1)	Internally Restricted (2)	Internally Restricted (3)	Internally Restricted (4)	Internally Restricted (5)	Externally Restricted (6)	Externally Restricted (7)	Externally Restricted (8)	Combined
	Corporate Stabilization	Admin Equip Replacement	Vehicle Replacement	Guestsuite Surplus	NOA Portfolio Stabilization	UOA Portfolio Stabilization	ILBC2 Parry Stabilization	Capital Replacement	Total
Beginning Balance January 1, 2017	992,183	34,020	84,054	31,466	93,156	2,035,388	21,353	6,541,851	9,833,471
Transactions as at March, 2017									
Annual Transfer from Operating Budget prorated Mar/17	0	1,250	0	0	0	0	0	250,548	251,798
One-Time Transfer to Capital Reserve	0	0	0	0	0	0	0	0	0
One-Time Transfer - IT Project budget \$150,000 Approved Mar/16	(69,450)	0	0	0	0	0	0	0	(69,450)
Actual Expenditures (based on Approved Capital Plan)	0	0	0	0	0	0	0	(252,862)	(252,862)
Interest Income allocated at yearend based on cumulative investment earnings	0	0	0	0	0	0	0	0	0
Ending Balance at March 31, 2017	922,733	35,270	84,054	31,466	93,156	2,035,388	21,353	6,539,537	9,762,957

Note 1

Notes:

- 1) CRHC Reserves Cash and Investment Position at March 31, 2017
- | | |
|--|------------------|
| Cash (RBC Bank Account) | 0 |
| Bank of Nova Scotia GIC Maturing December 2018 | 1,627,290 |
| MFA Bond Fund | 8,040,838 |
| MFA Money Market Fund | 94,829 |
| | <u>9,762,957</u> |

Consultant and Legal Fees: 4,425 underbudget due to no consulting or legal work assigned in 1st quarter.



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF April 25, 2017**

SUBJECT Turnover and Vacancy Quarterly Report – First Quarter

ISSUE

This report provides information on the activity and performance results in the areas of turnover, vacancy and move-ins for January 1 to March 31, 2017.

BACKGROUND

Table: Vacancy Rates

Year	Period	Number of units vacant	Number of Days vacant	Average of days vacant	Vacancy Rate
2017	January – March 31, 2017	21	732	34.8	.63%
2016	January – March 31, 2016	38	1,087	28.6	.90%

Table 2: Breakdown of Vacant Units by Type

Year	Period	Number of Turnovers Subsidized (913 units)	Number of Turnovers Non-Subsidized (373 units)	Total
2017	January 1 to March 31	17	4	21
2016	January 1 to March 31	30	8	38

Table 3: Number of Households Housed

Year	Period	Number of Households housed
2017	January 1 to March 31	24
2016	January 1 to March 31	40

CONCLUSION

The goal for the Corporation is to maintain a maximum average of no more than 30 days vacant. Currently the average is **34.8** days vacant. Only three out of 21 units went over the 30 day target. 12 units were vacated on February 28, 2017. This accounted for 12 units that were vacant for 31 days.

RECOMMENDATION

Receive the First Quarter 2017 Turnover and Vacancy Report for information


 Christine Culham
 Senior Manager
 Capital Region Housing Corporation


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



REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS MEETING OF April 25, 2017

SUBJECT Management Update

ISSUE

This report provides monthly operations, capital and project updates to the Capital Region Housing Corporation (CRHC) Board of Directors.

Operations Update

Human Resources

Due to the retirement of one Caretaker and the resignation of another, there has been movement among the caretakers. CRHC is in the process of filling one part time permanent and one auxiliary caretaker position.

Arbitrations

On April 3, 2017, staff attended an arbitration regarding a tenant's concern regarding the amount of noise coming from the unit directly above. A mediated agreement was reached where the tenant will be allowed to transfer to a unit in the same building when one becomes available.

On April 12, 2017, staff attended an arbitration regarding a claim of \$1150 against a vacated tenant for cleaning, hauling and damages. The tenant did not participate in the arbitration. CRHC was awarded a monetary order in the full amount less the security deposit.

The Housing Registry Waitlist Statistics

Table 1. Capital Region Housing Registry Waitlist Statistics

Category	April 2017	March 2017	April 2016
Total Registry Units	3,269	3,269	3,299
Applicants			
Family	630	607	515
Seniors	701	687	592
Persons with Disabilities	425	411	365
Wheelchair Modified	63	64	51
Singles	85	81	43
Total	1,904	1,836	1,566

Capital Updates

Westview

On April 13, 2017, CRHC staff received four proposals for Architectural services for the Westview development. Staff is in the process of reviewing these proposals and will select an Architect shortly. Staff are also preparing and receiving proposals for the remainder of the consultants' contracts – structural engineer, quantity surveyor, mechanical engineer, electrical engineer, environmental consultant, building envelop consultant, and building code consultant.

On April 19, 2017, CRHC staff submitted our development permit application to the District of Saanich. Approval timeline as per the planning department at the District of Saanich has been estimated to range between 6-8 months. Staff will meet with the District of Saanich planning staff in the next week to discuss potential options for reducing the length of the process.

Roofs

Staff are in the process of retendering Carillon roof without the Roofing Contractors Association of BC (RCABC) requirements as per the Board resolution.

Heathers Landscape Remediation

February 2017 a Request for Quotes (RFQ) by invitation to four contractors did not draw any quotes. In March a public RFQ did not draw any quotes. Staff is currently working with a CRD preferred contractor to attain a quote.

CRHC Signs

At the October 25, 2016 Board meeting, the Board requested that the staff bring a proposal back to the board with regards to modernizing the signage at all of the communities. Staff included the necessary funding for the signs in the updated 2015-2019 Capital Plan approved in January 24, 2017. The allocation for 2017 is \$60,200 that will cover the cost of updating one third of CRHC property signs. Staff will be working with the CRD Communications to develop the signs to align with the CRHC/CRD branding.

Project Updates

IT Project: Implementation of an enhanced SAP system to better meet operational requirements of CRHC.

Currently the project is moving through the design phase with prototype showings occurring with staff. Maintenance staff have undergone iPad training and staff are now entering time sheets and component work requests electronically. Intensive training on the enhanced system will begin just prior to the “Go Live” date of June 5, 2017.

Tenant Engagement Framework Pilot Project

A Tenant Engagement Framework Pilot Project was approved for 2017 in December 2016. Phase One, to be implemented between January and March, included the development of policies and procedures that will be implemented broadly across the CRHC tenant population to increase activities that foster a more informed tenant population; increase consultation and collaboration in decision-making; and increase engagement to support tenants requiring support and referral for a variety of health and tenancy related issues.

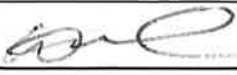
This phase also includes the development of a tenant empowerment model where tenants could be responsible to guide processes and make decisions impacting their community such as a tenant group or committee. This will be piloted in four senior and three family communities.

The second phase, which is the implementation of the framework being developed in Phase One was to begin in April. Due to staffing changes, Phase Two will need to be deferred to June 2017.

Financial Reporting

Table 2. March cheques/EFTS OVER \$50,000

Vendor	Issued	Expenditure	Notes
City of Victoria	March 23, 2017	\$66,752.36	Various water bills


Christine Culham
Senior Manager, Regional Housing