



Notice of Meeting and Meeting Agenda Capital Region Housing Corporation Board

Wednesday, November 8, 2023

1:05 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. CALL TO ORDER
2. TERRITORIAL ACKNOWLEDGEMENT
3. ELECTION OF THE CHAIR OF THE HOUSING CORPORATION BOARD
4. ELECTION OF THE VICE CHAIR OF THE HOUSING CORPORATION BOARD
5. INAUGURAL ADDRESS OF THE CHAIR
6. APPROVAL OF THE AGENDA
7. ADOPTION OF MINUTES

- 7.1. [23-850](#) Minutes of the October 11, 2023 Capital Region Housing Corporation Board

Recommendation: That the minutes of the Capital Region Housing Corporation Board meeting of October 11, 2023 be adopted as circulated.

Attachments: [Minutes - October 11, 2023](#)

8. 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.

9. CONSENT AGENDA

10. ADMINISTRATION REPORTS

11. REPORTS OF COMMITTEES

11.1. [23-808](#) Heron Cove Mortgage Renewal

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

1. That the resolution required by BC Housing Management Commission to renew the mortgage for Heron Cove through the Canada Mortgage and Housing Corporation Direct Lending Program for a term of 4 years and 10 months be approved; and
2. That Edward Robbins, Chief Administrative Officer, or Nelson Chan, Chief Financial Officer, or their duly authorized delegates, together or with any one officer or director of the Borrower for and on behalf of the Borrower be authorized to sign any documents related to the mortgage renewal.

Attachments: [Staff Report: Heron Cove Mortgage Renewal](#)
[Appendix A: Resolution of Directors](#)

12. NOTICE(S) OF MOTION

13. NEW BUSINESS

14. ADJOURNMENT

Meeting Minutes

Capital Region Housing Corporation Board

Wednesday, October 11, 2023

1:00 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

PRESENT

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

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer; A. Fraser, General Manager, Integrated Water Services; L. Hutcheson, General Manager, Parks and Environmental Services; K. Lorette, General Manager, Planning and Protective Services; K. Morley, General Manager, Corporate Services; M. Barnes, Senior Manager, Health and Capital Planning Strategies; D. Elliott, Senior Manager, Regional Housing; M. MacIntyre, Manager, Park Planning and Development; C. Vrabel, Manager Emergency Programs; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

EP - Electronic Participation

Regrets: Director Tait

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

1. TERRITORIAL ACKNOWLEDGEMENT

Director Plant provided a Territorial Acknowledgement.

2. APPROVAL OF THE AGENDA

MOVED by Director Plant, **SECONDED** by Director Murdoch,
That the agenda for the October 11, 2023 Session of the Capital Region Housing Corporation Board be approved.
CARRIED

3. ADOPTION OF MINUTES

3.1. [23-725](#) Minutes of the September 13, 2023 Capital Region Housing Corporation Board

MOVED by Director Plant, **SECONDED** by Director Murdoch,
That the minutes of the Capital Region Housing Corporation Board meeting of September 13, 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

MOVED by Director Plant, **SECONDED** by Director Coleman,
That consent agenda items 6.1. through 6.2. be approved.
CARRIED

- 6.1. [23-688](#) Capital Region Housing Corporation Operational Update, Third Quarter, 2023

This report was received for information.

- 6.2. [23-690](#) Major Capital Plan Status Report, Third Quarter 2023

This report was received for information.

7. ADMINISTRATION REPORTS

There were no administration reports.

8. REPORTS OF COMMITTEES

There were no reports of committees.

9. NOTICE(S) OF MOTION

There were no notice(s) of motion.

10. NEW BUSINESS

There was no new business.

11. ADJOURNMENT

MOVED by Director Plant, **SECONDED** by Director Brice,
That the October 11, 2023 Capital Region Housing Corporation Board meeting be
adjourned at 1:03 pm.
CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, NOVEMBER 01, 2023**

SUBJECT Heron Cove Mortgage Renewal

ISSUE SUMMARY

BC Housing Management Commission (BCHMC) requires a resolution from the Capital Region Housing Corporation (CRHC) Board of Directors to renew the mortgage for Heron Cove.

BACKGROUND

The mortgage for Heron Cove, a 24-unit family townhome complex at 10542 McDonald Park Road in North Saanich is due for renewal on December 1, 2023. The building is owned and operated by the CRHC.

BCHMC intends to renew the mortgages through Canada Mortgage and Housing Corporation (CMHC) Direct Lending Program, which offers lower interest rates than other lenders. The rate for a five-year term as of October 2023 for CMHC Direct Lending is currently posted at 4.49%. At time of renewal the interest rate could differ from the posted rate as interest rates for renewals are set at the equivalent term Government of Canada benchmark bond yield plus no more than approximately 0.50% per annum compounded semi-annually.

Renewal details are shown in Table 1.

Table 1 – Mortgage Details

Building	Existing mortgage interest rate	Principal at renewal	Annual Subsidy	Remaining Term	Mortgage Maturity Date	Operating Agreement Maturity Date
Heron Cove	2.61%	\$595,491	\$63,582	4 yr.10 mo.	Oct. 1, 2028	Sept. 30, 2028

ALTERNATIVES

Alternative 1

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

1. That the resolution required by BC Housing Management Commission to renew the mortgage for Heron Cove through the Canada Mortgage and Housing Corporation Direct Lending Program for a term of 4 years and 10 months be approved; and
2. That Edward Robbins, Chief Administrative Officer, or Nelson Chan, Chief Financial Officer, or their duly authorized delegates, together or with any one officer or director of the Borrower for and on behalf of the Borrower be authorized to sign any documents related to the mortgage renewal.

Alternative 2

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

That staff be directed to review other financing options based on Capital Region Housing Corporation Board direction.

IMPLICATIONS

Financial Implications

If the Board approves the CMHC Direct Lending mortgage renewal, CRHC will continue to benefit from the preferential interest rates available through CMHC Direct Lending while also supporting the continuation of the annual rent subsidy assistance for Heron Cove until the expiry of the operating agreement.

A Board decision to not renew the mortgages under CMHC Direct Lending Program would necessitate securing a commitment for alternate financing through private lenders. Examples of current posted rates for a 5-year fixed term mortgage from Vancity is 5.56% and Scotiabank is 6.84%.

Prepayment of the outstanding loan balance is not a permitted option. Financing secured outside of CMHC's Direct Lending Program will result in the federal housing subsidy to be based on the lesser of the Direct Lending interest rate and the outside lender's interest rate.

An evaluation of borrowing rates shows the CMHC Direct Lending interest rate is the most cost-effective option and will ensure maximum annual rent subsidy assistance.

CONCLUSION

The mortgage for Heron Cove is due for renewal on December 1, 2023. The most cost-effective option is to renew through CMHC Direct Lending.

RECOMMENDATION

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

1. That the resolution required by BC Housing Management Commission to renew the mortgage for Heron Cove through the Canada Mortgage and Housing Corporation Direct Lending Program for a term of 4 years and 10 months be approved; and
2. That Edward Robbins, Chief Administrative Officer, or Nelson Chan, Chief Financial Officer, or their duly authorized delegates, together or with any one officer or director of the Borrower for and on behalf of the Borrower be authorized to sign any documents related to the mortgage renewal.

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

ATTACHMENT:

Appendix A: Resolution of Directors

CAPITAL REGION HOUSING CORPORATION

(the "Borrower")

CERTIFIED COPY OF RESOLUTION OF DIRECTORS

BE IT RESOLVED:

That the Borrower hereby irrevocably authorizes British Columbia Housing Management Commission ("BCHMC") to act on its behalf to renew the mortgage presently held by Canada Mortgage and Housing Corporation (the "Mortgage") for the project located at 10542 McDonald Park Road, North Saanich, BC (BCHMC File no. 13323 / 599 / CMHC# 18434522).

BE IT FURTHER RESOLVED:

That Edward Robbins, Chief Administrative Officer, or Nelson Chan, Chief Financial Officer, or their respective duly authorized delegates, together or with any one officer or director of the Borrower for and on behalf of the Borrower be and are hereby authorized to execute and deliver under the seal of the Borrower or otherwise, all such deeds, documents and other writings and to do such acts and things in connection with the Mortgage assignment, renewal and amendment as they, in their discretion, may consider to be necessary or desirable for giving effect to this resolution and for the purpose of fulfilling the requirements of the lender of the monies.

I, Edward Robbins, THE UNDERSIGNED, Chief Administrative Officer of Capital Region Housing Corporation hereby certify the above to be a true copy of a resolution duly passed by the Directors of the Borrower at a meeting held on the ____ day of _____, 2023, and that such resolution has not been rescinded, amended or modified and is now in full force and effect.

WITNESS my hand this day of _____, 2023.

Witness

Edward Robbins
Chief Administrative Officer