



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

AGENDA

9:30 a.m. Tuesday, September 25, 2018
625 Fisgard St., Victoria
Room 488

	Report / Item Number
1. Approval of Agenda	
2. Approval of Minutes of August 28, 2018	18-15
3. Michigan Square Development Services Budget Amendment	PPS/CRHC 2018-35
4. Tenant Relocation Policy – Revised	PPS/CRHC 2018-36
5. CRHC Governance Proposal	PPS/CRHC 2018-37
6. Management Update Report	PPS/CRHC 2018-38
7. Adjournment	

4. ADJOURNMENT

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

That the meeting be adjourned.

CARRIED

The meeting was adjourned at 9:44 a.m.

David Screech, Chair

Colleen English, Recorder

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF SEPTEMBER 25, 2018**

SUBJECT **Michigan Square Redevelopment – Amended 2018 Development Services Budget**

ISSUE

Capital Region Housing Corporation (CRHC) Board approval is required to amend the Michigan Square Redevelopment 2018 Development Services budget.

BACKGROUND

On December 5, 2017, the Board approved the 2018 development services budget of \$80,000 for the Michigan Square redevelopment. As of September 20, 2018, total project commitments are \$79,977. In September 2018, Canada Mortgage and Housing Corporation confirmed approval of an additional \$20,000 in Seed Funding.

The total project budget for the Michigan Square redevelopment is \$35.76 million which includes a \$6.45 million land and \$1 million equity contribution by CRHC.

Table 1: Timeline of Approvals for Michigan Square Redevelopment

	CRHC Board Resolution	Notes
December 5, 2017	\$80,000 Development Services budget for Michigan Square	An additional \$20,000 was applied for through CMHC seed funding for a total of \$100,000
January 23, 2018	\$1m CRHC equity contribution, contingent on BC Housing approval	BC Housing approved use of \$1m on July 27, 2018 (Appendix A)
March 27, 2018	Architect Services contract was approved with a phased approach. The first phase for schematic design was approved for \$26,250.	The Design development phase was to be approved once CRHC receives provisional approval from BC Housing.
July 24, 2018	Submission of funding applications to the BC Community Housing Fund, the Regional Housing Trust Fund and the City of Victoria's (CoV) Housing Reserve Fund.	CRHC submitted an application to Building BC: Community Housing Fund (CHF) on September 14, 2018. BC Housing will be informing proponents in November 2018 of CHF outcome.

The Province of BC has confirmed there will be a changes to the BC Building Code effective December 10, 2018. Changes are being made to better align the existing BC Building Code 2012 with the National Building Code 2015. Applications submitted for building permits after December 10, 2018 will require that projects be constructed to the terms of the new 2018 BC Building Code.

As per local contractors and engineers, the pending changes to the code will increase the structural requirements by 20% for Part 3 Buildings (multi-family) for soil conditions beyond soil Site Class C. The impact of the code changes to Michigan’s soil Site Class E is an anticipated construction cost increase by approximately 6-8%. Therefore, staff considers it prudent to submit a building permit application prior to December 10, 2018.

Staff is seeking a development services budget amendment from \$80,000 to \$556,000 to allow staff to:

1. Complete the full schematic design package, and
2. Submit development permit and building permit application packages to the CoV prior to December 10, 2018.

Table 2: Proposed Development Services Budget Amendments

	2018 Approved	Proposed Changes	Amended 2018 Budget
Revenue			
CMHC Seed Funding	30,000	20,000	50,000
CRHC Equity Contribution*	50,000	456,000	506,000
Total	80,000	476,000	556,000
Expenses			
Municipal Fees (development permit, building permit)	0	351,753	351,753
Architect	26,500	52,500	79,000
Consultants	53,500	50,500	104,000
Contingency	0	21,247	21,247
Total	80,000	476,000	556,000

*CRHC \$1m equity contribution to Michigan Square Redevelopment project

ALTERNATIVES

Alternative 1:

Approve the amended Michigan Square Redevelopment 2018 Development Services Budget of \$556,000.

Alternative 2:

Refer back to staff.

IMPLICATIONS

Financial Implications

The Board approved the contract for Architectural services based on a phased approach. The first phase was to support the submission to the Building BC: Community Housing Fund (CHF). There is a high probability of receiving approval from BC Housing for the Michigan Square redevelopment as the project meets the criteria outlined in the RFP: CRHC has made a monetary and land equity contribution to the project, zoning is in place with minor variances, a relocation strategy for tenants was submitted and CRHC is an experienced operator.

Construction cost savings of approximately \$1.4 million to \$1.9 million are anticipated if the building permit application is submitted prior to December 10, 2018, as a result of cost increases associated with the new 2018 BC Building Code.

In order to move forward with the submission of a development and building permit application to CoV, the CRHC would require progressing to the schematic design drawings phase of the Architectural Services contract. The amount for this phase is \$52,500.

In the event that funding from the CHF is not provisionally approved by BC Housing in November 2018, staff will not submit a building permit application to the CoV.

Alternatively, staff will request Board approval to apply for funding from the CMHC National Housing Co-Investment Fund. Fund applications are accepted through the year and reviewed and prioritized every 60 days.

Tenant Relocation

Early submission of the development and building permit applications will not impact the development or tenant relocation schedule.

CONCLUSION

With pending changes to the BC Building Code, submitting development and building permit applications prior to December 10, 2018 will avoid project cost increases of approximately 6-8% to meet the new code requirements. Staff request Board approval to amend the budget to complete schematic design drawings and to submit development and building permit applications. The tenant relocation plans will not be affected.

If CRHC does not receive funding from the CHF, staff will not submit a building permit application, and will request Board approval to submit a funding application to the CMHC National Housing Co-Investment Fund.

RECOMMENDATION

Approve the amended Michigan Square Redevelopment 2018 Development Services Budget of \$556,000.



Paul Kitson
Manager, Capital Projects
Capital Region Housing Corporation



Christine Culham
Senior Manager
Capital Region Housing Corporation
Concurrence



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

PK:ce

Attachment: Appendix A – BC Housing approval to use \$1 million from the CRHC Umbrella Operating Agreement Surplus



File: Sponsor File 133
91141/4279
13321/486

July 27, 2018

Christine Culham
Senior Manager, Capital Region Housing Corporation
Letter sent via email

Dear Christine Culham,

RE: Michigan Square and Calendonia Redevelopments

In response to your letter dated, June 28, 2018, BC Housing is will be pleased to confirm that CRHC is authorized to utilize \$2 million of the operating surplus to advance the redevelopment of Michigan Square and Caledonia, to preserve the RGI housing stock provided at these sites. BC Housing confirms point 1 and 2 noted in your letter.

Further to our discussions in March of 2018, BC Housing is happy to support this opportunity providing CRHC confirms:

1. That the utilization of the \$2 million will pose no risk to the ongoing operations and financial viability of the portfolio under the Umbrella Agreement under the existing fixed subsidy, and no increases will be required.

As mentioned in your letter dated, June 28, 2018 we note that the other aspects of the in-principle agreement have been included that: there will be no reduction to the number of RGI units, that the redeveloped projects would remain under the UOA, and that CRHC will have tenant relocation plans in place.

We look forward to hearing from you and supporting CRHC with the redevelopment.

Sincerely,

A handwritten signature in blue ink that reads "Hartman".

Heidi Hartman
Regional Director

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF SEPTEMBER 25, 2018**

SUBJECT Tenant Relocation Policy

ISSUE

A Tenant Relocation Policy requires approval by the Capital Region Housing Corporation (CRHC) Board. A draft policy was presented at the July 24, 2018 meeting of the CRHC Board of Directors. The Board referred the issue back to staff for more information.

BACKGROUND

The 2016-2019 CRHC Board Strategic Plan identified that the CRHC should increase its housing stock in order to increase affordable housing opportunities for households in core housing need.

The Guiding Objective for redevelopment:

Redevelopment must result in a project that maintains or enhances the existing number of household types and income profiles, or as varied by CRHC's assessment of housing need, through the provision of appropriate and affordable housing that is financially viable for CRHC.

Staff made application to the provincial *Building BC: Community Housing Fund* on September 17, 2018 for the proposed redevelopments of Michigan Square and Caledonia. Staff will submit applications to the City of Victoria Housing Reserve Fund, the Capital Regional District's (CRD) Regional Housing Trust Fund (RHTF) and the *National Housing Co-Investment Fund* programs as necessary and applicable for the Michigan Square and Caledonia redevelopments. BC Housing requires a tenant relocation strategy as part of their funding applications and the City of Victoria requires a policy for relocation as part of the development and building permit applications.

Staff have developed a draft Tenant Relocation Policy (Appendix A) that takes into consideration the *Residential Tenancy Act* and the BC Housing requirements.

ALTERNATIVES

Alternative 1:

Approve the Tenant Relocation Policy, September 2018, as presented.

Alternative 2:

Refer the issue back to staff for more information.

IMPLICATIONS

Social Implications

Housing affordability is linked to both a household's ability to pay for their housing as well as the ability

of a household to find housing that is suitable in condition and adequate in size at a price that they can afford. In 2018, the region has an overall vacancy rate of 0.7 per cent, including a vacancy rate of zero for three-bedroom units which creates upward pressure on rents, fewer housing choices for low to moderate income households and a worsening of the overall affordability profile.

Vulnerable tenants, those occupying rent-geared-to-income (RGI) units such as seniors, persons with disabilities, or those living on very low incomes, are among those most affected by redevelopment or renovation. They often require more assistance in the relocation process as there are fewer choices available to them. These individuals also tend to be longer-term residents, and the process of moving may be more challenging for them.

Tenant Engagement

Staff went door-to-door at Michigan Square on July 26, 2018 to discuss options and the process for relocation with tenants, had subsequent follow-up conversations with tenants, and held a tenant engagement meeting on September 10, 2018. Staff have incorporated the feedback from tenants into the updated draft policy.

The two most important factors for tenants is that there will be no out-of-pocket expenses associated with the relocation and that tenants have the right of first refusal to move back into Michigan Square.

Inter-Governmental Implications

BC Housing requires a tenant relocation strategy as part of their funding applications, and the City of Victoria requires a policy as part of the development and building permit applications. CRHC staff sought guidance from City of Victoria Housing Planning and BC Housing Development Services staff in the development of the policy.

Financial Implications

Moving Expenses

Arrangement for an insured moving company, or a flat-rate payout for moving expenses will be reimbursed as follows. This would be required for the initial relocation and for moving back into Michigan Square.

- A maximum of \$750 for bachelor and 1-bedroom households; and
- A maximum of \$1,000 for two or more bedroom households.

For Michigan, the maximum costs associated with moving expenses would be \$110,000.

Vacancy loss

If CRHC is successful with the Michigan Square application, tenants would begin moving out in February 2019. As CRHC has approximately 110 vacancies per year, households from Michigan Square will be accessing approximately 40% of these vacancies. Therefore, it is anticipated that the vacancy loss for Michigan will be approximately \$180,000.

The costs associated with the vacancy loss and moving expenses have been considered in the funding submissions to BC Housing as part of the development costs.

CONCLUSION

Michigan Square and Caledonia have been prioritized for redevelopment. Staff have developed a draft Tenant Relocation Policy that meets the *Residential Tenancy Act* and the BC Housing requirements. It has been reviewed by City of Victoria Housing Planning staff and BC Housing and has been informed through engagement of the Michigan Square tenants.

RECOMMENDATION

Approve the Tenant Relocation Policy, September 2018, as presented.



Christine Culham
Senior Manager
Capital Region Housing Corporation



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

CC:ce

Attachments: Appendix A – Tenant Relocation Policy, September 2018

POLICY AND PROCEDURES MANUAL	Tenant Relocation Policy		
	POLICY NO. 2.48	EFFECTIVE September 25, 2018	AMENDMENT NO.

1. Policy

This policy will ensure that the CRHC adheres to fair and transparent tenant relocation practices that abide with the British Columbia Residential Tenancy Act (BC RTA) and BC Housing's Guiding Principles on redevelopment and tenant relocation. This policy will assure that the redevelopment of aging affordable housing properties *"will ensure that people in greatest housing need in the capital region will have improved access to housing that best meets those needs and that affordable housing residents currently living at sites slated for redevelopment will be considered first at all key stages of the redevelopment process."*¹

2. Purpose

This policy outlines rehousing provisions for current affordable housing tenants in aging CRHC affordable housing communities that are being proposed for redevelopment.

3. Management of the Policy

This policy is managed by Regional Housing Services, the CRHC Tenant Services staff. Any modifications to this policy subsequent to implementation must be reviewed and approved by the CRHC Board.

4. Definitions

a) Affordable Market

Applicants from households with income over the Housing Income Limits (HILs) but below the moderate income limit can apply for low-end market housing. Low-to-moderate income households are defined as those whose income level is within the second quintile of the total household income of two persons or more in British Columbia. To be eligible for an affordable market unit, total household income must not exceed this amount at move-in.

¹ <https://www.bchousing.org/partner-services/asset-management-redevelopment/redevelopment-process-principles>

b) *Household Income Limits (HILS)*

HILs is set by BC Housing and represents the income required to pay the average market rent for an appropriately sized unit in the private market.

c) *Official Notice*

Official Notice refers to an official provision of a “Notice to End Tenancy” that is provided to the tenant four months prior to demolition or renovation as per the *Residential Tenancy Act (BC)*.

d) *Rent Geared to Income (RGI)*

To be eligible for rent-geared-to-income (RGI) or subsidized housing, the applicant’s gross household income must be below certain income limits, as established by the (HILs).

e) *Unofficial Notice*

Unofficial Notice refers to the CRHC providing advance notification to tenants of a renovation or redevelopment 12 months prior to demolition in order to support the tenants in acquiring housing.

f) *Vulnerable Tenants*

Vulnerable tenants, those occupying rent-geared-to-income units such as seniors, persons with disabilities, or those living on very low incomes, are among those most affected by redevelopment or renovation. They often require more assistance in the relocation process as there are fewer choices available to them. These individuals also tend to be longer-term residents, and the process of moving may be more challenging for them.

5. Policy Priority

This policy takes priority over *CRHC Policy 2.10 Applicant Eligibility*.

6. Tenant Engagement

a) *Informing of proposed redevelopment*

CRHC tenants will be provided *Unofficial Notice* at least 12 months prior to demolition if a redevelopment of their community is proposed.

b) *Tenant Relocation Plans*

Once the funding is approved and a resolution by the CRHC Board is made to proceed with the redevelopment, the CRHC staff will meet with tenant households to develop individualized Tenant Relocation Plans (TRP).

c) *Design Consultation*

Tenants will be provided opportunities to consult on the design of the proposed redevelopment throughout the process. Notice of these opportunities will be provided in writing.

d) *Updates*

Monthly updates will be provided in writing.

7. Tenant Relocation Plans (TRP)

a) Staff will meet with Tenant Households to develop individualized TRP. These plans will support tenants in moving to an existing CRHC unit or with another social housing provider.

b) TRP will take into consideration the requirements of *Vulnerable Tenants*. Additional financial compensation or support, such as partnering with health organizations and other non-profit services, may be requested for *Vulnerable Tenants* and will be reviewed for consideration in the TRP.

c) The TRP will guide staff in providing appropriate housing choices based on employment, location of school(s) and health requirements.

d) Tenants will be provided three offers of housing based on their choices and availability of CRHC housing.

e) Offers of housing will reasonably accommodate medical requirements. Written confirmation by a health professional of medical accommodation requirements must be provided.

f) *Affordable Market* tenants that meet the eligibility requirements will be offered CRHC units based on Canadian National Occupancy Standard guidelines.

g) *Affordable Market* tenants that meet the eligibility requirements will be advised during the TRP meeting of the rental rates in CRHC communities. Tenants will be required to pay the rents that are applicable in their “chosen” community and the accompanying security deposit. Proof of income will be required.

h) *Rent-Geared-to Income (RGI)* tenants that meet the eligibility requirements will be offered CRHC units based on Canadian National Occupancy Standard guidelines.

- i) Current Tenants who do not meet the eligibility requirements for RGI or affordable market housing will be provided with information on at least three rental options in the community that are rented for no more than 30% of their household income.
- j) Arrangement for an insured moving company or a flat-rate payout for moving expenses will be as follows:
 - i. A maximum of \$750 for bachelor and 1-bedroom households; and
 - ii. A maximum of \$1,000 for two or more bedroom households.
- k) Current tenants will be given right of first refusal to move back into the redevelopment and tenants must meet the eligibility requirements for the redevelopment.
- l) CRHC will work with other housing providers to secure appropriate housing for tenant households where applicable.
- m) Tenants will be provided with move-out cleaning instructions prior to vacating their current units.
- n) After completing a move-out inspection, CRHC may agree to the transfer of security deposits to the new unit for tenants relocating to CRHC units. Depending on the rent of the new unit, an additional damage deposit may be required, and the tenant will be required to make up the difference. Alternatively, if the rent is less, the tenant will receive a refund for the balance.

8. Reasonable Notice

All reasonable efforts will be made to house tenants prior to the demolition of the building. CRHC will provide at least four months' *Official Notice* to tenants prior to demolition as per the *Residential Tenancy Act (BC)*.

9. Tenant Relocation Report

CRHC must keep records and documentation for reporting purposes. At minimum that is to include:

- a) Names of the tenants;
- b) Accommodations provided;
- c) Outcome of their search for alternate accommodation; and
- d) A summary of the monetary value given to each tenant (e.g., moving costs, rent, etc.).

10. Municipal Tenant Relocation Policies

The CRHC will work in cooperation with those municipalities who have adopted tenant relocation guidelines or policies.

11. Related Legislation, Policies and Documents

- a) British Columbia Residential Tenancy Act
- b) BC Housing's Guiding Principles
- c) CRHC Policy 2.10 Applicant Eligibility
- d) CRHC Policy 2.11 Tenant Eligibility for Rent Supplement/RGI
- e) CRHC Policy 2.12 Occupancy Guidelines
- f) CRHC Policy 2.34 Pet Policy
- g) CRHC Policy 2.47 Smoke-Free



PPS/CRHC 2018-37

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF September 25, 2018**

SUBJECT **CRHC Governance Proposal**

PURPOSE

To provide information and implications on the memo provided by Director Carline and Director Braude to the July 26, 2018 Capital Region Housing Corporation (CRHC) meeting regarding CRHC Governance recommendations.

BACKGROUND

At the April 11, 2018 Capital Regional District (CRD) Board meeting, the CRD approved amendments to the CRHC's Articles of Incorporation (Articles), which change the composition of the CRHC Board of Directors from its current membership of four CRD Board members and three community members to those consenting members of the CRD Board of Directors, and directed staff to register the amendments with BC Registries. Under these new Articles and planned structure, the meeting and processes for the CRHC Board would be aligned with the Capital Region Hospital District (CRHD) and CRD Boards. It is anticipated that the new governance structure would be implemented following the 2018 fall municipal elections.

Approved Structure: Housing and Hospitals Committee, Tenant Advisory Committee

At the April 11, 2018 meeting, the CRD Board also approved that a Tenant Advisory Committee (TAC) be established through the CRD's Hospital and Housing Committee (H&H Committee) to make non-binding recommendations to the CRHC Board of Directors on CRHC policies and programs. The recommended membership of TAC includes the Chair or Delegate of the H&H Committee and up to eight tenant representatives in good standing. CRHC staff will continue to deal with operational issues under the Delegation and Signing Authorities Policy approved by the CRHC Board on May 1, 2018.

The purpose of the TAC, through the H&H Committee, is to promote effective communication, engagement and collaboration between the CRHC and its tenants, and to provide information, advice and recommendations regarding tenant-related policies and programs to support healthier and more livable communities.

The TAC is intended to provide regular quarterly reports to the H&H Committee on tenant issues referred to it by the H&H Committee and can provide *ad hoc* reports as required. A diagram of the approved governance structure can be found in Appendix A.

Proposed Structure: July 27, 2018 Memo to the CRHC Board

Governance recommendations were presented through a July 27, 2018 memo suggesting the following alternate structure:

- The CRHC Board will only deal with certain high-level items, not delegated to staff or to an Executive Committee (EC);
- The EC is comprised of a sub-set of Directors and two tenant representatives with the right to vote, with delegated authority to make final decisions without going to the CRHC Board;

- A CRHC TAC, made up of eight tenants who may be elected or appointed, are comprised to discuss tenant issues and provide the tenant perspective. This group selects two from among their number to sit on the executive committee as voting members; and
- That the CRHC's Board amend the Articles to make this change.

The memo suggested that the proposed structure will:

- Correct what is considered to be the diminished (non-voting) role of the tenant;
- Improve the efficiency of housing management;
- Allow tenants to provide input into the design aspects of proposed new developments and review operating policies; and
- Allow tenants to provide decision-making input into housing management issues as they arise.

A diagram of proposed governance structures can be found in Appendix B.

ALTERNATIVES

Alternative 1:

That the Capital Region Housing Corporation Board (CRHC) recommends to the Capital Regional District (CRD) Board of Directors that an evaluation of the efficacy of the Tenant Advisory Committee be completed after one year of implementation and that the evaluation be presented to the CRD Governance Committee for review and recommendations.

Alternative 2:

That the Capital Region Housing Corporation Board (CRHC) instructs staff to develop changes to the articles of incorporation and a draft resolution for a board committee for an Executive Committee and CRHC Tenant Advisory Committee, along with a suggested scope of delegated authority and other administrative matters.

IMPLICATIONS

Inability to implement without shareholder approval

The CRHC Board cannot amend the Articles to delegate directors' powers to non-directors. Only the shareholder, the CRD, can do this. The CRHC Board may propose amendments to the articles and place them on the agenda of a special or annual meeting to be decided by the shareholder, the CRD. If powers are delegated under the Articles to non-directors or another body, the delegation is a complete carve-out of powers and leaves the CRHC Board with no review oversight or residual jurisdiction for the areas delegated.

However, by Board resolution, the CRHC Board may create committees of directors and delegate certain powers to the directors forming the committee. Those delegated powers do not relieve the remaining directors from the fiduciary and legal responsibility of those decisions as they are not a complete carve-out or delegation.

It is entirely possible to allow non-directors to be non-voting members of committees. If done, tenants on committees would not be subject to the conflict of interest rules in the *Business Corporations Act* (BC).

Committees do not and should not have voting members who are not directors, as this is non-compliant with the *Business Corporations Act* (BC) and the articles.

Use of an Executive Committee and Non-Voting Members on Board Committees

An executive committee is a common way of exercising corporate authority between regular meetings. Typically, it has authority over specific issues, such as approving transactions over a certain value or dealing with certain transactions. Most have a limited lifespan.

- They are typically a sub-set of directors trusted to make decisions that may have significant consequences to the corporation.
- They do not normally have non-directors as “voting” members.
- Only directors may vote on a matter to be decided by the corporation. When non-directors are appointed to such committees of directors, they may not exercise a vote.
- Providing a vote to non-director voting members creates a potential financial risk for directors, resulting from the executive committee not acting in the best interests of the corporation. This liability may be joint and several.
- Providing a vote to non-directors on committees leaves the corporation open to an action from its shareholder or other directors that it is non-compliant with its articles, the *Business Corporations Act* (BC) or that its behavior is oppressive or unfairly prejudicial.

Comparison of Structures

Approved Structure

In the approved structure, the H&H Committee would be an advisory committee to the CRHC Board. The CRHC Board would be free to accept or reject recommendations. The TAC will have a regular standing report to the H&H Committee to either provide advice on its recommendations or refer new business to the H&H Committee relating to tenant operating issues.

Tenants have more involvement in the approved structure than at present, as there will be eight appointees to the TAC who will have the ability to comment, raise, and advise without the problem of running into a conflict of interest, which may occur if they were in a director role.

Proposed Structure

In the proposal, a new tenant committee will find and inquire into issues, then refer those issues to the EC rather than a complete CRHC Board.

The EC will make binding decisions without raising those issues with the CRHC Board. This may result in issues being raised and decided without notice. It may also result in a diverging decision making process within the CRHC, as instead of issues being raised and referred to an advisory body by the Board, issues would be raised at the TAC and brought up to the EC without CRHC board involvement.

The proposed TAC and EC have an unknown composition and scope of authority. The following questions would need to be answered before any EC or TAC was created at the CRHC level including:

- the specific scope of delegated authority to the EC; clearly agreed reporting procedures;
- objectives, purposes and activities;
- a fixed lifespan;
- the composition of the TAC;
- whether the TAC was elected or appointed and the appropriate qualifications of each candidate;
- what sorts of business would the TAC or EC deal with;
- what would the ramifications be on staff delegation and day-to-day decision-making; and
- what would the additional expense or cost be to the CRHC and how would that be accounted for, among others.

If the proposed structure is to proceed the CRHC would need to recommend to the CRD Board that it modify the current approved structure.

Difference between Co-operative and Corporation

Many comments in the proposal seem to conflate the structure of the CRHC with that of a housing co-operative.

The CRHC is a closely held corporation. It is structured so the CRD has complete control over Board appointment and corporate structure. When tenants have an issue, they may go through staff or the Residential Tenancy Branch, using an established tenancy dispute process under the *Residential Tenancy Act* (BC).

If the CRHC were a co-operative, the CRD would not have final say or control over the activities of the corporation and no control over its capital invested: the tenants would be the only people with involvement in the governance of the co-operative. This is not the intended model behind the CRHC.

CONCLUSION

At the April 11, 2018 meeting, the CRD Board recommended that a Tenant Advisory Committee be established through the CRD's Hospital and Housing Committee to make recommendations to the CRHC Board on CRHC policies and programs. The broad-based membership TAC who, as an advisory committee, will not have issues with conflicts of interest as they are selected specifically for their expertise and knowledge of tenant issues, will facilitate tenant engagement. This structure has not yet been implemented and no evidence on its efficacy is available.

Before implementing an alternate structure, CRHC should evaluate the use of the approved H&H Committee/TAC structure and then refer this governance issue to the CRD's governance committee, with input from the TAC, to determine if tenants are appropriately engaged.

RECOMMENDATION

That the Capital Region Housing Corporation Board (CRHC) recommends to the Capital Regional District (CRD) Board that an evaluation of the efficacy of the Tenant Advisory Committee be completed after one year of implementation and that the evaluation be presented to the CRD Governance Committee for review and recommendations.



Steven Carey, Lawyer and Trade-mark Agent
Manager
Legal Services



Kristen Morley
General Manager
Corporate Services



Christine Culham
Senior Manager
Capital Region Housing Corporation

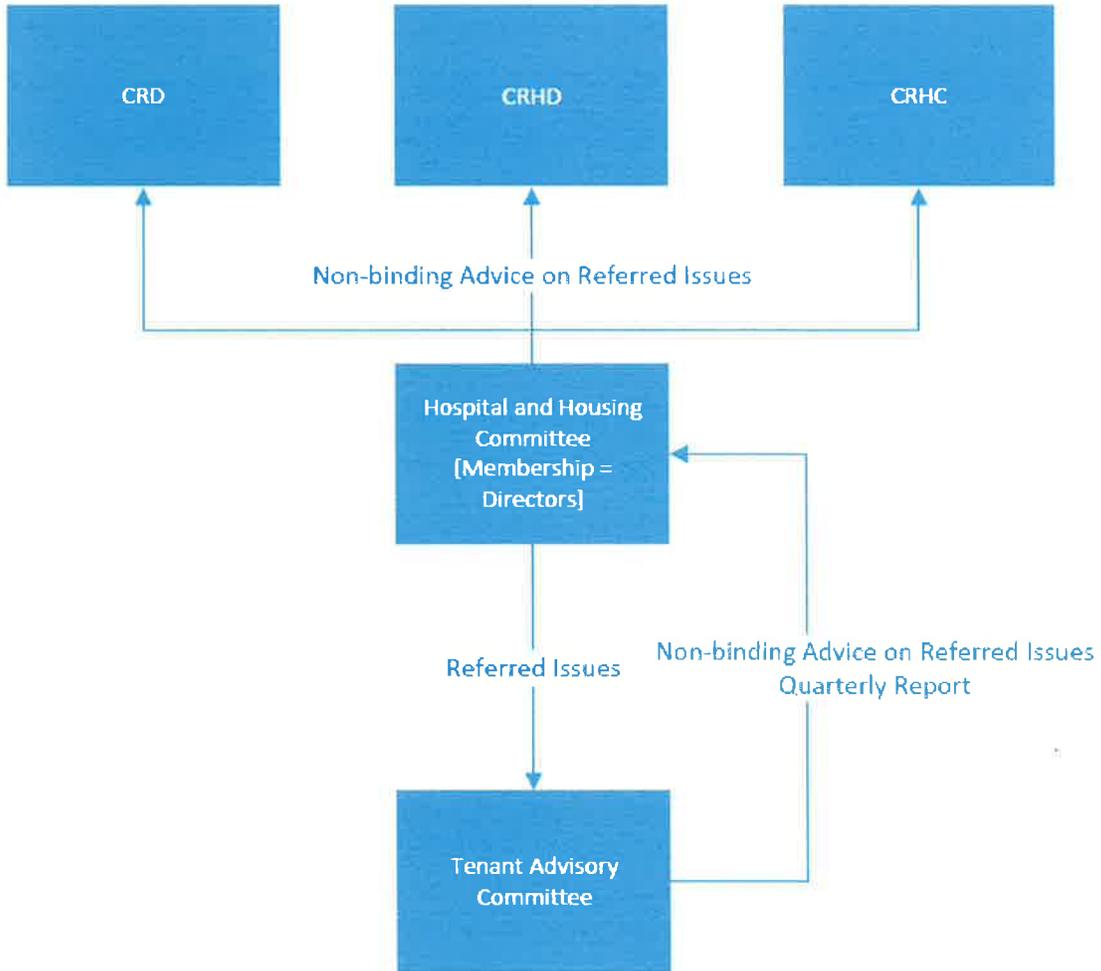


Kevin Lorette P.Eng., MBA
General Manager
Planning and Protective Services
Concurrence

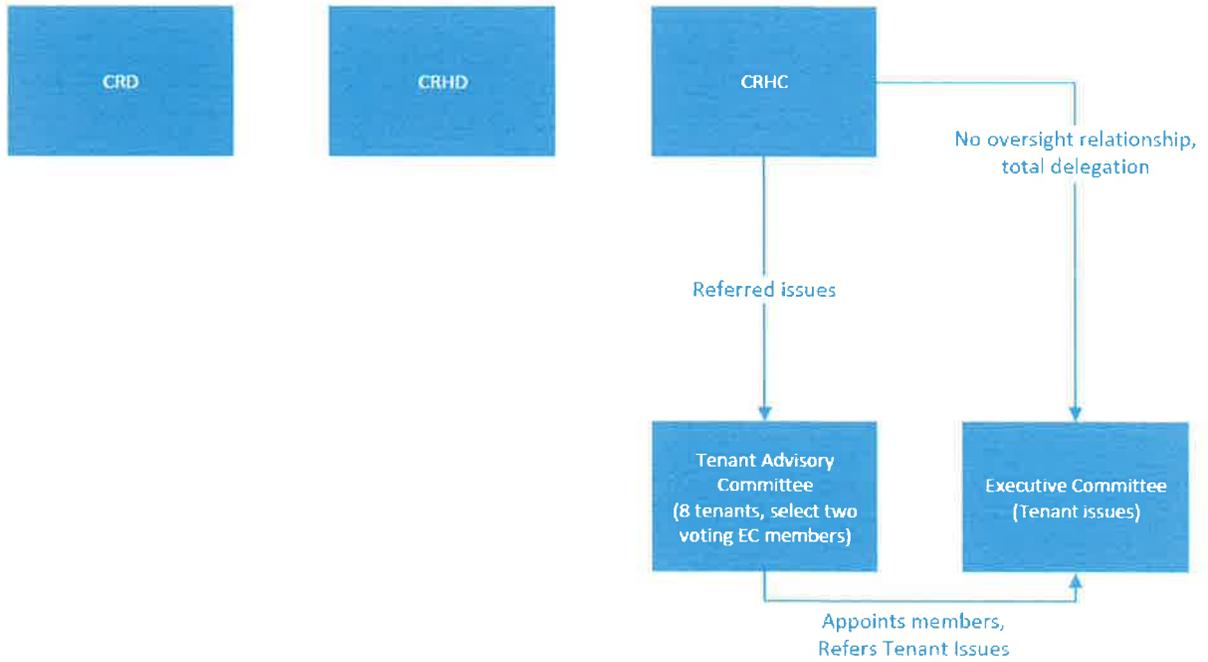
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Attachments: Appendix A Approved Governance Structure
Appendix B Proposed Governance Structure

APPROVED GOVERNANCE STRUCTURE



PROPOSED GOVERNANCE STRUCTURE



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF SEPTEMBER 25, 2018**

SUBJECT **Management Update**

BACKGROUND

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

OPERATIONS UPDATE

Arbitrations

A hearing was held on September 4, 2018 for a monetary order due to charges on move-out.

The Housing Registry Waitlist Statistics

The figures are not available for September 2018.

Amendments to the Collective Agreement

On August 14, 2018, the CRD and CUPE Local 1978 (“the Parties”) reached agreement on the renewal of the current collective agreement. This agreement has now been ratified by the Parties, and will come into effect on October 1, 2018. CRHC’s caretaking staff will be affected by this new agreement the most as they typically sat outside of the general agreement in Appendix A, due to CRHC’s unique operational requirements. Among the new terms will be a greater equity for caretakers related to status of employment (full time for 14 caretakers), blended seniority list among all CRD staff, standardized wage rates and the replacement of the housing and mileage allowance for a tracked mileage reimbursement at per km rate. There will be some other changes to the entitlement, reimbursement and carry forward of Time Off in Lieu, vacation, sick and call out shifts. Human Resources is supporting CRHC management in communicating the information to staff and navigating the implementation of these changes.

Capital Works

- Seasonal projects of exterior painting and re-roofing will be finished by the end of September.
- Privacy Fence replacement at Blocks 1 & 2 for Royal Oak Square will be ready for review as of Sept. 19, 2018.
- The tendering of the elevating maintenance service work is underway.
- The Mason’s Building Envelope Remediation (BER) for Ashlar Manor has begun, staff will maintain their current duties and participate in a manner that will allow CRHC to support tenants and ensure they are considered while the project is underway.

Development Projects Updates

Westview

Works completed since the July 24th board meeting include (but is not limited to):

- Commenced bulk excavation
- Completed site setup and connection of services for site operations
- BCH registered the Mortgage
- Commissioned performance bond pricing

- Conducted ground breaking on September 5, 2018

The work plan up until the end of October includes (but is not limited to):

- Complete excavation works
- Commence placing engineering fill and prepare the ground area for pad footing pouring
- Submit the full performance bond package and pricing to BCH

161 Drake Rd.

An access road to the new drilling location on the School District's property is now in place. Staff are actively working to commence drilling within the two weeks to avoid excess rain and having to place gravel material on the access road.

Staff submitted an application to BC Housing for funding under the BC Building Community Fund.

Michigan Square Redevelopment

Staff completed a feasibility analysis and are looking to commence the schematic design phase. Staff also met with the tenants of Michigan to discuss the potential relocation. Staff submitted an application to BC Housing for funding under the BC Building Community Fund.

Staff is looking to move forward with hiring the remaining design team to prepare a development and building permit package to submit to the City of Victoria.

Caledonia

Staff received a letter of intent signed by the School District and the City of Victoria for CRHC to acquire/lease additional plots of land adjacent to the Caledonia property. CRHC proposes to consolidate all the lots, with the SD61 being the sole owner and redeveloped into a 155 unit development complex.

Staff also submitted an application to BC Housing for funding under the BC Building Community Fund.

Tenant Engagement

Community Meetings

During the month of August and early September, CRHC staff have hosted four community meetings:

- 1) An educational presentation from Contractor Dogwood Tree Services Ltd. to address tree-specific concerns not covered in Landscaping discussions;
- 2) A recycling education presentation aimed at reducing contamination and improving tenant compliance with site-specific waste disposal. Presented in Coordination with contractor Waste Management and presentation from CRD's Parks and Environmental Services staff;
- 3) A facilitated conversation to help tenants resolve issues with CRHC common spaces; and
- 4) An information session and social for isolated seniors, facilitated by Seniors' Outreach Worker from Silver Threads & James Bay New Horizons. Information session was held in CRD Common Room and invitations were sent to seniors living in mixed CRHC communities, not considered "seniors" buildings who are at greater risk of not having access to seniors' resources.

Community Partners

Building Resilient Neighbourhoods

In partnership with Building Resilient Neighbourhoods and VictoriaReady, CRHC have submitted an application for funding to the Victoria Foundation to expand the Connect & Prepare Program—an emergency preparedness program highlighting social connections. CRHC had previously hosted the Connect & Prepare in one of our communities and all partners saw the value in reaching more CRHC communities. The grant application is for \$40,000 and a decision is expected mid-December 2018.

Island Health

Since mid-June, staff have been actively working with multiple Island Health representatives and other community partners to advocate for more supports for a vulnerable tenant who has demonstrated difficulty in living independently and is at-risk of eviction. Such work highlights the staff resources required to support vulnerable tenants and commit to eviction prevention.

LifeCycles

Staff are actively working with LifeCycles to ensure the Food Delivery Program is sustainable by tenants in 2018 in order to move into new communities in 2019.

Fernwood NRG

Staff have a meeting with Fernwood NRG in September to discuss a mutual interest in increasing programming for tenants in nearby CRHC communities.

Communication

Tenant Satisfaction Survey

The second CRHC Tenant Satisfaction Survey has officially been launched, allowing tenants opportunity to evaluate CRHC services and speak to improvements required and areas of strength. Results from the 2018 survey will be compiled for review in December. Results from the 2016 Tenant Satisfaction Survey will allow for greater comparison of data collected.

Financial Reporting

July and August cheques/EFTS OVER \$50,000:

Vendor	Issued	Expenditure	Notes
Top Line Roofing Ltd.	August 14, 2018	\$189,000	Re-roofing Brock Place, Claim #2
Marsh Canada Ltd.	August 14, 2018	\$461,722	Annual Insurance

Regional Housing

Staff Updates:

There have been a number of staffing changes this summer. CRHC welcomed Jelena Putnik to the position of Tenant Assist, Vilma Battaglia to the position of Property Assist, Maia Ludwig-Ives as Administrative Clerk 2 in Housing Planning and Programs, and congratulates employee Carissa Baynes on her successful move to Property Manager, Procurement and Asset Services.

Caretaker Al Paladini has resigned from CRHC and a competition is currently posted to fill the vacancy.

Funding Applications:

CRHC submitted three applications to the Building BC: Community Housing Fund on September 17, 2018. Funding was requested in the amount of \$15.5 million for the redevelopment at Caledonia; \$9.8 million for the redevelopment at Michigan Square and \$3 million for the development at Drake Road, Salt Spring Island. Funding announcements are expected in November 2018.



Christine Culham
Senior Manager, Regional Housing

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