



Notice of Meeting and Meeting Agenda Capital Region Housing Corporation Board

Wednesday, July 12, 2023

1:00 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

1. TERRITORIAL ACKNOWLEDGEMENT

2. APPROVAL OF THE AGENDA

3. ADOPTION OF MINUTES

3.1. [23-484](#) Minutes of the May 10, 2023 Capital Region Housing Corporation Board

Recommendation: That the minutes of the Capital Region Housing Corporation Board meeting of May 10, 2023 be adopted as circulated.

Attachments: [Minutes - May 10, 2023](#)

4. REPORT OF THE CHAIR

5. PRESENTATIONS/DELEGATIONS

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

Delegations will have the option to participate electronically. Please complete the online application at www.crd.bc.ca/address no later than 4:30 pm two days before the meeting and staff will respond with details.

Alternatively, you may email your comments on an agenda item to the CRD Board at crdboard@crd.bc.ca.

6. CONSENT AGENDA

6.1. [23-450](#) Capital Region Housing Corporation Operational Update - Second Quarter 2023

Recommendation: There is no recommendation. This report is for information only.

Attachments: [Staff Report: CRHC Operational Update - Second Quarter 2023](#)

6.2. [23-451](#) Major Capital Plan Status Report - Second Quarter 2023

Recommendation: There is no recommendation. This report is for information only.

Attachments: [Staff Report: Major Capital Plan Status Report, 2nd Quarter 2023](#)

7. ADMINISTRATION REPORTS

8. REPORTS OF COMMITTEES

9. NOTICE(S) OF MOTION

10. NEW BUSINESS

11. ADJOURNMENT

Meeting Minutes

Capital Region Housing Corporation Board

Wednesday, May 10, 2023

1:00 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

PRESENT

DIRECTORS: Z. de Vries (Chair), M. Alto, J. Bateman (for M. Tait), P. Brent, S. Brice, J. Brownoff, J. Caradonna, C. Coleman, B. Desjardins, S. Goodmanson (1:03 pm), G. Holman, P. Jones, D. Kobayashi, M. Little, C. McNeil-Smith, K. Murdoch, D. Murdock, C. Plant, L. Szpak, S. Tobias, A. Wickheim, K. Williams, R. Windsor

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer; L. Hutcheson, General Manager, Parks and Environmental Services; K. Lorette, General Manager, Planning and Protective Services; K. Morley, General Manager, Corporate Services; I. Jesney, Acting General Manager, Integrated Water Services; D. Elliot, Senior Manager, Regional Housing; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

Regrets: Directors M. Tait, D. Thompson

The meeting was called to order at 1:01 pm.

1. TERRITORIAL ACKNOWLEDGEMENT

Director Wickheim provided a Territorial Acknowledgement.

2. APPROVAL OF THE AGENDA

MOVED by Director Murdoch, **SECONDED** by Director Plant,
That the agenda for the May 10, 2023 Session of the Capital Region Housing Corporation Board be approved.
CARRIED

3. ADOPTION OF MINUTES

3.1. [23-346](#) Minutes of the April 12, 2023 Capital Region Housing Corporation Board

MOVED by Director Murdoch, **SECONDED** by Director Plant,
That the minutes of the Capital Region Housing Corporation Board meeting of April 12, 2023 be adopted as circulated.
CARRIED

4. REPORT OF THE CHAIR

There were no Chair's remarks.

5. PRESENTATIONS/DELEGATIONS

There were no presentations or delegations.

6. CONSENT AGENDA

There were no consent agenda items.

7. ADMINISTRATION REPORTS

7.1. [23-339](#) Capital Region Housing Corporation 2022 Annual Report

K. Lorette presented Item 7.1. for information.

Director Goodmanson joined the meeting at 1:03 pm.

8. REPORTS OF COMMITTEES

8.1. [23-231](#) Capital Region Housing Corporation 2022 Audit Findings Report and Audited Financial Statements

**MOVED by Director Murdoch, SECONDED by Director Plant,
That the Capital Region Housing Corporation 2022 Audited Financial Statements
be approved.**

CARRIED

9. NOTICE(S) OF MOTION

There were no notice(s) of motion.

10. NEW BUSINESS

There was no new business.

11. ADJOURNMENT

**MOVED by Director Brent, SECONDED by Director Murdoch,
That the May 10, 2023 Capital Region Housing Corporation Board meeting be
adjourned at 1:04 pm.**

CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, JULY 05, 2023**

SUBJECT **Capital Region Housing Corporation Operational Update – Second Quarter 2023**

ISSUE SUMMARY

To provide the Capital Region Housing Corporation (CRHC) Board with a quarterly update on operations, Tenant Engagement (TE), the Routine Capital Plan 2020 – 2024 and performance in the areas of turnover, vacancy, and move-ins up to and including June 10, 2023.

BACKGROUND

The CRHC is a wholly owned subsidiary of the Capital Regional District (CRD) with the mandate to develop and manage affordable housing to meet the needs of individuals and families residing within the capital region. In working to fulfill its mandate, the CRHC owns and operates more than 50 properties totalling almost 1,900 units of housing providing homes to approximately 4,000 residents of the capital region with low to moderate incomes. In addition, CRHC manages a further four properties totalling 114 units on behalf of third parties to bring the CRHC's total units in operation to more than 2,000.

DISCUSSION

Operations Update

The 2,007 units of housing across 54 properties that are currently managed by CRHC are supported by the work of approximately 52 full-time equivalencies (FTE). Staffing continues to require attention due to unanticipated absences, and the movement of staff into various roles within CRHC operations. The CRHC, working collaboratively with Human Resources, has made considerable gains in filling operational vacancies that include roles across the Caretaker workgroup, Property Management staff, as well as both Property and Tenant Assists.

Tenant Engagement (TE)

The 'Seedling' distribution – over 1200 seedlings went out to 80 individuals, families and collectives. This project has grown exponentially from 80 plants going to 19 tenants in 2020. The whole TE team worked for two days to get the plants to their new homes.

The Summer Newsletter this quarter focused on recycling. This is an ongoing issue for tenants, CRHC staff, the local community and the environment. As part of a wider initiative, TE is working with other CRD departments on new signage and providing good data on overages and spoilage to try to measure any change in tenant behaviour.

TE continues to develop and refine policy and practice around issues related to hoarding, parking, and smoking. Further, efforts to continue developing sector-leading practice in areas of tenant conflict continues to be an important aspect of the work undertaken by TE.

The team supports many challenging tenancies. Focus has been on sharing skills and knowledge to better serve all tenants. The balance between housing people whose housing history may have been difficult and neighbours who have the right to safe and secure tenancies is always our primary focus.

Housing Registry Waitlist Statistics

Table 1: BC Housing Registry Waitlist Statistics

Category	April 2023	May 2023	As at June 10, 2023
Total Registry Rent Geared to Income Units (Capital Regional Area)	3,875	3,852	3,881
Applicants as noted below			
Family	871	847	871
Persons with Disabilities	677	670	675
Seniors	1,236	1,238	1,233
Wheelchair Modified	144	149	152
Singles	222	231	236
Total	3,150	3,135	3,167

The BC Housing Housing Registry (the Registry) helps housing providers manage applicant lists and eliminate duplication among providers. The statistics provided above are for the CRD only with the highest representation of need in Victoria (46%), Saanich (17%), Langford (10%), Esquimalt (6%), Colwood and Sooke (4%) and View Royal (3%). The Registry requires applicants to renew their applications every six months to remain active. This process can account for slight fluctuations in the numbers however, overall, the number of applicants in Q2 remains fairly steady.

Vacancy

Table 2: Vacancy Rate – Units Operating More than 12 Months

Year	Period	# Units Vacant	# Days Vacant	Average Days Vacant
2023	Jan - March 10	68	3,382	49
2023	April – June 30	97	4,548	47

As of June 30, there are 97 units reported vacant across CRHC’s units which have all been in operation for more than 12 months. These vacancies total 4,548 days for an average of 47 days vacant. Staff continue to focus on turnover of units to a target of 30 days or less. However, as most units require capital work to occur in them, the turnover time continues to be impacted by contractor and material availability. Currently, wait times for scheduling works means a unit is vacant for a minimum of 45 days.

Turnover

Table 3: Q2 Turnover Rate – All Units

Year	Period	# Turnovers Operating More Than 12 Months	# Turnovers Operating Less Than 12 Months	Total
2023	January 1-March 10	24	1	25
2023	April – June 30	61	0	61

Turnover of units has increased from Q1, as expected. The reason for higher turnovers is partly due to improved weather, which allows individuals to make life choices about jobs and movement. Additionally, Hockley House which has been in operation for more than 12 months, saw the end to its initial 12-month term lease. This has allowed people to move without penalty. Portfolio representation of the 61 units that turned over is: RHFP – 51% (19% are first time occupancy of new units), Umbrella Operating Agreement (UOA) – 44%, No Operating Agreement (NOA) & Investment in Housing Innovation (IHI) - 5%.

Rent-Up

Staff have been turning their attention to the new 51 unit building, *Prosser Place* which was handed over in April 2023. Staff are actively working to follow up with those households who had previously expressed an interest in applying to CRHC-operated housing to determine their suitability and continued intent in pursuing a tenancy. As of June 10, 2023, a total of 31 of the 51 units are rented. The remaining 20 vacant units include seven that have applications in progress and five that await additional renovations to ensure accessibility standards are met. These will be marketed as soon as capital works are complete. Staff continue to actively market and show the remaining eight units.

Routine Capital Plan

The updated Five-Year Routine Capital Plan has a budget of \$4.73 million (M) in 2023. Typically, capital spending is its highest in Q3, with Q1 having the lowest spending due to inclement weather management, lower number of move outs and the focus to begin annual inspections. Q2 spending is progressing as expected with Requests for Proposals and Invitations to Tenders that have been executed and more in the review process for award.

Capital spending as of May 31, 2023 was \$1.05M across the five portfolios. A reroofing project is underway totalling \$986 thousand and there is \$2.07M of budgeted work being processed for award. Examples of work underway include reroofing, fencing, exterior painting, EV installation and decking. In total, at the end of Q2, a total of \$3.12M in routine capital works will be underway. Staff have worked hard to initiate and execute capital work projects and will continue to do so throughout the balance of Q3. New capital projects going to market will include perimeter fencing as well as common area painting and flooring.

Staff continue to address unit turnovers and conduct annual inspections. These inspections will provide details for capital planning and the opportunities to approve and assign tenant requested upgrades in occupied units.

CONCLUSION

Through Q2 2023, CRHC has been actively recruiting, interviewing, and onboarding staff as offers are accepted. The work in communities continues with considerable positive progress on renting up the recently opened Prosser Place. Management for various contracted services are all being addressed through appropriate procurement processes to ensure the contracts are updated regularly and that CRHC staff can continue to test the marketplace seeking the most qualified contractors identified through a fair and competitive process. In total, as of this report, \$1.05M of works has been undertaken through the Routine Capital Plan, with an additional \$2.07M in process.

Staff continue to successfully re-rent units and are continuing to focus on efforts to decrease the average number of days vacant.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Don Elliott, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, JULY 05, 2023**

SUBJECT **Major Capital Plan Status Report – Second Quarter 2023**

ISSUE SUMMARY

To provide a quarterly update to the Hospitals and Housing Committee on the Capital Region Housing Corporation (CRHC) Major Capital Plan (2023-2027). This report is to complement the Capital Variance Report presented quarterly to the Capital Regional District (CRD) Board by the Chief Administrative Officer (CAO).

BACKGROUND

The CRHC is a wholly owned subsidiary of the CRD with the mandate to develop and manage affordable housing to meet the needs of individuals and families residing within the capital region. In working to fulfill its mandate, the CRHC owns and operates almost 1,900 units of affordable housing, providing homes to approximately 4,000 residents of the capital region with low-to-moderate incomes. In addition, the CRHC currently has 255 new units under construction and 559 units in pre-construction and development. This report contains projects that will receive grant funding through the following programs: Regional Housing First Program (RHFP), Regional Housing Trust Fund (RHTF), Building BC: Community Housing Fund (CHF), Investment in Housing Initiative (IHI), Deepening Affordability (DA), Green Municipal Fund (GMF), Capital Replacement Fund (CRF), Community Works Fund (CWF) and Victoria Housing Reserve Fund (VHRF).

IMPLICATIONS

Prosser (RHFP, RHTF, IHI, & DA)

Prosser Place, a 51-unit affordable housing development in the District of Central Saanich was acquired by the CRD and CRHC once the conditions of the Agreement of Purchase and Sale were satisfied on April 17, 2023. CRHC staff are currently coordinating outstanding deficiency repairs with the developer. As of May 1, 2023, tenant move-ins commenced.

Additionally, on June 1, 2023, the take-out mortgage was secured on a 10-year term at a fixed rate that is 0.99% below the projected rate. The forecasted annual debt servicing savings are approximately \$66,000 less than the projected rate. As of April 17, 2023, the CRHC is leasing the property from the CRD for \$13.6 million (M), which includes \$9.4M as a repayable mortgage and \$4.2M as a forgivable mortgage. These values remain unchanged from the approved Major Capital Plan (2023-2027).

Michigan Square (RHFP, RHTF, VHRF & CHF)

The Michigan Square project, a 97-unit redevelopment in Victoria's James Bay neighbourhood, was originally scheduled to be completed in December 2023. Due to on-going labour shortages that affect the speed of construction, the anticipated completion date has been pushed to February 2024. It is anticipated that the remaining contingency balance will be sufficient to cover any site overhead costs that result from this minor delay.

Wood framing of the 53-unit west building and 44-unit east building is now complete. Mechanical and electrical rough-ins are underway in the west building with drywall installation following behind. Roofing membrane and building envelope installations are underway on the east building. The project budget of \$34.3M, with a total of \$10.9M awarded through grants, remains unchanged from the approved Major Capital Plan (2023-2027). The project is expected to achieve a final Occupancy Permit in February 2024.

Caledonia (CHF, RHTF, & VHRF)

The Caledonia project is a 158-unit redevelopment in Victoria's Fernwood neighbourhood. The redevelopment will include five new multi-family residential buildings, consisting of two apartment buildings and three townhouse blocks.

On site, construction of the parkade is approximately 70% complete. The project received the full Building Permit from the City of Victoria in late-June. Issuance of the full Building Permit allowed the wood framing contractor to mobilized on site and commence with construction of the four-storey apartment building. Currently, the overall project remains on schedule to achieve a final Occupancy Permit in late Q1 2025. The project budget of \$71M, with a total of \$19.5 awarded through grants, remains unchanged from the approved Major Capital Plan (2023-2027).

Carey Lane BER (CRF)

Carey Lane, a 22-unit townhouse complex that is owned and operated by the CRHC, will undergo a full building envelope remediation (BER) as well as upgrades to its ventilation, heating, and cooling systems. Contractor procurement is scheduled to close on July 20, 2023. Following procurement, financial approvals through BC Housing will be carried out in August 2023 and CRHC staff will return to the Board in September 2023 with a confirmed final budget. The project budget of \$3.9M, with a total of \$3.3M awarded through grants, remains unchanged from the approved Major Capital Plan (2023-2027).

Pandora (CHF)

The Pandora project is a partnership between the City of Victoria, BC Housing and the CRHC to build non-market rental homes and create a new community space in the North Park neighbourhood. Once complete, the CRHC would lease an air-space parcel and operate approximately 158 affordable rental units.

The project qualified for a Delegated Development Permit through the City of Victoria's Rapid Deployment of Affordable Housing (RDAH) intake stream. The design consultants are currently addressing final review comments that will be incorporated into the updated Development Permit Application. With the forthcoming revisions to the BC Building Code 2023 (BCBC), relating to seismic requirements, additional time has been granted to the design consultants so they can gain a better understanding of the potential impacts to the proposed building design that may result from the updated BCBC.

The project budget of \$83.4M for the CRHC affordable housing component of this project, with a total of \$25.9M awarded through grants, remains unchanged from the approved Major Capital Plan (2023-2027).

161 Drake Road (CWF)

In April 2023, all agreements were finalized between the CRD and School District 64 to allow for further groundwater exploration on the neighbouring Phoenix Elementary School property. CRHC staff have secured a hydrogeologist and drilling and pumping contractor and are awaiting confirmation of the timeline to complete this work. It is anticipated that drilling will take place at the drilling contractor's earliest availability and that pump testing will occur in September 2023, during the driest time of year. Based on findings, staff will report back to the Board with opportunities for future development. The budget of \$80,000, with all funds coming from CWF, remains unchanged from the CRHC Major Capital Plan (2023-2027).

Campus View (RHFP, RHTF, GMF)

Campus View, an existing 12-unit CRHC townhouse complex located in the Gordon Head neighbourhood of Saanich, is a high priority redevelopment site which can accommodate 119 units of affordable housing. A Rezoning and Development Permit Application was submitted to the District of Saanich (Saanich) in April 2022 and the project was presented to Saanich's Advisory Design Panel (ADP) on June 7, 2023. The consultants are currently updating the design documents to reflect the comments received from the ADP. Once the design documents have been updated and resubmitted, the project can move forward for review by Saanich Council.

The project budget continues to carry an equity gap of \$6.8M. Staff are actively pursuing all avenues for capital grant funding to close the gap but at this time no new major grant funding sources have been identified. The project budget of \$52.0M with a total of \$22.7M funded through grants, remains unchanged from the approved Major Capital Plan (2023-2027).

Village on the Green (RHFP, RHTF)

Village on the Green, a CRHC owned complex located in Victoria's Fernwood neighbourhood, was identified as a property with significant redevelopment potential. The proposed redevelopment will see the number of units increase from 38 units to approximately 140 units, including 10 to 15 net-new three-bedroom units. With 30 RHFP shelter rate units, the project will meet the City of Victoria's criteria and qualify for the RDAH intake stream. Staff and the design consultants continue to refine conceptual plans with a target of submitting a Development Permit Application through the RDAH in Q3 2023.

Similar to the Campus View project, an equity gap of \$5.8M remains within the project budget. Staff will continue to pursue all grant funding opportunities to close the equity gap on this project but at this time no new major grant funding sources have been identified. The project budget of \$65M, with a total of \$27.5M funded through grants, remains unchanged from the approved Major Capital Plan (2023-2027).

CONCLUSION

As part of staff's commitment to providing updates to the CRHC Board, the CRHC Major Capital Plan Status Report provides a snapshot of issues and items that have a potential to impact the Major Capital Plan. Despite the impacts from ongoing supply chain issues, global inflation, labour shortages and rising interest rates, CRHC Major Capital Projects are within budget and in alignment with the Major Capital Plan (2023-2027).

RECOMMENDATION

There is no recommendation. This report is for information only.

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