



Notice of Meeting and Meeting Agenda Capital Region Housing Corporation Board

Wednesday, December 13, 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. [23-927](#) Minutes of the November 8, 2023 Capital Region Housing Corporation Board

Recommendation: That the minutes of the Capital Region Housing Corporation Board meeting of November 8, 2023 be adopted as circulated.

Attachments: [Minutes - November 8, 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. [23-907](#) 2024 Portfolio Operating Budgets

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

1. That the 2024 Operating Budget for the Umbrella Operating Agreement be approved;
2. That the 2024 Operating Budget for the No Operating Agreement be approved;
3. That the 2024 Operating Budget for the Regional Housing First Program Agreement be approved;
4. That the 2024 Operating Budget for the Investment in Housing Innovation be approved;
5. That the 2024 Operating Budget for the Community Housing Fund (CHF) be approved;
6. That the 2024 Operating Budget for the Independent Living BC Agreement be approved; and
7. That any 2023 operating surplus/(deficits) to be transferred to/(from) the individual Portfolio Stabilization Reserves be approved.

Attachments: [Staff Report: 2024 Portfolio Operating Budgets](#)
[Appendix A: UOA Operating Budget Summary](#)
[Appendix B: NOA Operating Budget Summary](#)
[Appendix C: RHFP Operating Budget Summary](#)
[Appendix D: IHI Operating Budget Summary](#)
[Appendix E: CHF Operating Budget Summary](#)
[Appendix F: ILBC2 Operating Budget Summary](#)
[Appendix G: Upcoming Mortgage Expiries](#)
[Presentation: CRHC 2024 Financial Plan](#)

6.2. [23-906](#) 2024 Administration, Development Services & Routine Services Budgets

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

1. That the Capital Region Housing Corporation 2024 Administration Budget be approved;
2. That the Capital Region Housing Corporation 2024 Development Services Budget be approved; and
3. That the Capital Region Housing Corporation 2024 Routine Replacement Services Budget be approved.

Attachments: [Staff Report: 2024 Admin, Dvl't Svcs & Routine Svcs Budgets](#)
[Appendix A: 2024 Administration Budget](#)
[Appendix B: 2024 Development Services Budget](#)
[Appendix C: 2024 Routine Capital Replacement Services Budget](#)

6.3. [23-905](#) Five-Year Updated Routine Capital Plans (2024-2028)

- Recommendation:** The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:
1. a) That the Capital Region Housing Corporation Umbrella Operating Agreement (UOA) Updated Five-Year Routine Capital Plan 2020-2024 be approved; and
 - b) That staff be authorized to implement the UOA 2024 Routine Capital Plan.
 2. a) That the Independent Living BC 2 (ILBC2) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
 - b) That staff be authorized to implement the ILBC2 2024 Routine Capital Plan.
 3. a) That the No Operating Agreement (NOA) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
 - b) That staff be authorized to implement the NOA 2024 Routine Capital Plan.
 4. a) That the Investment in Housing Innovation (IHI) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
 - b) That staff be authorized to implement the IHI 2024 Routine Capital Plan.
 5. a) That the Regional Housing First Program (RHFP) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
 - b) That staff be authorized to implement the RHFP 2024 Routine Capital Plan.
 6. a) That the Community Housing Fund (CHF) Five-Year Routine Capital Plan 2024-2028 be approved; and
 - b) That staff be authorized to implement the CHF 2024 Routine Capital Plan.

- Attachments:** [Staff Report: Five-Year Updated Routine Capital Plans \(2024-2028\)](#)
 [Appendix A: Five Year Routine Expenditure Plan Summary \(2024-2028\)](#)
 [Appendix B: Five Year UOA Capital Expenditure Plan Summary \(2020-2024\)](#)

6.4. [23-908](#) Major Capital Plan (2024-2028)

- Recommendation:** The Hospitals and Housing Committee recommends to the Capital Region Housing Corporation Board:
1. That the Major Capital Plan (2024-2028) be approved; and
 2. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to six development projects through funding programs as necessary and as they become available.

- Attachments:** [Staff Report: Major Capital Plan \(2024-2028\)](#)
 [Appendix A: 5 Year Major Cap Expenditure Plan Sum \(2024-2028\)](#)

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, November 8, 2023

1:05 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

PRESENT

DIRECTORS: Z. de Vries (Chair), J. Caradonna (Vice Chair), M. Alto (EP), J. Bateman (for M. Tait), J. Brownoff, C. Coleman, B. Desjardins, R. Fenton (for P. Brent), S. Goodmanson, G. Holman, P. Jones, D. Kobayashi, M. Little, C. McNeil-Smith, K. Murdoch, D. Murdock, C. Plant, L. Szpak, D. Thompson, S. Tobias, M. Westhaver (for S. Brice), A. Wickheim (EP), 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; S. Henderson, Senior Manager, Real Estate; C. Nielson, Senior Manager, Human Resources; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

EP - Electronic Participation

Guest: R. Bortolin; Stewart McDannold Stuart, Barristers & Solicitors

Regrets: Directors Brent, Brice, Tait

1. CALL TO ORDER

The Chief Administrative Officer called the meeting to order at 1:21 pm.

2. TERRITORIAL ACKNOWLEDGEMENT

A Territorial Acknowledgement was provided in the preceding meeting.

3. ELECTION OF THE CHAIR OF THE HOUSING CORPORATION BOARD

The Chief Administrative Officer called for nominations for the position of Chair of the Capital Region Housing Corporation Board for 2024.

Director Szpak nominated Director de Vries. Director de Vries accepted the nomination.

The Chief Administrative Officer called for nominations a second time.

Director Wickheim nominated Director Kobayashi. Director Kobayashi declined the nomination.

The Chief Administrative Officer called for nominations a third and final time.

Hearing no further nominations, the Chief Administrative Officer declared Director de Vries Chair of the Capital Region Housing Corporation Board by acclamation.

4. ELECTION OF THE VICE CHAIR OF THE HOUSING CORPORATION BOARD

Chair de Vries called for nominations of Vice Chair of the Capital Region Housing Corporation Board for 2024.

Director Desjardins nominated Director Caradonna. Director Caradonna accepted the nomination.

Chair de Vries called for nominations a second time.

Chair de Vries called for nominations a third and final time.

Hearing no further nominations, Chair de Vries declared Director Caradonna Vice Chair of the Capital Region Housing Corporation Board by acclamation.

5. INAUGURAL ADDRESS OF THE CHAIR

I want to express my gratitude for the privilege of serving as your Chair for the past year and as we continue our journey into 2024. As a leader, I have strived to be a bright, informed, and collaborative. I've tried to focus on pragmatic problem solving, seeking innovative approaches, and being a strong advocate for our shared vision. At the same time, I believe that I always have more to learn, improve, and refine. I have benefited from working with and learning from each of you and I am grateful that you have supported me. Together, we have taken major steps towards the regions next affordable housing supply program, and I want to thank you for your bold leadership on this item. Going forward my top priority is to help us land the next affordable housing supply program by securing the senior government funds required to deliver it. Earlier this fall I went to UBCM with CAO Robbins to deliver our regions proposal to the Minister of Housing. Since then, I've worked with our CAO and Chair Plant to invite the region's MLA's to meet and hopefully endorse our funding request so that we will be successful. I also want us to look inwards to seek out opportunities maximize our social impacts, stretch our dollar, and deliver more units. This includes exploring the integration of commercial use in our future affordable housing projects, so that we can have an additional revenue stream to support our operations while making these neighbourhoods more sustainable and walkable. It also includes exploring other financial and portfolio strategies that will maximize of the number of units and range of affordability that the CRHC offers. In closing, I want to express my gratitude once again for this incredible opportunity to lead. Together, let's continue to shape the future of affordable housing in the Capital Region.

6. APPROVAL OF THE AGENDA

MOVED by Director Desjardins, SECONDED by Director Little,
That the agenda for the November 8, 2023 Session of the Capital Region Housing Corporation Board be approved.
CARRIED

7. ADOPTION OF MINUTES

- 7.1. [23-850](#) Minutes of the October 11, 2023 Capital Region Housing Corporation Board
- MOVED by Director Murdoch, SECONDED by Director Coleman,**
That the minutes of the Capital Region Housing Corporation Board meeting of October 11, 2023 be adopted as circulated.
CARRIED

8. PRESENTATIONS/DELEGATIONS

There were no presentations or delegations.

9. CONSENT AGENDA

There were no consent agenda items.

10. ADMINISTRATION REPORTS

There were no administration reports.

11. REPORTS OF COMMITTEES

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

K. Lorette spoke to Item 11.1.

MOVED by Director Murdoch, **SECONDED** by Director Goodmanson,

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.

CARRIED

12. NOTICE(S) OF MOTION

There were no notice(s) of motion.

13. NEW BUSINESS

There was no new business.

14. ADJOURNMENT

MOVED by Director Caradonna, **SECONDED** by Director Goodmanson,

That the November 8, 2023 Capital Region Housing Corporation Board meeting be adjourned at 1:31 pm.

CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, DECEMBER 06, 2023**

SUBJECT 2024 Portfolio Operating Budgets

ISSUE SUMMARY

To provide the Capital Region Housing Corporation (CRHC) Board a review of estimated operating revenues and expenditures for 2023, and to present the proposed operating budgets for 2024.

BACKGROUND

The CRHC currently consists of a total of 52 properties across six operating portfolios:

- 1) The Umbrella Operating Agreement (UOA) portfolio includes 38 buildings totalling 1,071 units across six municipalities. This agreement was initially signed in 2015 and was renewed in 2019 until December 31, 2024. The portfolio is made up of various operating agreements for Canada Mortgage and Housing Corporation (CMHC), BC Housing, and Homes BC properties under one agreement to achieve administrative efficiencies and cost effectiveness. The portfolio receives a fixed operating subsidy from BC Housing, which enables a combination of Rent-Geared-to-Income (RGI) and Affordable Rental Units (ARU). The proposed 2023 UOA Operating Budget is attached as Appendix A.
- 2) The No Operating Agreement (NOA) portfolio consists of five buildings totalling 123 units in three municipalities. The NOA was established as properties came to the end of their operating agreements and were no longer receiving a subsidy through BC Housing. Through the NOA, the CRHC can benefit from additional flexibility as the properties are no longer limited by an agreement. However, as the properties within the NOA receive no subsidy, they are dependent on rent revenues to ensure viability. The proposed 2023 NOA Operating Budget is attached as Appendix B.
- 3) The Regional Housing First Program (RHFP) portfolio consists of seven properties totalling 638 units in four municipalities. These buildings were funded through the RHFP and consist of 20% Shelter-Rate Units (SRU) and 80% ARU. The SRU are for individuals experiencing or at-imminent-risk of homelessness but can live independently. These units receive no subsidy and are therefore fully dependent on the rental revenues from the ARU to ensure ongoing viability. The proposed 2023 RHFP Operating Budget is attached as Appendix C.
- 4) The Investment in Housing Innovation (IHI) portfolio consists of one property totalling 73 units in Saanich. This building includes a partnership with the Independent Living Housing Society where a total of five units are provided to this society for use by their clients. The IHI portfolio receives no operating subsidy and therefore is dependent on tenant rent contributions to support operations. The proposed 2023 IHI Operating Budget is attached as Appendix D.
- 5) The Community Housing Fund (CHF) portfolio consists of two buildings totalling 102 units in Langford and Victoria. This portfolio has a BC Housing prescribed rental structure that includes 20% RGI Deep Subsidy, 50% RGI and 30% Affordable Market. To support the RGI

Deep Subsidy and RGI units, this portfolio receives an operating subsidy and relies on the tenant rent revenues from the 30% Affordable Market to help support overall building viability. The proposed 2023 CHF Operating Budget is attached as Appendix E.

- 6) The Independent Living BC (ILBC) portfolio consists of one building containing 21 units in the City of Victoria. This building is an accredited Assisted Living building for seniors and persons with disabilities and is operated by a third-party in partnership with BC Housing and Island Health. This building receives a subsidy and is dependent on the third-party operator to provide hospitality services and for Island Health to manage tenant intake and to provide the health care services as may be required. The proposed 2023 ILBC Operating Budget is attached as Appendix F.

Each separate portfolio budget includes the 2023 estimated surplus/deficit, the proposed 2024 budget totals and forecasts for years 2025 through 2028. As these budgets enable expenditures for 2024, they are required to be approved by the CRHC Board by December 31, 2023.

ALTERNATIVES

Alternative 1

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

1. That the 2024 Operating Budget for the Umbrella Operating Agreement be approved;
2. That the 2024 Operating Budget for the No Operating Agreement be approved;
3. That the 2024 Operating Budget for the Regional Housing First Program Agreement be approved;
4. That the 2024 Operating Budget for the Investment in Housing Innovation be approved;
5. That the 2024 Operating Budget for the Community Housing Fund (CHF) be approved;
6. That the 2024 Operating Budget for the Independent Living BC Agreement be approved; and
7. That any 2023 operating surplus/(deficits) to be transferred to/(from) the individual Portfolio Stabilization Reserves be approved.

Alternative 2

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

1. That the 2024 Operating Budget for the Umbrella Operating Agreement be approved as amended;
2. That the 2024 Operating Budget for the No Operating Agreement be approved as amended;
3. That the 2024 Operating Budget for the Regional Housing First Program Agreement be approved as amended;
4. That the 2024 Operating Budget for the Investment in Housing Innovation be approved as amended;
5. That the 2024 Operating Budget for the Community Housing Fund (CHF) be approved as amended;
6. That the 2024 Operating Budget for the Independent Living BC Agreement be approved as amended; and
7. That any 2023 operating surplus/(deficits) to be transferred to/(from) the individual Portfolio Stabilization Reserves be approved as amended.

IMPLICATIONS

Overall Implications

Staffing

Caretaker salaries and administrative overhead are allocated to properties based on hourly staffing requirements. The 2024 caretaker budget line has an increase due to forecasted salary rate increases and the creation of a Unit Turnover Team through auxiliary positions. Though this will result in increased costs, it is necessary to shorten the average days vacant, which will increase revenues. Overall, the creation of the Unit Turnover Team is expected to be net positive.

Rental Rates

The BC Government announcement that 3.5% rent increases are permitted effective January 1, 2024, budgets have been prepared assuming this revenue increase, starting as early in the new year as is legally permissible. It should be noted that this is below the actual increase in costs the CRHC is forecasting in 2024. This is further compounded by the rental increase freeze in 2020 and 2021 as well as the 2% increase permitted in 2022. These constraints have not enabled the CRHC to increase revenue to align with increases in cost from 2020 through into 2024.

Insurance Premiums

CRHC procures its insurance from Marsh Canada through a partnership with British Columbia Non-Profit Housing Association (BCNPHA). This approach enables CRHC to access a special insurance pool of non-profit housing societies which offers preferred insurance rates. In 2019/20 staff undertook a market scan exploring the opportunity for CRHC to access more competitive rates with another insurer and the determination was made that remaining with Marsh was considerably more affordable than market alternatives. Staff will work to undertake a new market scan in 2024 to ensure that working with Marsh continues to be the most economical option for the CRHC. This is especially important as insurance premium increases alone account for approximately 13% of the total CRHC expenditure increase across all portfolios.

Mortgage Renewals

The CRHC will see four properties with mortgage renewals in 2024, as shown in Table 1.

Table 1: 2024 Mortgage Renewals

Rental Property	Interest Rate	Renewal Date	Maturity Date
Carillon Place	3.220%	June 1, 2024	July 1, 2033
Tillicum Station	3.265%	July 1, 2024	July 1, 2037
Parry Place	3.480%	May 1, 2024	May 1, 2043
Village on the Green	2.250%	October 1, 2024	October 1, 2039

It is highly likely that these four properties will be renewed at higher rates given current benchmark rates. However, as Carillon and Tillicum are in the UOA, BC Housing will adjust the subsidy amount commensurate to the debt cost increase. Parry Place is subsidized through BC Housing through ILBC2 and will also see the subsidy amount increase to absorb the cost of the debt. Village on the Green has been identified as a property with significant development potential. If a development project is approved at this site, the mortgage would be repaid upon renewal. The estimated principal balance at the renewal date is \$1.5 million (M), and this cost is considered in the capital budget.

UOA Portfolio

2023 Outcomes

The amended 2023 UOA budget estimated a negative operating result of \$152 thousand (K) with the budget amendment being the result of ratification of the 2022-2024 Canadian Union of Public Employees (CUPE) Collective Agreement and a reconciliation of costs associated with an office expansion to accommodate planned growth. In 2023 staff are forecasting a deficit of \$54K, which is \$98K less than approved. In 2023, the CRHC experienced revenues that were slightly higher than budgeted, which helped to offset the higher expenditures that staff has anticipated. The higher than budgeted expenditure was primarily due to the increased cleaning costs associated with engaging contracted services to backfill staff vacancies and respond to an increasing demand for this service. The 2023 operating deficit will be reconciled through a transfer from the UOA Stabilization Reserve. See Appendix A for detailed variance explanations.

Table 2: UOA Summary 2023 Estimated Revenue/Expenditures & 2024 Proposed Budget

Umbrella Operating Agreement (Appendix A)			
	2023 Budget	2023 Estimates	2024 Proposed
Total Revenue	\$13,030,302	\$13,273,367	\$13,378,911
Total Expenditures	(\$13,182,306)	(\$13,326,883)	(\$13,485,092)
Operating Surplus/(Deficit)	(\$152,004)	(\$53,516)	(\$106,181)

2024 Budget Drivers

The 2024 UOA budget will see a small decline in subsidy revenue which corresponds to a decline in mortgage payments as mortgages will mature at a total of five UOA properties. Please see Appendix G for an overview of the upcoming mortgage expiries. Increased staffing costs, insurance premiums, contracted service cost increases, and costs for utilities including water, gas and electricity are placing considerable upward cost pressures on the UOA. The transfer to the replacement reserve, budgeted at \$2.2M in 2024, is aligned to budgeted expenditures of the 5-year Routine Capital Plan and is consistent with the requirements of the UOA. Staff are proposing a 2024 budget showing a deficit of \$106K which will be funded by the UOA Portfolio Stabilization Reserve. The UOA is projected to return a surplus in years 2025 to 2028 as debt costs will decrease as mortgages mature.

UOA Negotiation

The current UOA was entered into in 2019 and is valid through to December 31, 2024. Staff will be working closely with BC Housing to negotiate a renewed and updated UOA with the intention of enabling strategic redevelopment of CRHC properties and preserving the health of the properties contained within the UOA.

NOA Portfolio

2023 Outcomes

The amended 2023 NOA budget estimated an operating surplus of \$30K. Staff are forecasting a 2023 surplus of \$61K, which results in an anticipated positive variance of \$31K. The surplus is driven by revenues 2.4% higher than budgeted, and expenditures below budget in areas such as caretaker costs and hydro. The estimated surplus of \$61K will be transferred into the NOA Stabilization Reserve.

Table 3: NOA Summary 2023 Estimated Revenue/Expenditures & 2024 Proposed Budget

No Operating Agreement (Appendix B)			
	2023 Budget	2023 Estimates	2024 Proposed
Total Revenue	\$1,684,250	\$1,724,390	\$1,761,248
Total Expenditures	(\$1,653,452)	(\$1,662,899)	(\$1,730,941)
Operating Surplus/(Deficit)	\$30,798	\$61,491	\$30,307

2024 Budget Drivers

The main cost pressures impacting the NOA Operating budget are caretaker costs, garbage contract costs, maintenance, and water costs. Caretaker cost increases are driven by reallocation across portfolios and the creation of a Unit Turnover Team. Increased maintenance is anticipated in the portfolio and cost estimates are based on detailed diligence and scheduling.

Replacement Reserve Contribution

The funding strategy ensures there is sufficient revenue available for the proposed 2024-2028 rolling NOA Routine Updated Capital Plan. For 2023, a replacement reserve contribution of \$173/month per unit (or \$255K annual contribution) will be transferred from the NOA operating budgets to the Replacement Reserve to fund proposed works in the Routine Capital Plan.

RHFP Portfolio

2023 Outcomes

The amended 2023 RHFP budget estimated an operating surplus of \$34K and staff are forecasting a 2023 surplus of \$330K, which results in an anticipated positive variance from plan of \$297K. The surplus is driven primarily by caretaker vacancies (\$196K), and lower than anticipated mortgage costs of (\$298K) at Prosser and Michigan A. When the Prosser mortgage was secured in June of 2023, the 10-year term fixed rate was 0.99% lower than forecast, which resulted in approximately \$66K in debt servicing savings annually. The delay of the Michigan redevelopment has also resulted in a slightly lower revenue and slightly lower expenditure than initially budgeted. The estimated surplus of \$330K will be transferred into the RHFP Stabilization Reserve.

Table 4: RHFP Summary 2021 Estimated Revenue/Expenditures & 2022 Proposed Budget

Regional Housing First Program (Appendix C)			
	2023 Budget	2023 Estimates	2024 Proposed
Total Revenue	\$9,217,057	\$9,030,482	\$9,898,206
Total Expenditures	(\$9,183,431)	(\$8,700,312)	(\$9,986,409)
Operating Surplus/(Deficit)	\$33,626	\$330,170	(\$88,203)

2024 Budget Drivers

Key budget drivers going into 2024 include projected increases in caretaker costs, garbage contract costs, insurance, maintenance, and water costs, which account for approximately 44% of the overall budget increase 2023 to 2024. It is notable that many of the individual line-item increases are driven by the annualization of Prosser, which opened in Q2 2023, and the addition of Michigan Building A, which is expected to open in Q2/Q3 2024.

From a performance perspective, the RHFP portfolio is expected to end 2024 in a deficit position of \$88K. This is primarily driven by the anticipated rent-up costs of the Michigan Building A property and a higher than anticipated rent loss for Hockley and Millstream due to vacancies and turnovers. Staff continue to monitor and forecast weekly and monthly through rent up periods of new buildings and have included costs in both the capital and operating budgets that take into account cost experience to date. With analysis and action taken to optimize the rent up process, costs reflected in plan are considered reasonable as new buildings are put into use.

To support increased performance of the RHFP properties, staff will be prioritizing efforts to turn over units more quickly at Hockley and Millstream and will be moving forward with auxiliary cleaning positions in addition to the creation of a Unit Turnover Team that consists of a lead hand, a carpenter and two painters. It is expected that these steps will help to address the rent loss occurring at these properties, which will help to increase revenue and reduce the forecasted deficit. Staff will continue to report out on performance of the RHFP portfolio through the CRHC quarterly operational updates.

IHI Portfolio

2023 Outcomes

Staff are anticipating a surplus of \$74K, which is \$23K less than budgeted. This is due to slightly lower than anticipated rent revenue and slightly higher costs for maintenance items.

Table 5: IHI Summary 2023 Estimated Revenue/Expenditures & 2024 Proposed Budget

Investment In Housing Innovation Agreement (Appendix D)			
	2023 Budget	2023 Estimates	2024 Proposed
Total Revenue	\$857,570	\$833,010	\$847,993
Total Expenditures	(\$760,553)	(\$758,692)	(\$793,641)
Operating Surplus/(Deficit)	\$97,017	\$74,318	\$54,352

2024 Budget Drivers

The proposed 2024 Operating budget expenditures of \$794K increases \$43K from the 2023. This increase in budget is to absorb additional costs associated with changes as to how the Caretaker staff are allocated across the four operational portfolios. Additionally, the increased costs for the Unit Turnover Team impact the Caretaker line on this portfolio. This portfolio is expected to end 2024 with a \$54K surplus.

CHF Portfolio

2023 Outcomes

Staff are anticipating a surplus of \$19K in 2023 due to three distinct factors. First, the initial inclusion of two months of operation at the Michigan redevelopment (Building B) in 2023. As this project was delayed into 2024 both the anticipated revenue and expenditure will end 2023 below the CRHC Board-approved budget by \$147K respectively. Second, the development delay resulted in a reduction in subsidy from BC Housing as the subsidy for Michigan Building B will not begin until construction is complete, and the takeout mortgage is secured. Third and finally, the City of Langford registered a covenant on the 2782 Spencer Road property that restricts the ability of the CRHC to charge for parking, which resulted in a drop of \$22K in revenue. This was done as the development was advanced through the development process prior to the CRHC taking possession.

Table 6: CHF Summary 2023 Estimated Revenue/Expenditures & 2024 Proposed Budget

Community Housing Fund Agreement (Appendix E)			
	2023 Budget	2023 Estimates	2024 Proposed
Total Revenue	\$1,347,674	\$1,001,176	\$1,699,528
Total Expenditures	(\$1,347,674)	(\$981,955)	(\$1,699,528)
Operating Surplus/(Deficit)	-	19,221	-

2024 Budget Drivers

The budget for the CHF portfolio is proposed to increase by \$352K or 26%. This is driven primarily by the opening of Michigan Square Building B as well as increases due to Caretaker allocations and other staffing impacts. As the CHF is a subsidized portfolio with budgets approved annually by BC Housing, the revenues are expected to increase commensurate with the increase in expenditures. At the end of 2024, the CHF Portfolio is expected to end in a balanced position.

ILBC2 Portfolio

Parry Place is under the ILBC2 operating program with BC Housing. It has a five-year fixed budget that was renewed for 2020-2024, with an allowance for an increase in annual budget expense based on the Consumer Price Index (CPI), excluding the mortgage. The operating agreement has been amended to allow for a one-year budget cycle starting January 1, 2024.

2023 Outcomes

The BC Housing mandated 2023 ILBC2 budget estimated an operational surplus of \$42K. Staff are forecasting a 2023 deficit of \$202K for an anticipated expenditure variance of \$186K. The deficit is due to a BC Housing adjustment to the subsidy amount, which has been offset to a degree through a Tenant Rent Contribution that was higher than budgeted. Through 2023, expenditures are forecast to be \$186K higher than budgeted due to the ongoing contract with Bayshore Home Health to ensure overnight first aid services are available to residents and actual contract costs in the provision of hospitality services. Additionally, a number of elevator outages through 2023 have resulted in higher than budgeted maintenance costs.

Table 7: ILBC2 Summary 2023 Estimated Revenue/Expenditures & 2024 Proposed Budget

Independent Living BC 2 Agreement (Appendix F)			
	2023 Mandated	2023 Estimates	2024 Proposed
Total Revenue	\$729,853	\$671,764	\$927,858
Total Expenditures	(\$688,121)	(\$873,941)	(\$927,858)
Operating Surplus/(Deficit)	\$41,732	(\$202,177)	-

2024 Budget Drivers

Due to pressures on the health system and the care needs of existing residents at Parry Place, Island Health is no longer in the building providing services overnight. This has required CRHC to hire Bayshore Home Health to provide overnight first aid as required of Owners under the *Community Care and Assisted Living Act*. This additional cost as well as the considerable increases in several budget lines that include mortgage payments, hospitality services, and maintenance all increased the need for an increased subsidy from BC Housing. Given we have moved to a one-year budget cycle, staff therefore have submitted a 2024 budget to BC Housing that expects the building to end 2024 in a balanced position.

Portfolio Stabilization Reserves

Based on the 2023 estimated surpluses being contributed to the applicable portfolio stabilization reserves and capital development and renewal projects; Table 8 summarizes the estimated 2023 year end reserve balances.

Table 8: Summary of Portfolio Stabilization Reserves

Portfolio Stabilization Reserve Balances	2023 Beginning Balance	2023 Surplus/(Deficit)	2023 Approved Transfers from/(to)	2023 Ending Balance
UOA	\$3,410,606	(\$53,516)	\$53,516	\$3,357,090
NOA	\$959,903	\$61,491	(\$61,491)	\$1,021,394
RHFP	\$265,650	\$330,170	(\$330,170)	\$595,820
IHI	\$389,301	\$74,318	(\$74,318)	\$463,619
CHF	\$5,477	\$19,221	(\$19,221)	\$24,698
ILBC2 Agreement	(\$107,961)	(\$202,177)	\$202,177	(\$310,138)

Portfolio stabilization reserves are used to fund cyclical maintenance as well as one-time unexpected pressures.

CONCLUSION

Several factors continue to place upward pressure on costs across the portfolios. These include increased staffing, ongoing inflationary pressures from contracted services and additional costs associated with operations. These are compounded by constraints on revenue due to operating agreement requirements and/or provincial legislation. Staff will be working through 2024 to continue moving the corporation forward and delivering new units while looking to mitigate risk.

RECOMMENDATION

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

1. That the 2024 Operating Budget for the Umbrella Operating Agreement be approved;
2. That the 2024 Operating Budget for the No Operating Agreement be approved;
3. That the 2024 Operating Budget for the Regional Housing First Program Agreement be approved;
4. That the 2024 Operating Budget for the Investment in Housing Innovation be approved;
5. That the 2024 Operating Budget for the Community Housing Fund (CHF) be approved;
6. That the 2024 Operating Budget for the Independent Living BC Agreement be approved; and
7. That any 2023 operating surplus/(deficits) to be transferred to/(from) the individual Portfolio Stabilization Reserves be approved.

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

ATTACHMENTS:

Appendix A – UOA Operating Budget Summary
Appendix B – NOA Operating Budget Summary
Appendix C – RHFP Operating Budget Summary
Appendix D – IHI Operating Budget Summary
Appendix E – CHF Operating Budget Summary
Appendix F – ILBC2 Operating Budget Summary
Appendix G – Upcoming Mortgage Expiries

CAPITAL REGION HOUSING CORPORATION

2024 UMBRELLA AGREEMENT OPERATING BUDGET SUMMARY

- 38 Properties: 1,071 units mixed income family/seniors housing

APPENDIX A

	2023 Board Amended	2023 Estimated Actuals	2023 Budget \$ Variance	2023 Budget % Variance	2024 CRHC Proposed	2024 Budget \$ Change	2024 Budget % Change	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Revenue											
BCHMC Subsidy	2,668,328	2,463,577	(204,751)	-7.7%	2,392,878 (2)	(275,450)	-10.3%	2,009,146	1,773,423	1,536,309	1,499,026
Tenant Rent Contribution	10,306,910	10,751,630	444,720	4.3%	10,927,826	620,916	6.0%	11,146,383	11,369,310	11,596,696	11,828,630
Misc Revenue - parking and laundry	55,064	58,160	3,096	5.6%	58,207	3,143	5.7%	58,789	59,377	59,970	60,570
Total Revenue	13,030,302	13,273,367	243,064	1.9%	13,378,911	348,608	2.7%	13,214,317	13,202,110	13,192,975	13,388,226
Expenditures											
Audit	19,710	18,782	928	4.7%	19,440	(270)	-1.4%	19,829	20,225	20,630	21,042
Caretaker	1,337,540	1,246,815	90,725	6.8%	1,549,609 (3)	212,069	15.9%	1,580,601	1,612,213	1,644,458	1,677,347
Garbage	304,369	309,384	(5,015)	-1.6%	318,541	14,172	4.7%	324,911	331,410	338,038	344,799
Gas	134,920	131,870	3,050	2.3%	150,470 (4)	15,550	11.5%	153,479	156,549	159,680	162,874
Hydro	260,530	241,800	18,730	7.2%	290,110 (5)	29,580	11.4%	295,912	301,830	307,867	314,024
Insurance Premium	806,585	826,730	(20,145)	-2.5%	930,062 (6)	123,478	15.3%	948,664	967,637	986,990	1,006,729
Insurance Deductible	-	(1,517)	1,517	100.0%	-	-	0.0%	-	-	-	-
Landscape Maintenance	333,880	323,604	10,276	3.1%	325,800	(8,080)	-2.4%	332,316	338,962	345,742	352,656
Land Lease	63,000	63,000	-	0.0%	63,000	-	0.0%	63,000	63,000	63,000	63,000
Leblond Strata	17,972	20,942	(2,969)	-16.5%	22,033	4,060	22.6%	22,473	22,923	23,381	23,849
Maintenance	839,021	1,134,284 (1)	(295,263)	-35.2%	966,454 (7)	127,433	15.2%	985,783	1,005,499	1,025,609	1,046,121
Management Fee	1,968,239	1,968,239	-	0.0%	1,967,605	(634)	0.0%	2,019,869	2,060,348	2,106,373	2,152,490
Mortgage Payments	3,858,700	3,858,700	-	0.0%	3,553,718	(304,982)	-7.9%	2,962,989	2,650,271	2,377,075	2,327,804
Property Taxes	4,230	4,064	166	3.9%	4,280	50	1.2%	4,366	4,453	4,542	4,633
Transfer to Replacement Reserve	2,200,000	2,200,000	-	0.0%	2,200,000	0	0.0%	2,200,000	2,200,000	2,200,000	2,200,000
Water	1,033,610	980,186	53,424	5.2%	1,123,970	90,360	8.7%	1,146,449	1,169,378	1,192,766	1,216,621
Total Expenditures	13,182,306	13,326,883	(144,577)	-1.1%	13,485,092	302,785	2.3%	13,060,642	12,904,699	12,796,149	12,913,989
Total Umbrella Agreement Surplus/(Deficit)	(152,004)	(53,516)	98,488	-	(106,181)	-	-	153,676	297,412	396,826	474,237
Beginning Balance UOA Stabilization Reserve		3,410,606			3,357,090			3,250,909	3,404,584	3,701,996	4,098,822
Operating Surplus/(Deficit)		(53,516)			(106,181)			153,676	297,412	396,826	474,237
Caledonia Operation		-			-						
Ending Balance UOA Stabilization Reserve		3,357,090			3,250,909			3,404,584	3,701,996	4,098,822	4,573,059
Number of units in operation in portfolio	1,071				1,071			1,071	1,071	1,071	1,071

Notes (for variances +/- 10% and \$10,000)

- (1) 2023 Maintenance variance due to higher cleaning costs, fire system maintenance work and plumbing repairs.
 (2) 2024 BCHMC Subsidy budget variance due to maturing mortgages at 5 properties.
 (3) 2024 Caretaker increase due to reallocation across portfolios and 4 new auxiliary FTEs for unit turnover work.
 (4) 2024 Gas budget increase due to increased rates and consumption.
 (5) 2024 Hydro budget increase due to increased rates and consumption.

(6) 2024 Insurance premium increase.

(7) 2024 Maintenance budget increase due to contract increases.

CAPITAL REGION HOUSING CORPORATION
2024 NO OPERATING AGREEMENT BUDGET SUMMARY

APPENDIX B

- 5 Properties: 123 units affordable rental housing

	2023 Board Amended	2023 Estimated Actuals	2023 Budget \$ Variance	2023 Budget % Variance	2024 CRHC Proposed	2024 Budget \$ Change	2024 Budget % Change	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Revenue											
Tenant Rent Contribution	1,678,110	1,718,160	40,050	2.4%	1,755,018	76,908	4.6%	1,615,473	1,083,676	1,105,350	1,127,457
Misc Revenue - parking and laundry	6,140	6,230	90	1.5%	6,230	90	1.5%	5,678	3,772	3,810	3,848
Total Revenue	1,684,250	1,724,390	40,140	2.4%	1,761,248	76,998	4.6%	1,621,151	1,087,448	1,109,159	1,131,305
Expenditures											
Audit/Legal	2,260	2,132	128	5.7%	2,240	(20)	-0.9%	2,062	1,383	1,411	1,439
Caretaker	153,534	141,844	11,690	7.6%	178,154 (2)	24,620	16.0%	163,989	110,005	112,205	114,450
Garbage	25,692	31,222	(5,530)	-21.5%	36,251 (3)	10,559	41.1%	33,369	22,384	22,832	23,288
Landscape Maintenance	42,734	43,694	(960)	-2.2%	45,000	2,266	5.3%	41,422	27,786	28,342	28,909
Hydro	5,820	4,240	1,580	27.1%	5,980	160	2.7%	5,505	3,692	3,766	3,842
Insurance Premium	95,812	95,303	508	0.5%	104,361	8,550	8.9%	96,063	64,440	65,729	67,044
Maintenance	80,647	90,875 (1)	(10,228)	-12.7%	90,440	9,793	12.1%	83,249	55,844	56,961	58,100
Management Fee	226,045	226,045	-	0.0%	225,971	(74)	0.0%	209,342	137,675	137,675	137,675
Mortgage Payments	641,857	641,857	-	0.0%	646,952	5,095	0.8%	520,393	520,393	520,393	520,393
Property Taxes	390	375	15	3.8%	390	-	0.0%	359	241	246	251
Transfer to Replacement Reserve	254,802	254,802	-	-	254,802	-	0.0%	229,943	151,224	151,224	151,224
Water	123,860	130,510	(6,650)	-5.4%	140,400 (4)	16,540	13.4%	129,236	86,693	88,427	90,196
Total Expenditures	1,653,452	1,662,899	(9,447)	-0.6%	1,730,941	77,489	4.7%	1,514,932	1,181,762	1,189,212	1,196,810
Total No Agreement Surplus/(Deficit)	30,798	61,491	30,693	99.7%	30,307	-	-	106,219	(94,314)	(80,052)	(65,506)
Beginning Balance NOA Stabilization Reserve		959,903			1,021,394			1,051,701	1,157,921	1,063,607	983,557
Operating Surplus/(Deficit)		61,491			30,307			106,219	(94,314)	(80,052)	(65,506)
End Balance NOA Stabilization Reserve		1,021,394			1,051,701			1,157,921	1,063,607	983,557	918,054
Number of units in operation in portfolio	123				123			111	73	73	73

Notes (for variances +/- 10% and \$10,000)

- (1) 2023 Maintenance variance primarily due to unplanned electrical work at several buildings.
(2) 2024 Caretaker increase due to reallocation across portfolios and 4 new auxiliary FTEs for unit turnover work.
(3) 2024 Garbage increase due to increased hauling costs related to unit turnovers.
(4) 2024 Water increase consistent with 2023 estimated actuals and estimated 5% water rate increase.

CAPITAL REGION HOUSING CORPORATION
2024 RHFP AGREEMENT BUDGET SUMMARY
- 7 Properties: 638 units mixed income housing

APPENDIX C

	2023 Board Amended	2023 Estimated Actuals	(1)	2023 Budget \$ Variance	2023 Budget % Variance	2024 CRHC Proposed	(1)	2024 Budget \$ Change	2024 Budget % Change	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Revenue													
Tenant Rent Contribution	8,847,795	8,658,570		(189,225)	-2%	9,719,556	(6)	871,761	10%	9,913,947	10,112,226	13,622,376	13,894,823
Misc Revenue - parking	166,950	169,600		2,650	2%	178,650		11,700	7%	180,437	182,241	258,785	261,373
Transfer from capital projects	202,312	202,312		-	0%	-	(7)	(202,312)	-100%	-	-	-	-
Transfer from Corporate Stabilization Reserve	-	-		-	0%	-		-	100%	-	-	-	-
Total Revenue	9,217,057	9,030,482		(186,575)	-2%	9,898,206		681,149	7%	10,094,383	10,294,467	13,881,161	14,156,196
Expenditures													
Audit/Legal	9,830	10,141		311	3%	11,190		1,360	14%	11,414	11,642	16,696	17,030
Caretaker	695,515	499,906	(2)	(195,609)	-28%	761,061	(8)	65,547	9%	776,283	791,808	1,135,513	1,158,223
Garbage	95,752	96,065		314	0%	120,056	(8)	24,304	25%	122,457	124,906	179,125	182,707
Gas	120,850	117,500		(3,350)	-3%	127,290		6,440	5%	129,836	132,433	189,918	193,717
Landscape Maintenance	40,133	35,477		(4,656)	-12%	39,420		(713)	-2%	40,208	41,013	58,815	59,991
Hydro	123,486	95,580	(3)	(27,906)	-23%	126,920		3,434	3%	129,458	132,048	189,366	193,153
Insurance Premium	447,633	436,055		(11,578)	-3%	532,388	(8)	84,755	19%	543,035	553,896	794,329	810,215
Maintenance	296,839	341,835	(4)	44,996	15%	403,832	(8)	106,993	36%	411,909	420,147	602,522	614,573
Management Fee	1,059,011	1,059,011		-	0%	1,131,544		72,533	7%	1,203,246	1,227,359	1,764,162	1,802,786
Mortgage Payments	5,480,066	5,181,706		(298,360)	-5%	5,858,747		378,681	7%	5,858,747	5,858,747	7,732,205	7,732,205
Property Taxes	15,000	29,306	(5)	14,306	95%	-	(8)	(15,000)	-100%	-	-	-	-
Transfer to Replacement Reserve	506,773	498,830		(7,943)	-2%	532,152		25,379	5%	532,152	532,152	748,182	748,182
Water	292,544	298,900		6,356	2%	341,810	(8)	49,266	17%	348,646	355,619	509,985	520,184
Total Expenditures	9,183,431	8,700,312		(483,119)	-5%	9,986,409		802,978	9%	10,107,391	10,181,769	13,920,817	14,032,967
Total RHFP Agreement Surplus/(Deficit)	33,626	330,170		296,544	-	(88,203)		-	-	(13,008)	112,697	(39,657)	123,229
Beginning Balance RHFP Stabilization Reserve		265,650				595,820				507,617	494,610	607,307	567,650
Operating Surplus/(Deficit)		330,170				(88,203)				(13,008)	112,697	(39,657)	123,229
Transfer from Corporate Stabilization Reserve		-				-				-	-	-	-
Transfer from capital project surpluses (estimate)		-				-				-	-	-	-
End Balance RHFP Stabilization Reserve		595,820				507,617				494,610	607,307	567,650	690,879
Number of units in operation in portfolio	585					638				638	638	897	897 (9)

Notes (for variances +/- 10% and \$10,000)

- (1) 2023 budget included Michigan A (53 units) based on 2 months of operations with a 3 month rent-up period and 2024 is for 7 months of operations with the same rent-up period. Michigan A is expected to turn-key on Jun. 1, 2024.
- (2) 2023 Caretaker variance due to staff vacancies.
- (3) 2023 Hydro savings due to the rent up of vacant units (Tenants pay own hydro.)
- (4) 2023 Maintenance variance due to higher cleaning costs, fire system and elevator maintenance.
- (5) 2023 Property Tax variance due to higher than forecasted tax for Prosser due in year of acquisition (tax exemption application is underway for 2024)
- (6) 2024 Tenant Rent increase due to the annualization of Prosser and new units at Michigan A.

- (7) 2023 One-time transfer from the capital project budget at purchase of Prosser to account for rent-up period
- (8) 2024 Various expenditure lines increase due to the annualization of Prosser and the addition of Michigan A.
- (9) 2027 Forecast approx. 259 new units is subject to anticipated project costs and BC Housing approvals.

CAPITAL REGION HOUSING CORPORATION
2024 IHI AGREEMENT BUDGET SUMMARY - Westview

APPENDIX D

- 1 Property: 73 Mixed Income Housing

	2023 Board Approved	2023 Estimated Actuals	2023 Budget \$ Variance	2023 Budget % Variance	2024 CRHC Proposed	2024 Budget \$ Change	2024 Budget % Change	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Revenue											
Tenant Rent Contribution	836,470	813,190	(23,280)	-2.8%	828,173	(8,297)	-1.0%	844,736	861,631	878,864	896,441
Misc Revenue - parking	21,100	19,820	(1,280)	-6.1%	19,820	(1,280)	-6.1%	20,018	20,218	20,421	20,625
Total Revenue	857,570	833,010	(24,560)	-2.9%	847,993	(9,577)	-1.1%	864,754	881,849	899,284	917,066
Expenditures											
Audit/Legal	1,340	1,266	74	-5.5%	1,330	(10)	-0.7%	1,357	1,384	1,411	1,440
Caretaker	107,986	97,363	(1)	-9.8%	123,820	(2)	14.7%	126,296	128,822	131,399	134,027
Garbage	15,195	15,196	(1)	0.0%	15,444	249	1.6%	15,753	16,068	16,389	16,717
Gas	13,070	15,030	(1,960)	15.0%	15,560	2,490	19.1%	15,871	16,189	16,512	16,843
Landscape Maintenance	7,547	7,888	(342)	4.5%	8,400	853	11.3%	8,568	8,739	8,914	9,092
Hydro	15,300	12,090	3,210	-21.0%	15,710	410	2.7%	16,024	16,345	16,672	17,005
Insurance Premium	49,144	50,187	(1,042)	2.1%	56,279	7,135	14.5%	57,404	58,553	59,724	60,918
Maintenance	41,571	49,607	(8,036)	19.3%	45,472	3,901	9.4%	46,381	47,309	48,255	49,220
Management Fee	134,156	134,182	(26)	0.0%	134,113	(43)	0.0%	137,675	140,435	143,572	146,715
Mortgage Payments	280,401	280,401	-	0.0%	280,401	-	0.0%	280,401	280,401	280,401	280,401
Transfer to Replacement Reserve	63,072	63,072	-	0.0%	63,072	-	0.0%	63,072	63,072	63,072	63,072
Water	31,770	32,410	(640)	2.0%	34,040	2,270	7.1%	34,721	35,415	36,124	36,846
Total Expenditures	760,553	758,692	1,860	-0.2%	793,641	33,088	4.4%	803,524	812,731	822,444	832,296
Total Surplus/(Deficit)	97,017	74,318	(22,700)	-23%	54,352	(42,665)		61,230	69,119	76,840	84,770
Beginning Balance IHI Stabilization Reserve		389,301			463,619			517,971	579,201	648,320	725,159
Operating Surplus/(Deficit)		74,318			54,352			61,230	69,119	76,840	84,770
End Balance IHI Stabilization Reserve		463,619			517,971			579,201	648,320	725,159	809,929
Number of units in operation in portfolio	73				73			73	73	73	73

Notes (for variances +/- 10% and \$10,000)

(1) 2023 Caretaker under budget due to staff vacancies.

(2) 2024 Caretaker increase due to reallocation across portfolios and 4 new auxiliary FTEs for unit turnover work.

CAPITAL REGION HOUSING CORPORATION

2024 CHF AGREEMENT BUDGET SUMMARY

- 2 Properties: 102 units - Mixed Income Housing

APPENDIX E

	2023 Board Approved	2023 Estimated Actuals	(1)	2023 Budget \$ Variance	2023 Budget % Variance	2024 CRHC Proposed	(1)	2024 Budget \$ Change	2024 Budget % Change	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Revenue													
Tenant Rent Contribution	677,510	589,240	(2)	(88,270)	-13.0%	872,663	(8)	195,153	28.8%	1,979,374	2,018,962	2,059,341	3,779,092
Misc Revenue - parking	22,470	-	(3)	(22,470)	-100.0%	7,280	(3)	(15,190)	-67.6%	7,353	7,426	7,501	7,576
BC Housing Subsidy	647,694	411,936	(4)	(235,758)	-36.4%	819,585	(10)	171,892	26.5%	2,113,514	2,102,074	2,091,556	4,824,586
Total Revenue	1,347,674	1,001,176		(346,498)	-25.7%	1,699,528		351,855	26.1%	4,100,241	4,128,462	4,158,398	8,611,253
Expenditures													
Audit/Legal	1,060	1,006		54	-5.1%	1,520		460	43.4%	3,952	4,031	4,112	8,436
Caretaker	80,865	58,297	(5)	22,568	-27.9%	114,260	(9)	33,394	41.3%	297,075	303,017	309,077	634,154
Garbage	7,460	5,986		1,473	-19.7%	11,757		4,297	57.6%	30,567	31,178	31,802	65,250
Gas	11,700	2,730		8,970	-76.7%	6,400		(5,300)	-45.3%	16,640	16,973	17,312	35,521
Landscape Maintenance	8,989	6,895		2,094	-23.3%	8,625		(364)	-4.0%	22,425	22,874	23,331	47,870
Hydro	20,028	22,650		(2,622)	13.1%	25,661		5,632	28.1%	66,718	68,052	69,413	142,419
Insurance Premium	57,618	16,731	(6)	40,886	-71.0%	57,787		170	0.3%	150,247	153,252	156,317	320,727
Maintenance	28,851	28,030		821	-2.8%	72,182	(10)	43,331	150.2%	187,673	191,427	195,255	400,619
Management Fee	106,590	105,966		624	-0.6%	169,018	(10)	62,428	58.6%	490,351	500,178	511,351	1,051,123
Mortgage Payments	914,916	649,691	(7)	265,226	-29.0%	1,104,487	(10)	189,570	20.7%	2,505,915	2,505,915	2,505,915	5,226,205
Transfer to Replacement Reserve	56,706	50,112		6,594	-11.6%	72,288	(10)	15,582	27.5%	184,264	184,264	184,264	370,653
Water	52,891	33,860	(7)	19,031	-36.0%	55,544		2,653	5.0%	144,414	147,303	150,249	308,276
Total Expenditures	1,347,674	981,955		365,719	-27.1%	1,699,528		351,854	26.1%	4,100,241	4,128,462	4,158,398	8,611,253
Total Surplus/(Deficit)	-	19,221		19,221	0.0%	-		-	0.0%	-	-	-	-
Number of units in operation in portfolio	58					102				260	260	260	523
Beginning Balance CHF Stabilization Reserve		5,477				24,698				24,698	24,698	24,698	24,698
Operating Surplus/(Deficit)		19,221				-				-	-	-	-
Ending Balance CHF Stabilization Reserve		24,698				24,698				24,698	24,698	24,698	24,698

Notes (for variances +/- 10% and \$10,000)

- (1) 2023 budget included Michigan B based on 2 months of operations with a 3 month rent-up period and 2024 is for 7 months of operations with the same rent-up period. Michigan B is expected to turn-key on Jun. 1, 2024 (44 units).
- (2) 2023 Tenant rent variance related to delayed completion of Michigan B to Q2 2024 and tenant vacancies at 2782 Spencer.
- (3) 2023 Parking revenue variance due to municipal bylaw.
- (4) 2023 Subsidy variance due to delayed completion of Michigan to Q2 2024 and
- (5) 2023 Caretaker variance due to staff vacancies and Michigan construction delay.
- (6) 2023 Insurance variance due to savings at 2782 Spencer and Michigan insurance covered by capital project.
- (7) 2023 various variances primarily due to delayed completion of Michigan to Q2 2024.

- (8) 2024 Tenant Rent budget increase primarily due to 7 months of operations for new Michigan B building.
- (9) 2024 Caretaker increase due to reallocation across portfolios and 4 new auxiliary FTEs for unit turnover work.
- (10) 2024 various budget increases due to 7 months of operations for new Michigan B building.
- (11) 2025-2028 Forecast is subject to anticipated project costs and BC Housing approvals. 158 new units in 2025 and approx. 263 new units in 2028.

CAPITAL REGION HOUSING CORPORATION
2024 ILBC(2) AGREEMENT OPERATING BUDGET SUMMARY
- 1 Property: 21 units senior's Independent Living Housing

APPENDIX F

	2023 BCHMC Mandated	2023 Estimated Actuals	2023 Estimated Variance-\$	2023 Estimated Variance-%	2024 CRHC Proposed	2024 Budget \$ (5) Change	2024 Budget % Change	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Revenue											
BCHMC Subsidy	405,000	298,464 (1)	(106,536)	-26.3%	551,278 (6)	146,278	36.1%	561,050	571,054	581,297	591,783
Tenant Rent Contribution	313,663	362,210 (2)	48,547	15.5%	365,490 (7)	51,827	16.5%	369,145	372,836	376,565	380,330
Misc Revenue - parking & cable	11,190	11,090	(100)	-0.9%	11,090	100	(0.01)	11,201	11,313	11,426	11,540
Total Revenue	729,853	671,764	(58,089)	-8.0%	927,858	198,205	27.1%	941,395	955,204	969,288	983,654
Expenditures											
General Costs											
Audit	500	500	-	0.0%	500	-	0.0%	510	520	531	541
Cable Offset	9,000	11,090	(2,090)	-23.2%	11,090	2,090	23.2%	11,312	11,538	11,769	12,004
CPI Increase	23,964	-	23,964	100.0%	- (5)	(23,964)	-100.0%	-	-	-	-
Garbage	3,500	5,624	(2,124)	-60.7%	5,725	2,225	0.64	5,840	5,956	6,075	6,197
Hydro	35,700	27,980	7,720	21.6%	36,664	964	2.7%	37,397	38,145	38,908	39,686
Insurance Premium	7,280	14,298	(7,018)	-96.4%	15,726	8,446	116.0%	16,040	16,361	16,688	17,022
Memberships	500	150	350	70.0%	518	18	0.04	528	538	549	560
Mortgage Payments	221,596	221,596	-	0.0%	234,391 (9)	12,795	5.8%	234,391	234,391	234,391	234,391
Property Taxes	65	61	4	6.8%	65	-	0.0%	66	68	69	70
Transfer to Replacement Reserve	16,600	16,600	-	0.0%	16,600	-	0.0%	16,600	16,600	16,600	16,600
Water	7,000	9,000	(2,000)	-28.6%	9,450	2,450	35.0%	9,639	9,832	10,028	10,229
	325,705	306,898	18,807	5.8%	330,728	5,022	1.5%	332,323	333,950	335,609	337,301
Manageable Costs											
Caretaker	15,001	15,001	-	0.0%	15,301	300	2.0%	15,607	15,919	16,238	16,563
Contract for Services - Hospitality	290,455	480,000 (3)	(189,545)	-65.3%	496,800 (10)	206,345	71.0%	506,736	516,871	527,208	537,752
Landscape Maintenance	6,240	5,327	913	14.6%	4,500	(1,740)	-27.9%	4,590	4,682	4,775	4,871
Maintenance	25,000	39,955 (4)	(14,955)	-59.8%	36,406 (11)	11,406	45.6%	37,134	37,877	38,634	39,407
Management Fee	25,720	26,759	(1,039)	-4.0%	44,123 (5)	18,403	71.6%	45,005	45,905	46,823	47,760
	362,416	567,042	(204,626)	-56.5%	597,130	234,714	64.8%	609,073	621,254	633,679	646,353
Total Expenditures	688,121	873,941	(185,820)	-27.0%	927,858	239,736	-	941,395	955,204	969,288	983,654
Total ILBC(2) Surplus/(Deficit)	41,732	(202,177)	(243,909)		-	-	-	-	-	-	-
Beginning Balance ILBC(2) Stabilization Reserve		(107,961)			(310,138)			(310,138)	(310,138)	(310,138)	(310,138)
BCHMC prior year adjustments		-			-			-	-	-	-
Operating Surplus/(Deficit)		(202,177)			-			-	-	-	-
End Balance ILBC(2) Stabilization Reserve		(310,138)			(310,138)			(310,138)	(310,138)	(310,138)	(310,138)
Number of units in operation in portfolio	21				21			21	21	21	21

Notes (for variances +/- 10% and \$10,000)

- (1) 2023 Subsidy variance forecasted due to BC Housing adjustment.
- (2) 2023 Rent revenue variance due to increased tenant rents.
- (3) 2023 Hospitality variance due to acutal contract costs, 2023 budget was fixed by BC Housing.
- (4) 2023 Maintenance variance primarily due to elevator repairs and fire system monitoring.
- (5) Existing 5-year budget cycle ended in 2023; 2024 is the first year of a new 1-year budget cycle. 2024 Various budget items have been reset consistent with actual costs.

- (6) 2024 Subsidy increase proposed to compensate for increased costs.
- (7) 2024 Tenant rent increase consistent with 2023 actuals.
- (9) 2024 Mortgage payments increase due to estimated higher rates at renewal May 1, 2024.
- (10) 2024 Hospitality contract increase consistent with 2023 actuals plus 3.5% inflation.
- (11) 2024 Maintenance increase consistent with 2023 actuals.

Umbrella Operating Agreement Properties – Upcoming Mortgage Expiries

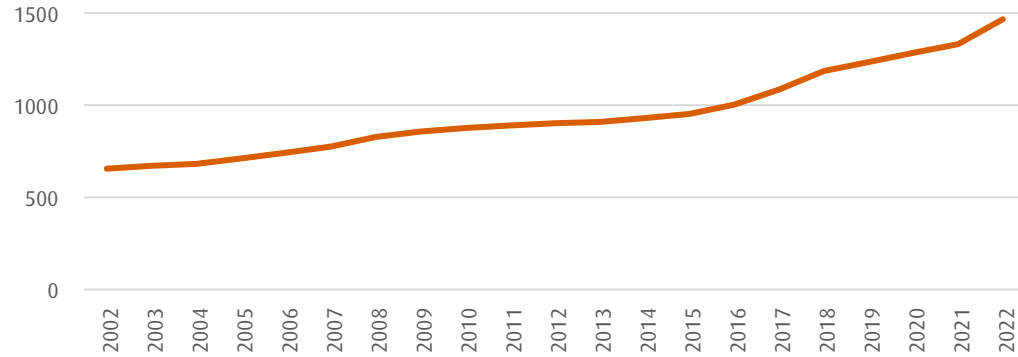
Gladstone	January 1, 2024
Camosun Place	March 1, 2024
Parkview	May 1, 2024
Carey Lane	August 1, 2024
Colquitz Green	November 1, 2024
Greenlea	March 1, 2025
Springtide	May 1, 2025
Amberlea	May 1, 2025
Cloverhurst	May 1, 2025
The Hamlet	October 1, 2025

Capital Region Housing Corporation 2024 Financial Plan

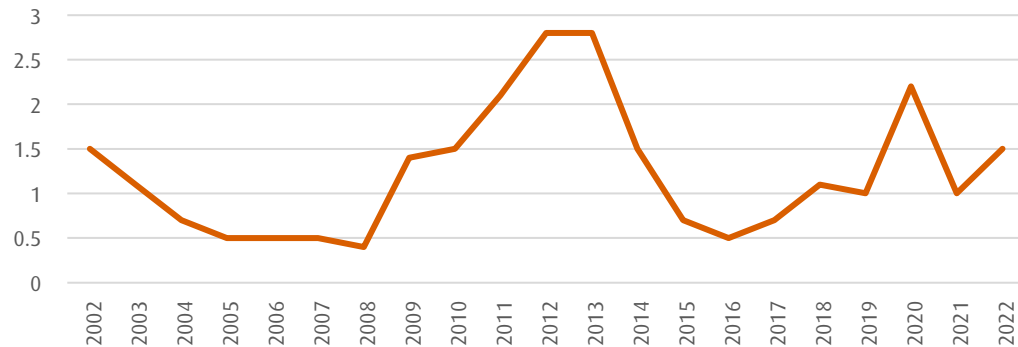
Presentation to: Hospitals & Housing Committee
Wednesday, December 6, 2023

Service Context

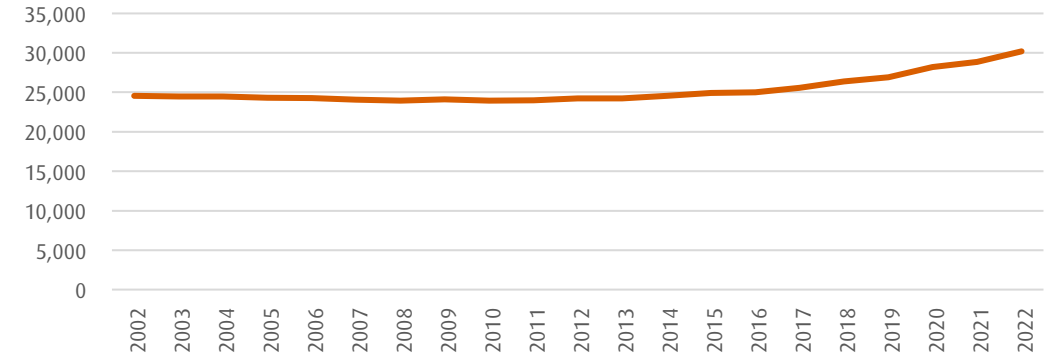
Average Rent Victoria CMA (\$)



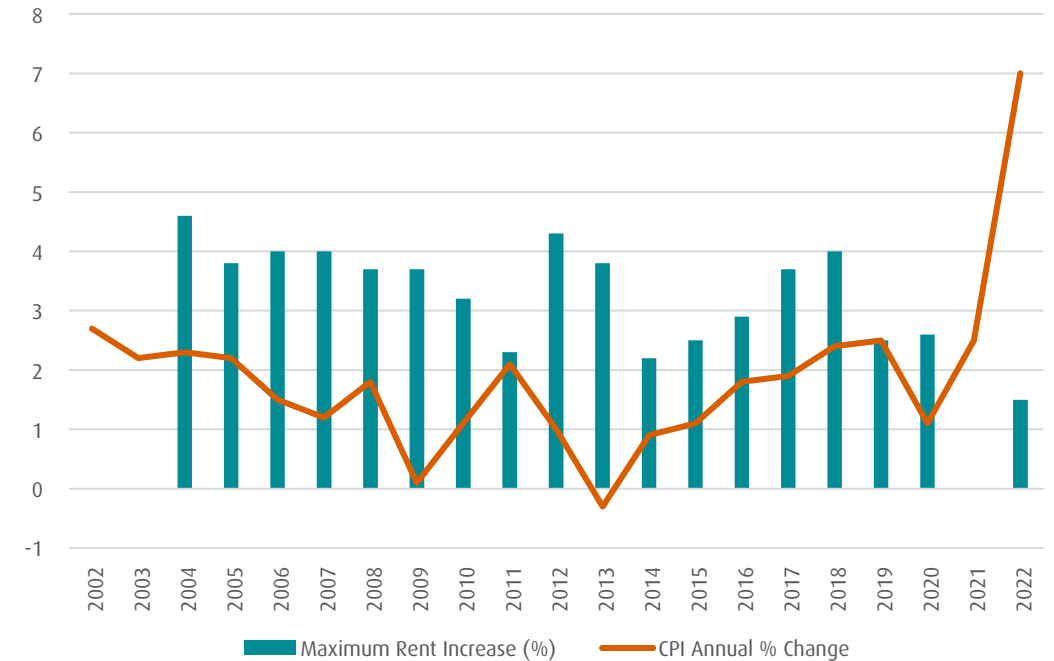
Vacancy Rate Victoria CMA (%)



Primary Rental Market Victoria CMA (# Units)



Victoria CPI & Rent Increase (%)



Reports & Budgets

- 1. Portfolio Operating Budgets**
 - Umbrella Operating Agreement
 - No Operating Agreement
 - Regional Housing First Program
 - Investment in Housing Innovation
 - Community Housing Fund
 - Independent Living BC
- 2. Administration, Development & Routine Services Budgets**
 - Administration
 - Development Services
 - Routine Services
- 3. Routine Capital Plan**
 - Five Year Routine Capital Plan Summary (2024-2028)
 - UOA Five Year Routine Capital Plan Summary (2020-2024)
- 4. Major Capital Plan**
 - Five Year Major Capital Plan Summary (2024-2028)



Portfolio Changes

ILBC2

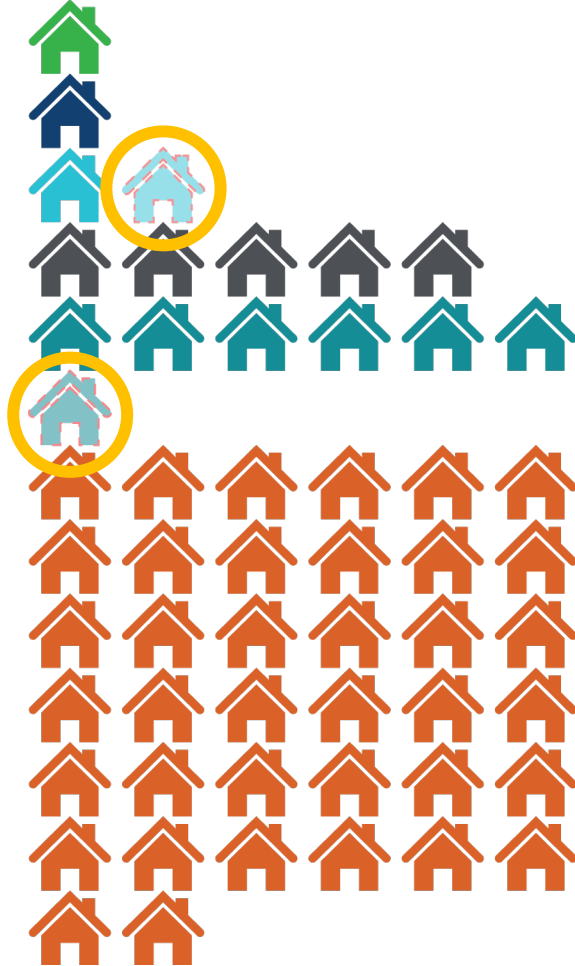
IHI

CHF

NOA

RHFP

UOA



1 Building, 21 Units


1 Building, 73 Units

2 Buildings, 102 Units

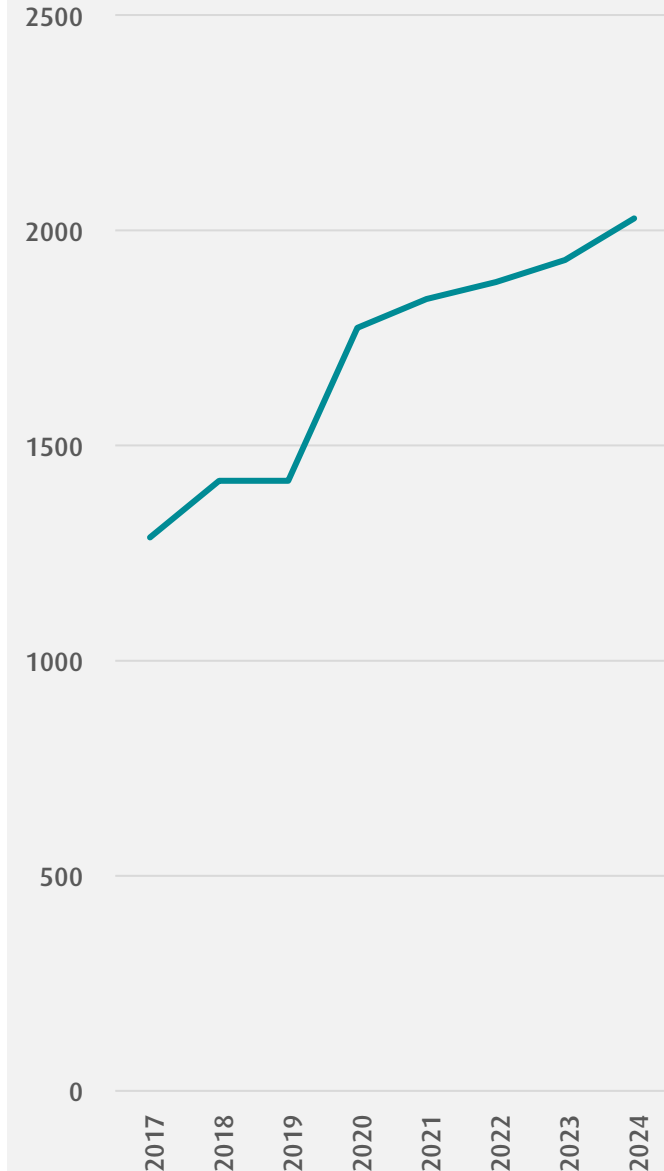
5 Buildings, 123 Units

7 Buildings, 638 Units

38 Buildings, 1,071 Units

 To Open in 2024

CRHC Total Units



CRHC 2023 Performance

Average Days Vacant (Q3 2023)

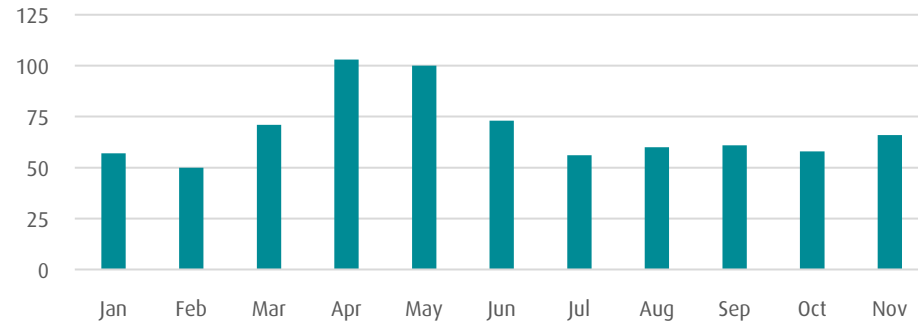
>12 Months

54

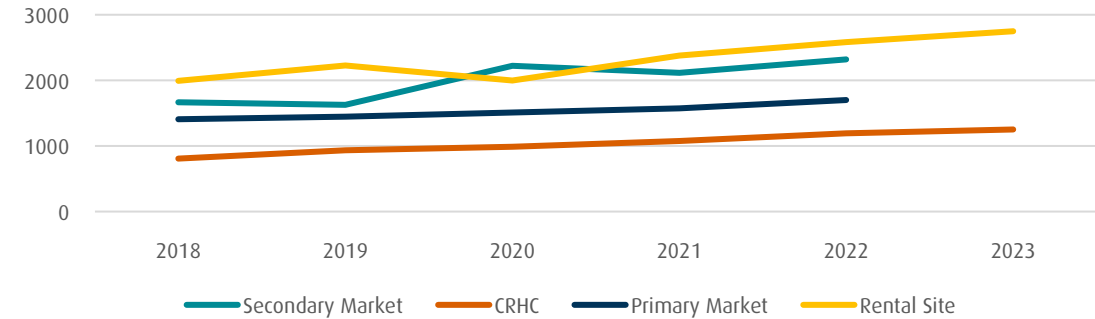
<12 Months

70

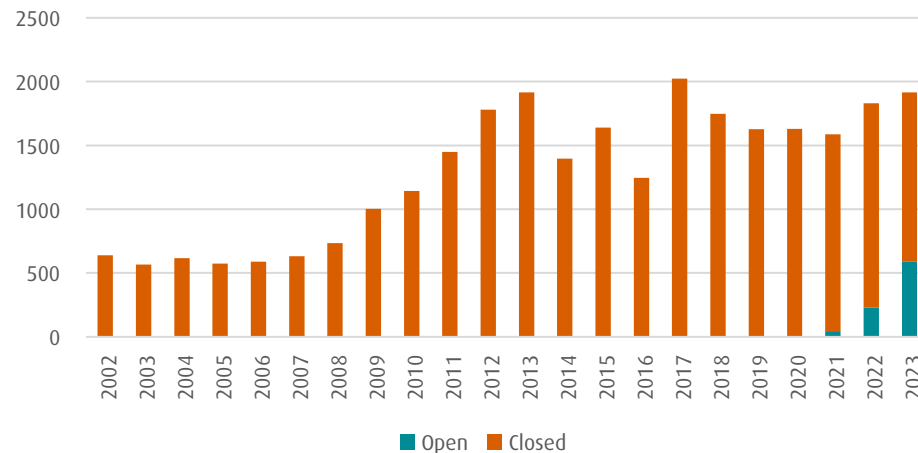
2023 Vacancy # Units



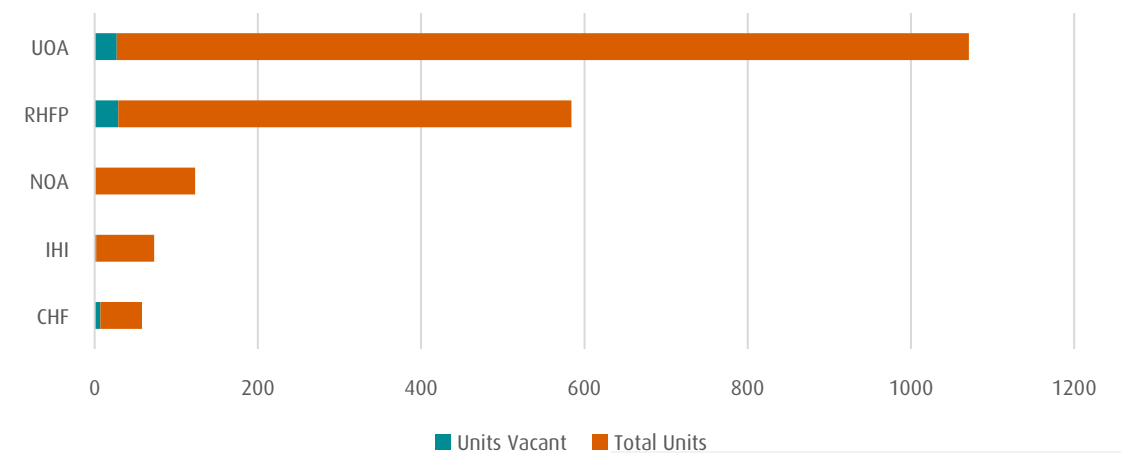
Average 2-Bedroom Rents/Month (\$)



Total Work Orders (2002-2023)



Vacancies/Portfolio & Total Units (Q3 2023)



2024 Budget Drivers



Staffing & Growth



CPI & Rent Increases



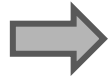
Insurance Premiums



Mortgage Renewals

2024 CRHC Operating Budget Summary

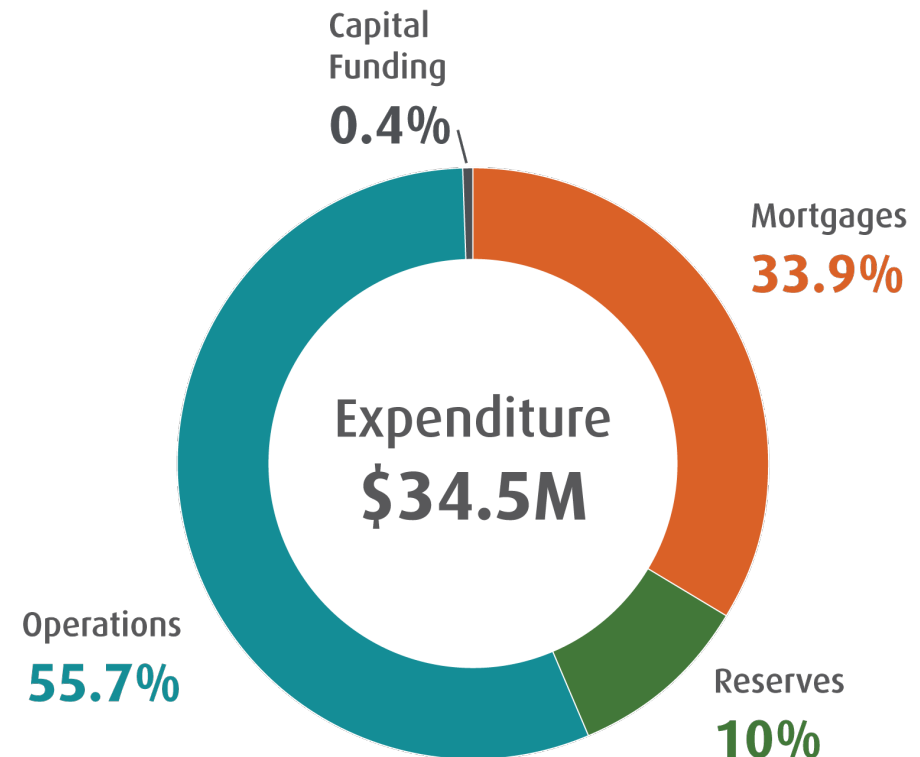
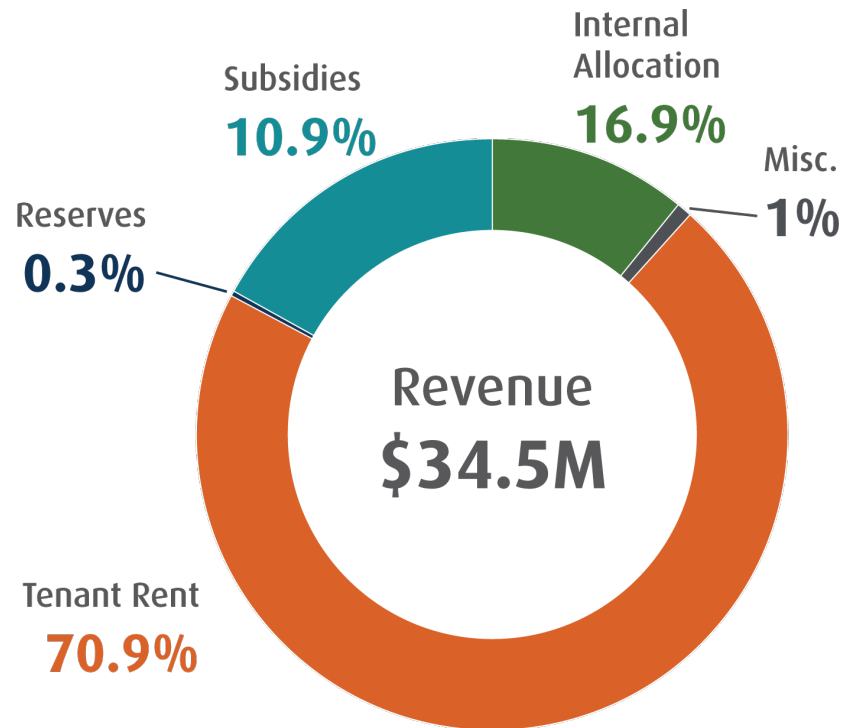
2023 | \$30.7M



2024 | \$34.5M

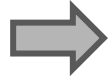


+\$3.8M | 12.4%



2024 Operating Budget - Portfolios

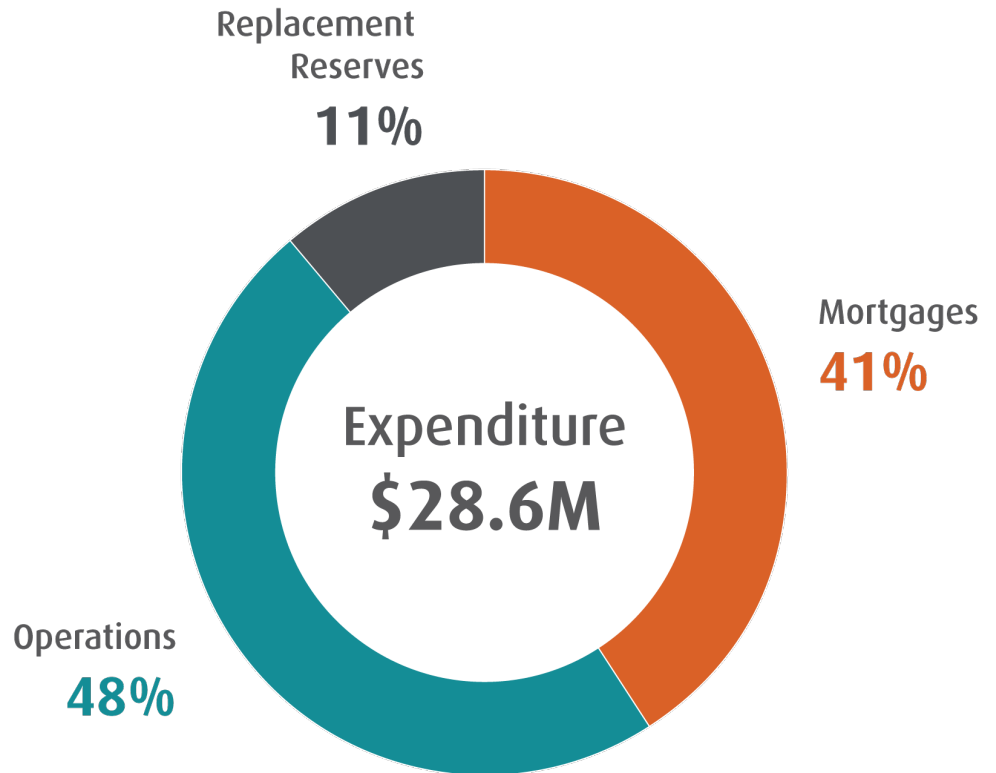
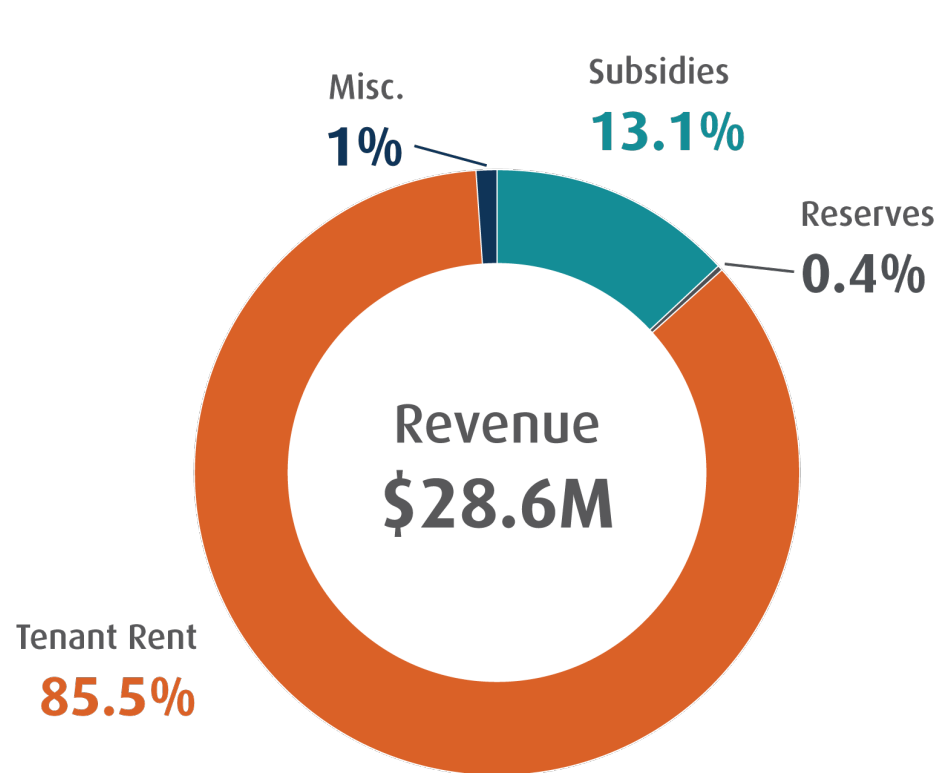
2023 | \$26.3M



2024 | \$28.6M



+\$2.3M | 8.8%



2024 Admin, Dev & Routine Services

Administration Budget	
Revenue	\$3.8M
Expenditure	\$3.8M

Development Services Budget	
Revenue	\$1.5M
Expenditure	\$1.5M

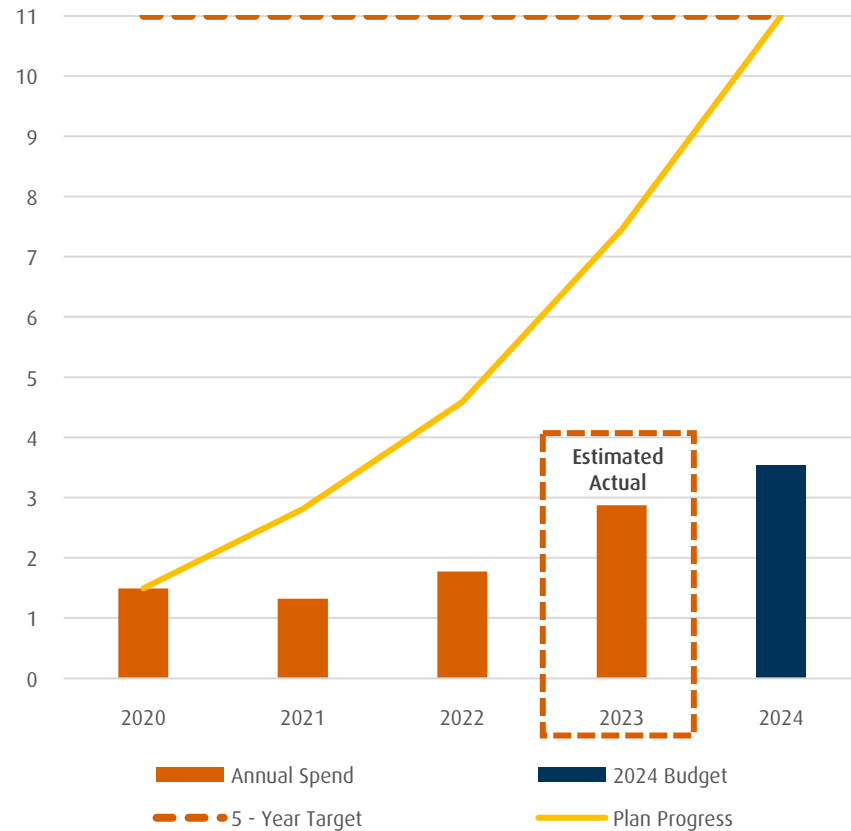
\$1.2M Expenditures + \$0.3M Reserve

NEW IN 2024

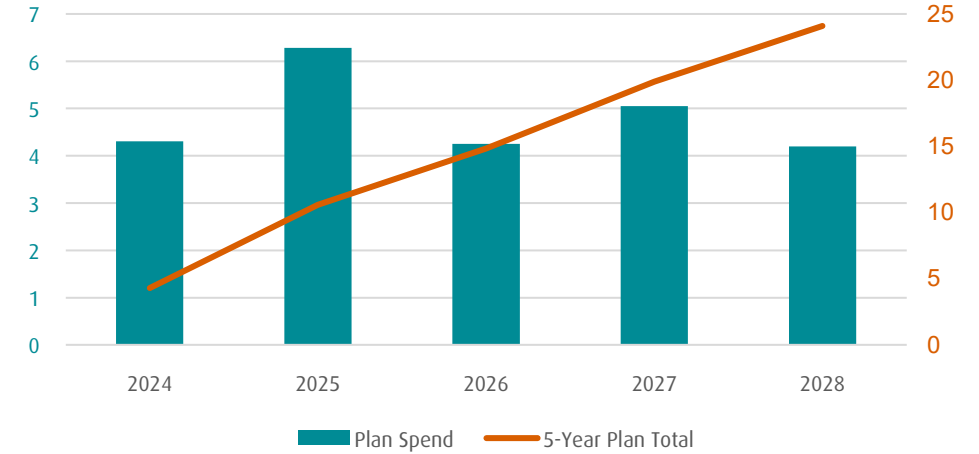
Routine Capital Services Budget	
Revenue	\$591K
Expenditure	\$591K

2024 Routine Capital

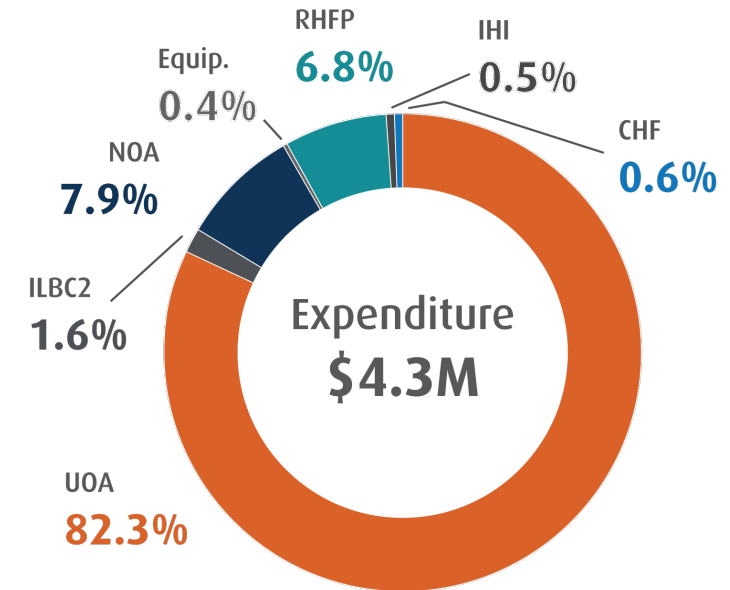
2020-2024 UOA Routine Capital Plan (\$M)



2024-2028 Routine Capital Plan (\$M)



2024 Routine Capital Plan Spending



2024 Major Capital

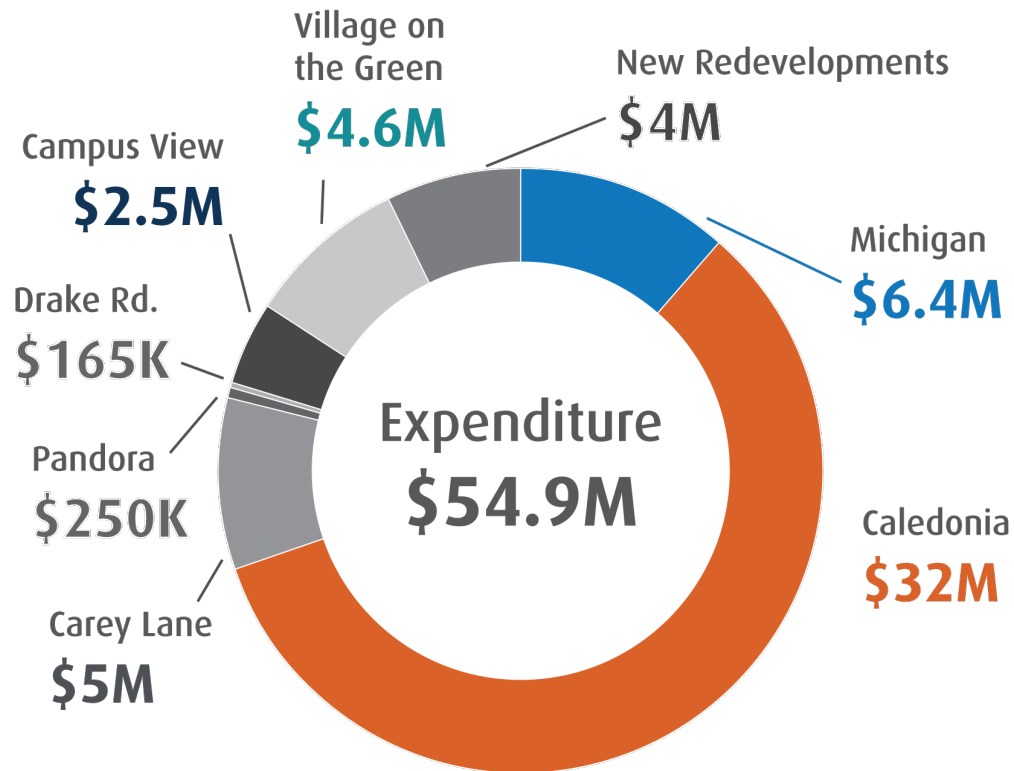
2023 | \$63.0M



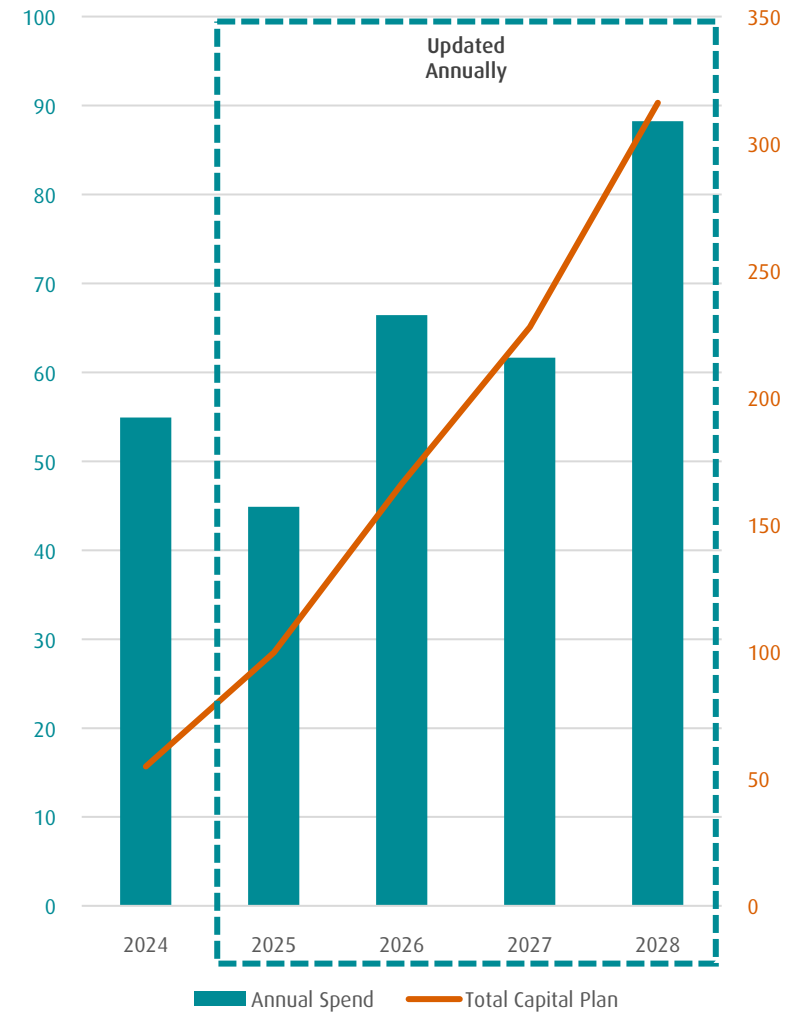
2024 | \$54.9M



-\$8.1M | -12.9%



2024-2028 Major Capital Plan



2024 Major Capital

Michigan Square Spring 2024



Caledonia Summer 2025



Pandora 2028/29



Village on the Green 2028

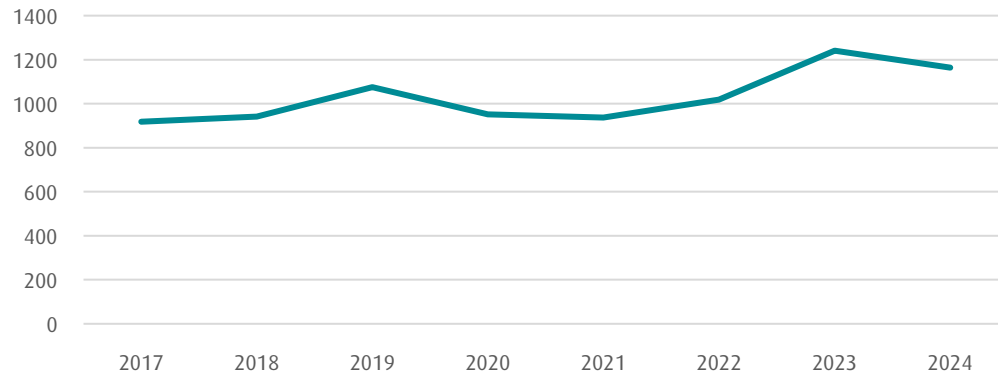


Campus View 2028

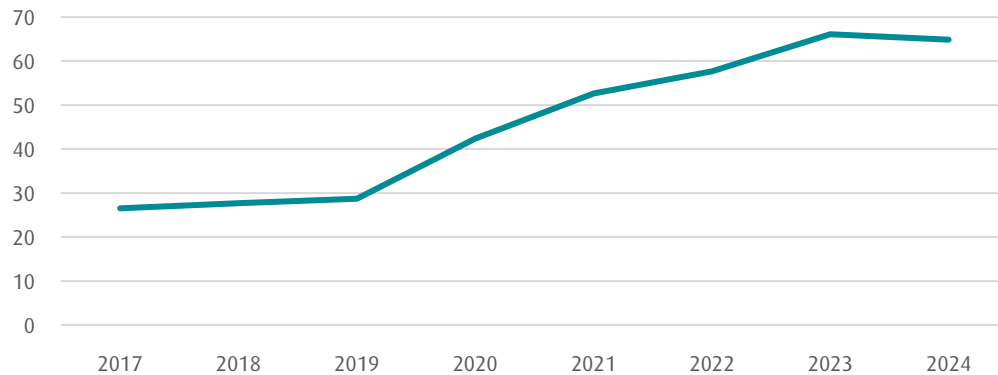


2024-2028 Risks

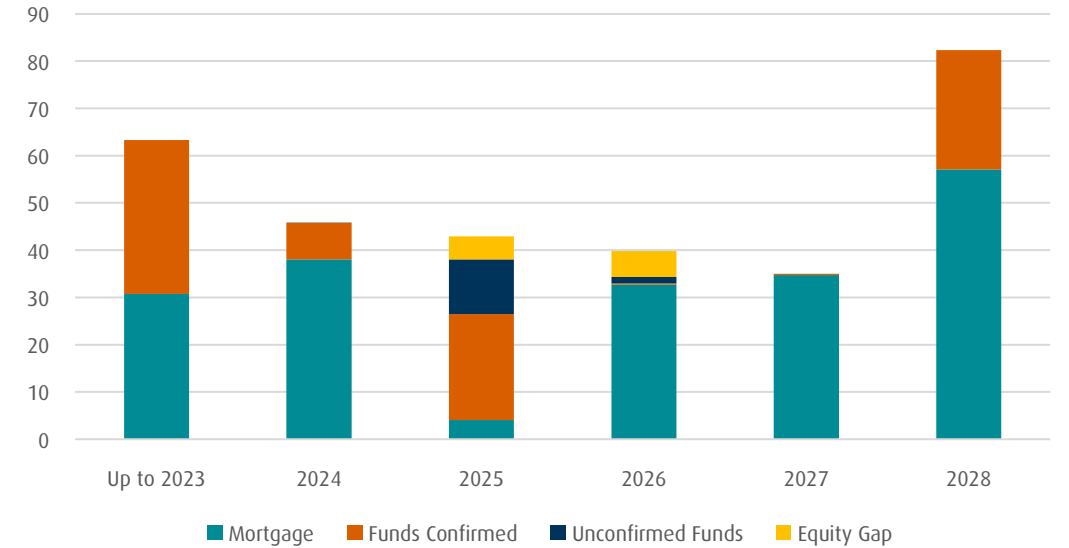
Total Expenditures - Average Cost/Unit/Month (\$)



Insurance Cost/Unit/Month (\$)

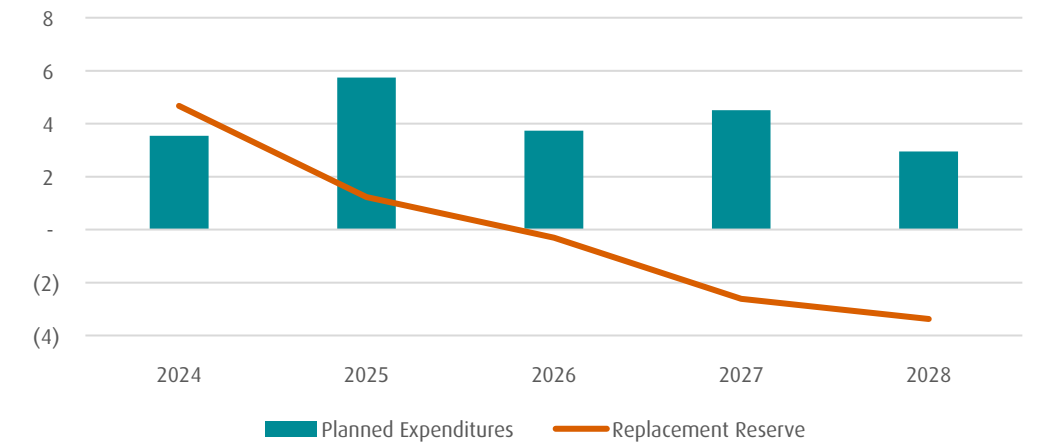


2024-2028 Major Capital Plan (\$M)*



*Excludes Building Envelope Remediation (BER) Projects

UOA Routine Capital Plan & Reserves (\$M)



Recommendation

1. Portfolio Operating Budgets

- Umbrella Operating Agreement
- No Operating Agreement
- Regional Housing First Program
- Investment in Housing Innovation
- Community Housing Fund
- Independent Living BC

2. Administration, Development & Routine Services Budgets

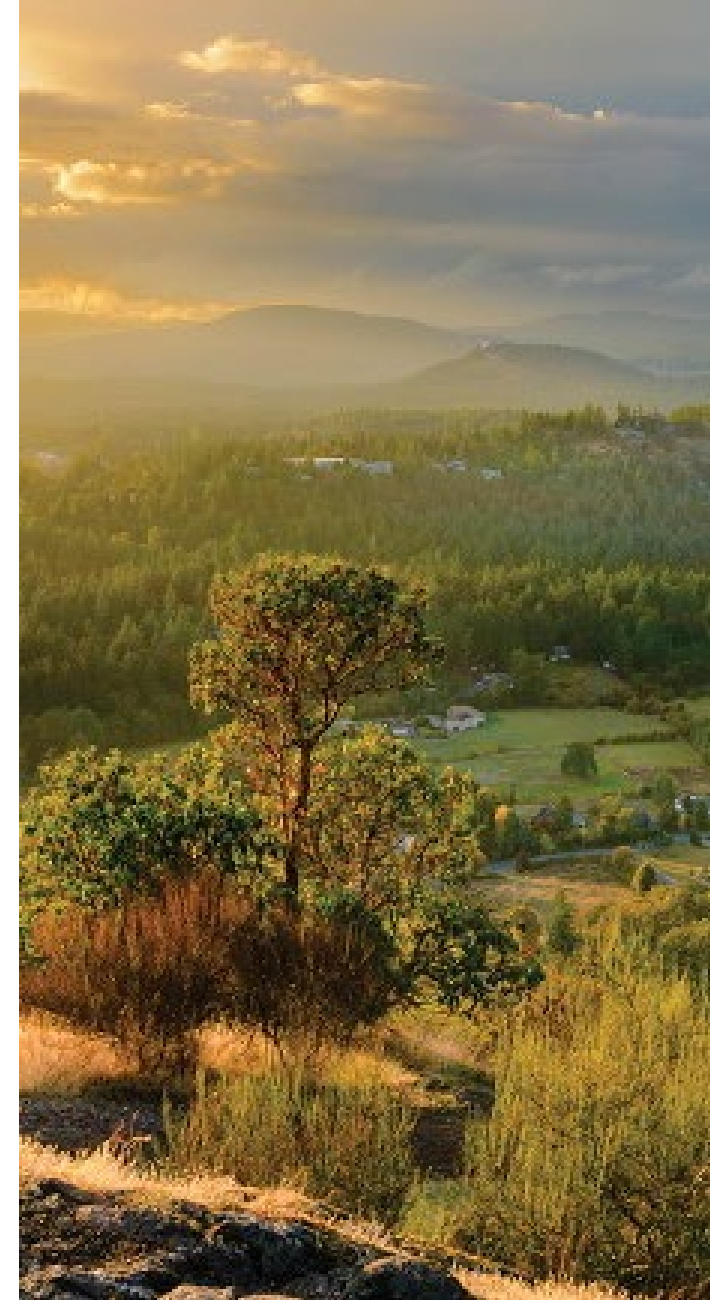
- Administration
- Development Services
- Routine Services

3. Routine Capital Plan

- Five Year Routine Capital Plan Summary (2024-2028)
- UOA Five Year Routine Capital Plan Summary (2020-2024)

4. Major Capital Plan

- Five Year Major Capital Plan Summary (2024-2028)





Questions?

Connect with us



@crdvictoria



Capital Regional District



CRDVictoria



crd.bc.ca

REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, DECEMBER 06, 2023

SUBJECT **2024 Administration, Development Services & Routine Services Budgets**

ISSUE SUMMARY

To provide the Capital Region Housing Corporation (CRHC) Board a review of estimated revenues and expenditures for the 2023 operating year, the 2024 Administration, Development Services and Routine Services Budgets for approval and forecasted budgets 2025-2028.

BACKGROUND

The CRHC's fiscal year is January 1 to December 31. Final budget approval by the Board must be completed by December 31, 2023.

Administration Budget

The Administration Budget includes costs to the CRHC associated with overall corporate management such as salaries and benefits, Capital Regional District (CRD) corporate allocations, Regional Housing service delivery allocations, consultants, legal fees, and office operating costs. The Administration Budget is primarily funded by property management fees charged to the more than 50 CRHC buildings. In the Administration Budget, the management fees are represented as revenue; and, in the building operating budgets, the management fees are represented as expenditures. Other sources of revenue include property management fees from other housing societies, interest income and transfers from the Corporation Stabilization Reserve (CSR).

The CSR was originally created through surplus development fees received throughout its 1983-2008 affordable housing development projects. The use of the CSR is at the discretion of the CRHC Board. Annually, the Administrative Budget transfers any operating surplus/(deficits) to the CSR. In 2023, the CRHC Board authorized the creation of a new Development Services Reserve (DSR) to separate surplus for the purpose of stabilizing core operations from surplus to be used for development feasibility and administration.

Development Services Budget

The CRHC Board approved the *CRHC Portfolio Renewal, Redevelopment and Development Strategy* in August 2016. The Development Services Budget is required to implement the strategy and includes costs to CRHC associated with the development, redevelopment, and renewal of existing housing stock.

During the pre-development phase of a potential capital project, the cost for feasibility studies, preparation of grant applications and the salaries and overhead for Development Services has been recovered through the DSR, if required. Once a project is approved, required staff salaries will be recovered through approved capital projects. Development costs from the projects are captured in the Major Capital Plan (MCP).

Routine Replacement Services Budget

A new operational team was established in response to the CRD Goal: Protect and maintain non-market and market rental housing stock and through the CRD Initiative: *Support continued investment into existing housing stock to preserve and enhance the quality of the buildings and units*. Through re-organization and an increase in staffing resources (IBC 5b-1.1), the Routine

Replacement Services team will advance the routine capital replacement program for all portfolios and actively pursue new building envelope remediation projects in response to the aging housing stock. All costs associated with the Routine Replacement Services team will be paid through the CRHC Replacement Reserves.

ALTERNATIVES

Alternative 1

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

1. That the Capital Region Housing Corporation 2024 Administration Budget be approved;
2. That the Capital Region Housing Corporation 2024 Development Services Budget be approved; and
3. That the Capital Region Housing Corporation 2024 Routine Replacement Services Budget be approved.

Alternative 2

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

1. That the Capital Region Housing Corporation 2024 Administration Budget be approved as amended;
2. That the Capital Region Housing Corporation 2024 Development Services Budget be approved as amended; and
3. That the Capital Region Housing Corporation 2024 Routine Replacement Services Budget be approved as amended.

IMPLICATIONS

Administration Budget (Appendix A)

Table 1: Summary of 2023 estimated revenue/expenditures and 2024 proposed budget

Administration Budget (Appendix A)					
	2023 Amended Budget	2023 Estimates	2023 Variance \$	2024 Proposed Budget	2023-2024 Budget Change \$
Total Revenue	3,586,854	3,691,727	104,873	3,818,334	231,481
Total Expenditures	(3,586,854)	(3,188,047)	398,806	(3,818,334)	231,481
Operating Surplus/(Deficit)	-	503,680	503,679	-	-

At the end of 2023, there is estimated to be a net favourable operating surplus of \$504 thousand (K) in the Administrative Operating budget, due to slightly higher than budgeted property management fees and one-time staffing vacancies.

Staff are proposing 2024 Administration Budget expenditures of \$3.8 million (M). This represents a proposed total expenditure increase of \$231K or 6.5% over 2023. The increase is driven primarily by increased costs in salaries and benefits, increased allocations to the CRD, and increases in anticipated consultants, legal, and audit costs. The proposed budget also includes increases in training and tenant engagement.

Explanations for budget line variances +/-10% and \$10K can be found in the Appendix A notes.

Development Services Budget (Appendix B)

Table 2: Summary of 2023 estimated revenue/expenditures and 2024 proposed budget

Development Services Budget (Appendix B)					
	2023 Amended Budget	2023 Estimates	2023 Variance \$	2024 Proposed Budget	2023-2024 Budget Change \$
Total Revenue	838,851	670,828	(168,023)	1,481,337	642,486
Total Expenditures	(801,498)	(511,535)	289,963	(1,176,033)	374,535
Operating Surplus/(Deficit)	37,353	159,293	121,940	305,304	267,951

Even though revenues in 2023 were lower than expected, staff estimate a \$159K positive variance due to a deferral of various fees and costs and residual project funds from the Prosser development. Additionally, salaries and benefits were more than 50% below budget due to staff vacancies. The 2023 estimated surplus of \$159K will be transferred to the Development Services Stabilization Reserve, which was established by the Board in 2022.

Staff are proposing 2024 Development Services Budget expenditures of \$1.2M. This represents an expenditure increase of \$375K or 47% over 2023 and is driven and funded by approved capital projects based on a standard project fee. Funding required for the project management staff has been included in the Major Capital Plan proposed for approval.

Explanations for budget line variances +/-10% and \$10K can be found in the Appendix B notes.

Routine Replacement Services Budget (Appendix C)

Table 3: Summary of 2023 estimated revenue/expenditures and 2024 proposed budget

Routine Replacement Services Budget (Appendix C)					
	2023 Amended Budget	2023 Estimates	2023 Variance \$	2024 Proposed Budget	2023-2024 Budget Change \$
Total Revenue	-	-	-	591,142	591,142
Total Expenditures	-	-	-	(591,142)	591,142
Operating Surplus/(Deficit)	-	-	-	-	-

2024 is the first budget year for the newly established Routine Capital Replacement Services team. Staff are proposing 2024 expenditures of \$591K, which consist of salaries, allocations, consulting, and office overhead costs.

Salaries represent \$422K of the proposed expenditures and consist of 2.0 FTE Administrative Coordinator positions transferred from the Administrative Budget, 1.0 FTE Senior Project Engineer term position transferred from the Development Services Budget and extended to 2024-2028 by IBC 5b-1.1, and 1.0 FTE Administrative Clerk, a new term position advanced by 2024 IBC 5b-1.1 Improving Existing Housing Stock. All expenditures will be incurred to advance work recovered by routine capital replacement reserves.

Explanations for significant budget line items can be found in the Appendix C notes.

CONCLUSION

The Administration Budget includes costs to CRHC associated with overall corporate management. In 2024, there is a proposed increase of \$231K. Staff are proposing a 2024 Budget of \$3.8M in expenditures to fund overall corporate management.

In 2024, there is a proposed increase to the Development Services Budget of \$375K and staff are proposing \$1.2M in expenditures in 2024 to fund costs associated with advancing the Major Capital Plan.

A newly created Routine Capital Replacement Services budget of \$591K for 2024 works to ensure that sufficient resources are allocated in support of protecting and maintaining non-market and market rental housing stock and ensuring continued investment into existing housing stock to preserve and enhance the quality of the buildings and units. This budget supports the Routine Replacement Services team and will advance the routine capital replacement program for all portfolios and actively pursue new building envelope remediation projects in response to the aging housing stock.

RECOMMENDATION

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

1. That the Capital Region Housing Corporation 2024 Administration Budget be approved
2. That the Capital Region Housing Corporation 2024 Development Services Budget be approved; and
3. That the Capital Region Housing Corporation 2024 Routine Replacement Services Budget be approved.

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

ATTACHMENTS:

- Appendix A: 2024 Administration Budget
Appendix B: 2024 Development Services Budget
Appendix C: 2024 Routine Capital Replacement Services Budget

CAPITAL REGION HOUSING CORPORATION
2024 ADMINISTRATION BUDGET

APPENDIX A

	2023 Board Amended	2023 Estimated Actuals	2023 Budget \$ Variance	2023 Budget % Variance	2024 CRHC Proposed	2024 Budget \$ Change	2024 Budget % Change	2025 Projected	2026 Projected	2027 Projected	2028 Projected
REVENUE											
Property Management Fees	3,511,854	3,616,727	104,873	3.0%	3,698,918	187,064	5.3%	4,100,088	4,109,153	4,710,331	5,342,035
Interest Income	75,000	75,000	-	0.0%	75,000	-	0.0%	75,000	75,000	75,000	75,000
Transfer from Stabilization Reserve	-	-	-	0.0%	-	-	0.0%	-	-	-	-
Allocation Recovery from Development Services	-	-	-	0.0%	44,416 (3)	44,416	100.0%	45,379	-	-	-
TOTAL REVENUE	3,586,854	3,691,727	104,873	2.9%	3,818,334	231,481	6.5%	4,175,088	4,184,153	4,785,331	5,417,035
EXPENDITURES											
Salaries & Benefits - CRHC Administration Staff	2,460,590	2,096,968 (1)	363,622	14.8%	2,542,590	82,000	3.3%	2,780,149	2,786,185	3,186,504	3,607,149
Training (includes related travel costs)	12,000	12,000	-	0.0%	31,000 (4)	19,000	158.3%	33,896	33,970	38,851	43,979
CRD Allocations	856,742	856,742	-	0.0%	927,384	70,642	8.2%	1,014,031	1,016,233	1,162,245	1,315,671
Consultants/Legal/Audit	34,600	36,608	(2,008)	-5.8%	64,000 (5)	29,400	85.0%	69,980	70,132	80,208	90,796
Tenant Engagement Program	20,000	20,000	-	0.0%	30,000 (6)	10,000	50.0%	32,803	32,874	37,598	42,561
Office Operating Costs	92,922	96,510	(3,588)	-3.9%	99,360	6,438	6.9%	108,643	108,879	124,523	140,961
Transfer to Equipment Replacement Reserve	10,000	10,000	-	0.0%	12,000	2,000	20.0%	13,121	13,150	15,039	17,024
Capital Purchases - New vehicle and office equipment	100,000	59,220 (2)	40,780	40.8%	112,000 (7)	12,000	12.0%	122,464	122,730	140,364	158,893
TOTAL EXPENDITURES	3,586,854	3,188,047	398,807	11.1%	3,818,334	231,481	6.5%	4,175,088	4,184,153	4,785,331	5,417,035
TOTAL ADMINISTRATION Surplus/(Deficit)	-	503,680	503,680	-	-	-	-	-	-	-	-
AUTHORIZED POSITIONS:											
Salaried	29.0				30.0			34.0	34.0	34.0	34.0
Term	1.0				1.0			1.0	-	-	-
Beginning Balance Corporation Stabilization Reserve		865,527			1,369,207			1,369,207	1,369,207	1,369,207	1,369,207
Estimated Surplus/(Deficit)		503,680			-			-	-	-	-
2023 Transfer (to) RHFP Portfolio Stabilization Reserve		-			-			-	-	-	-
Ending Balance Corporation Stabilization Reserve		1,369,207			1,369,207			1,369,207	1,369,207	1,369,207	1,369,207
Total number of units in operation across all CRHC portfolios	1,873				2,028			2,174	2,136	2,395	2,658

Notes (for variances +/- 10% and \$10,000)

- | | |
|---|---|
| <p>(1) 2023 Salary variance due to staff vacancies.</p> <p>(2) 2023 Capital Purchases variance due to lower final cost related to office relocations.</p> <p>(3) 2024 Allocation recovery from Development Services for rental marketing services for new Michigan buildings.</p> <p>(4) 2024 Training increase in response to a staffing increase of 15 FTEs since 2020 and need to foster a culture of continuous learning, adaptability, and innovation.</p> | <p>(5) 2024 Consultancy increase to support staff engagement activities</p> <p>(6) 2024 Tenant Engagement increase in response to rising costs and need for increased activities</p> <p>(7) 2024 Equipment purchases include a new vehicle and a workstation for the 1 new FTE.</p> |
|---|---|

**CAPITAL REGION HOUSING CORPORATION
2024 DEVELOPMENT SERVICES BUDGET**

APPENDIX B

	2023 Board Approved	2023 Estimated Actuals	2023 Budget \$ Variance	2023 Budget % Variance	2024 CRHC Proposed	2024 Budget \$ Change	2024 Budget % Change	2025 Forecast \$ Estimate	2026 Forecast \$ Estimate	2027 Forecast \$ Estimate	2028 Forecast \$ Estimate
REVENUE											
Project Management Fees	838,851	656,200 (1)	(182,651)	-21.8%	1,387,851 (6)	549,000	65.4%	739,500	600,000	1,200,000	368,000
Other Revenue	-	14,628 (2)	14,628	100.0%	-	-	0.0%	-	-	-	-
Transfer from Routine Replacement Reserve	-	-	-	0.0%	93,486 (7)	93,486	100.0%	95,355	97,263	99,208	101,192
TOTAL REVENUE	838,851	670,828	(168,023)	-20.0%	1,481,337	642,486	76.6%	834,855	697,263	1,299,208	469,192
EXPENDITURES											
Salaries & Benefits	664,613	305,042 (3)	359,571	54.1%	803,380 (8)	138,767	20.9%	822,648	574,442	588,201	602,282
CRD allocations	55,785	145,343 (4)	89,558	160.5%	257,567 (9)	201,782	361.7%	265,788	117,983	83,024	85,669
CRHC Admin allocation	-	-	-	0.0%	44,316 (10)	44,316	100.0%	45,379	-	-	-
Travel - local	1,500	800	700	46.7%	3,000	1,500	100.0%	3,060	3,120	3,180	3,240
Telephone	3,600	3,600	-	0.0%	4,000	400	11.1%	4,080	4,160	4,240	4,320
Miscellaneous Expense	12,500	8,300	4,200	33.6%	29,770 (11)	17,270	138.2%	30,370	30,970	31,590	32,210
Capital Equipment	13,500	13,500	-	0.0%	24,000 (12)	10,500	77.8%	-	-	-	-
Consultants	50,000	34,950 (5)	15,050	30.1%	10,000 (13)	(40,000)	-80.0%	10,350	10,557	10,768	10,984
TOTAL EXPENDITURES	801,498	511,535	469,079	58.5%	1,176,033	374,535	46.7%	1,181,675	741,232	721,004	738,704
TOTAL DEVELOPMENT SERVICES Surplus/(Deficit)	37,353	159,293			305,304			(346,819)	(43,969)	578,204	(269,513)
AUTHORIZED POSITIONS:											
Salaried	1.0				2.0			2.0	2.0	2.0	2.0
Term	4.0				4.0			4.0	3.0	3.0	3.0
Development Services Stabilization Reserve (7)											
Opening balance		-			159,293			464,597	117,778	73,809	652,013
Estimated operating surplus/(deficit)		159,293			305,304			(346,819)	(43,969)	578,204	(269,513)
Ending balance		159,293			464,597			117,778	73,809	652,013	382,500

Notes:

- (1) 2023 PM Fees variance due to deferral of \$247k marketing fees for Michigan to 2024, deferral of \$108k to 2024 for Campus View currently in pre-development phase, off-set by \$173k residual project funds for Prosser.
- (2) 2023 Other Revenue variance due to receipt of Westview builder's surety deposit.
- (3) 2023 Salaries & Benefits variance due to staff vacancies.
- (4) 2023 CRD Allocations variance due to reimbursement of 1.0 FTE to Land, Banking & Housing (Sr Project Coordinator).
- (5) 2023 Consultant costs delayed to 2024.
- (6) 2024 PM Fees increased due to new active projects expected to reach final project approval.
- (7) 2024 Transfer from replacement reserve to recover 33% of development manager salary.

- (8) 2024 Salary budget increase of \$339k due to 2024 IBCs:
- 1.0 FTE new Term 2024-2028 Manager (P2), IBC 5a-1.1 Capital Project Delivery
- 1.0 FTE new Term 2024-2028 Sr Project Coordinator (J19), IBC 5a-1.1 Capital Project Delivery
- 1.0 Term conversion to permanent Admin Coordinator (J12), IBC 5a-1.1 Capital Project Delivery
Less \$200k savings due to:
- 1.0 FTE term Sr Project Coordinator (J21), transfer to RR IBC 5b-1.1 Improving Existing Housing Stock
- 1.0 Term conversion to permanent Admin Coordinator (J12), IBC 5a-1.1 Capital Project Delivery
- (9) 2024 CRD Allocation increase for reimbursement of Sr Project Coordinator and 33% cost share for communications services.
- (10) 2024 CRHC Allocation increase due to 50% cost share for rent-up services.
- (11) 2024 Misc. expense increase due to training & development, prof. dues, and other office costs.
- (12) 2024 Capital equipment cost related to the purchase of new workstations for 2.0 FTE.
- (13) 2024 Consultant budget decrease due reallocation of budget to other line items.

**CAPITAL REGION HOUSING CORPORATION
2024 ROUTINE CAPITAL REPLACEMENT SERVICES BUDGET**

APPENDIX C

	2023 Board Approved	2023 Estimated Actuals	2023 Budget \$ Variance	2023 Budget % Variance	2024 CRHC Proposed	(1)	2024 Budget \$ Change	2024 Budget % Change	2025 Projected	2026 Projected	2027 Projected	2028 Projected
REVENUE												
Transfer from Routine Replacement Reserve	-	-	-	0.0%	591,142	(2)	591,142	100.0%	589,725	600,519	611,530	622,760
Transfer from Corporation Stabilization Reserve	-	-	-	0.0%	-		-	100.0%	-	-	-	-
TOTAL REVENUE	-	-	-	0.0%	591,142		591,142	100.0%	589,725	600,519	611,530	622,760
EXPENDITURES												
Salaries & Benefits	-	-	-	0.0%	422,006	(3)	422,006	100.0%	430,446	439,055	447,836	456,793
CRD allocations	-	-	-	0.0%	93,486	(4)	24,538	100.0%	95,355	97,263	99,208	101,192
Travel - local	-	-	-	0.0%	500		500	100.0%	510	520	531	541
Telephone	-	-	-	0.0%	2,000		2,000	100.0%	2,040	2,081	2,122	2,165
Advertising	-	-	-	0.0%	-		-	100.0%	-	-	-	-
Staff Development & Training	-	-	-	0.0%	6,000		6,000	100.0%	6,120	6,242	6,367	6,495
Meeting expenses	-	-	-	0.0%	500		500	100.0%	510	520	531	541
Printing	-	-	-	0.0%	250		250	100.0%	255	260	265	271
Misc expenses	-	-	-	0.0%	-		-	100.0%	-	-	-	-
Software licenses	-	-	-	0.0%	4,000		4,000	100.0%	4,080	4,162	4,245	4,330
Office supplies	-	-	-	0.0%	400		400	100.0%	408	416	424	433
Capital Equipment	-	-	-	0.0%	12,000	(5)	12,000	100.0%	-	-	-	-
Consultants	-	-	-	0.0%	50,000	(6)	50,000	100.0%	50,000	50,000	50,000	50,000
TOTAL EXPENDITURES	-	-	-	0.0%	591,142		522,194	100.0%	589,725	600,519	611,530	622,760
TOTAL ROUTINE REPLACEMENT SERVICES Surplus/(Deficit)	-	-			-				-	-	-	-
AUTHORIZED POSITIONS:												
Salaried	-				2.0				2.0	2.0	2.0	2.0
Term	-				2.0				2.0	2.0	2.0	2.0

Notes:

(1) 2024 is the first budget year for the newly established Routine Capital Replacement Services team.

(2) Service costs are 100% recovered from routine capital replacement reserves.

(3) Salary budget includes:

- 2.0 FTE Administrative Coordinator positions moved from CRHC Admin
- 1.0 FTE Term extension 2024-2028 Senior Project Engineer, transfer from Development Svs. IBC 5b-1.1 Improving Existing Housing Stock
- 1.0 FTE New Term 2024-2028 Administrative Clerk per 2024 IBC 5b-1.1 Improving Existing Housing Stock

(4) CRD allocations split from Development Services budget

comprising of:

- Standard overhead allocation
- Building occupancy allocation
- HR allocation

(5) New workstation for 1.0 New Term position.

(6) Consultancy costs related to review of routine capital replacement program.

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, DECEMBER 06, 2023**

SUBJECT Five-Year Updated Routine Capital Plans (2024-2028)

ISSUE SUMMARY

To provide the Capital Region Housing Corporation (CRHC) 2024-2028 updated Routine Capital Plans for the six housing portfolios for approval:

- 1) Umbrella Operating Agreement (UOA)
- 2) Independent Living BC 2 Operating Agreement (ILBC2)
- 3) No Operating Agreement (NOA)
- 4) Investment in Housing Innovation Operating Agreement (IHI)
- 5) Regional Housing First Program Operating Agreement (RHFP)
- 6) Community Housing Fund Operating Agreement (CHF)

BACKGROUND

Routine capital works are undertaken to maintain CRHC assets and include in-unit, common area, and exterior repairs or replacements. Generally, these works are distinct from major capital works based on value and complexity. For example, replacing a roof at a cost of \$700 thousand (K) falls under routine capital planning whereas a building envelope remediation valued at \$6.1 million (M) falls under major capital. To help guide decision-making and to ensure the CRHC continues to maintain its assets, staff have prepared a five-year (2024-2028) Routine Capital Plan, which is attached as Appendix A.

Under the terms of the UOA, the CRHC Board is required to approve an updated five-year (2020-2024) UOA Routine Capital Plan, which is attached as Appendix B. The UOA is renewed in five-year cycles with the current term concluding on December 31, 2024. The updated 2020-2024 UOA Routine Capital Plan sets up how the CRHC will meet its total five-year commitment of \$11.0M in routine capital works within this timeframe.

ALTERNATIVES

Alternative 1

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

1. a) That the Capital Region Housing Corporation Umbrella Operating Agreement (UOA) Updated Five-Year Routine Capital Plan 2020-2024 be approved; and
b) That staff be authorized to implement the UOA 2024 Routine Capital Plan.
2. a) That the Independent Living BC 2 (ILBC2) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the ILBC2 2024 Routine Capital Plan.
3. a) That the No Operating Agreement (NOA) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the NOA 2024 Routine Capital Plan.
4. a) That the Investment in Housing Innovation (IHI) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the IHI 2024 Routine Capital Plan.

5. a) That the Regional Housing First Program (RHFP) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the RHFP 2024 Routine Capital Plan.
6. a) That the Community Housing Fund (CHF) Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the CHF 2024 Routine Capital Plan.

Alternative 2

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

1. a) That the Capital Region Housing Corporation Umbrella Operating Agreement (UOA) Updated Five-Year Routine Capital Plan 2020-2024 be approved as amended; and
b) That staff be authorized to implement the UOA 2024 Routine Capital Plan.
2. a) That the Independent Living BC 2 (ILBC2) Updated Five-Year Routine Capital Plan 2024-2028 be approved as amended; and
b) That staff be authorized to implement the ILBC2 2024 Routine Capital Plan.
3. a) That the No Operating Agreement (NOA) Updated Five-Year Routine Capital Plan 2024-2028 be approved as amended; and
b) That staff be authorized to implement the NOA 2024 Routine Capital Plan.
4. a) That the Investment in Housing Innovation (IHI) Updated Five-Year Routine Capital Plan 2024-2028 be approved as amended; and
b) That staff be authorized to implement the IHI 2024 Routine Capital Plan.
5. a) That the Regional Housing First Program (RHFP) Updated Five-Year Routine Capital Plan 2024-2028 be approved as amended; and
b) That staff be authorized to implement the RHFP 2024 Routine Capital Plan.
6. a) That the Community Housing Fund (CHF) Five-Year Routine Capital Plan 2024-2028 be approved as amended; and
b) That staff be authorized to implement the CHF 2024 Routine Capital Plan.

IMPLICATIONS

Financial Implications

1. UOA (38 Properties)

2023 Outcomes

Staff review capital priorities annually and reallocate any unspent funds of the current year Routine Capital Plan into the remaining years. The approved Routine Capital Plan for 2023 was \$4.1M and the estimated actual expenditures are \$2.9M, leaving an unspent variance of \$1.2M or 30%. Under the terms of the UOA, any variance over 10% must be reported to BC Housing. BC Housing will be made aware of the spending shortfall and staff are in the process of submitting a letter to BC Housing outlining how the spending terms of the UOA will be met by the end of 2024, along with the approved updated Routine Capital Plan. This is consistent with the approach in previous years.

Expenditures for the UOA fell behind target due to staffing shortages and residual impacts of the COVID-19 pandemic which were noted during the first quarter of 2023. By increasing staff capacity and sourcing new trade contractors, expenditures are projected to be 60% higher than spent in 2022. Moving forward into 2024, staffing realignments, including a position with a concentration on procurement, will increase resiliency within the CRHC while maintaining the momentum on capital works that was built through 2023. In 2024, staff will continue to prioritize

higher valued projects to meet the UOA routine capital plan obligations. Examples of these higher valued projects to be executed in 2024 are reroofing, exterior painting, paving improvements, and two major fence, deck and stair projects estimated at \$1.5M towards the planned 2024 \$3.5M budget.

Routine Capital Funding Strategies

The estimated balance of the UOA Replacement Reserve (RR) at December 31, 2023 is \$5.9M. A RR contribution of \$173/month per unit (or \$2.2M annual contribution) has been included in the UOA Operating Budget to match the obligations of the Routine Capital Plan. The planned expenditure in the UOA Routine Capital Plan in 2024 is \$3.5M, which would result in approximately \$4.7M remaining in the RR at the end of 2024. It should also be noted that the planned \$3.5M in 2024 will fulfill the obligations of the CRHC under the current UOA 2020-2024 of \$11.0M. Staff are expecting to engage in negotiations about a renewed UOA 2025-2029 through 2024, with the intention to develop funding strategies to address the future shortfalls.

2. ILBC2 (Parry Place)

2023 Outcomes

The 2023 approved plan was \$91 thousand (K); the estimated actual expenditures are \$45K. The estimated December 31, 2023, balance in the RR is \$128K.

Routine Capital Funding Strategies

The ILBC2 Routine Capital Plan is approved by BC Housing and funded through an annual replacement reserve contribution of \$66/month per unit. Staff have updated the Routine Capital Plan based on replacement needs identified through annual inspections of unit and building components. Based on the identified needs, the anticipated projected expenditures under the ILBC2 Routine Capital Plan for 2024 are \$69K.

3. NOA (5 Properties)

2023 Outcomes

The 2023 approved plan was \$383K; the estimated actual expenditures are \$141K. The estimated December 31, 2023 balance of the NOA RR is \$594K.

Routine Capital Funding Strategies

A replacement reserve contribution of \$173/month per unit has been included in the NOA operating budget to match the obligations of the Routine Capital Plan. The planned expenditure in the NOA in 2024 is \$338K.

4. IHI (Westview)

2023 Outcomes

The 2023 approved plan was \$3K; the estimated actual expenditures are \$5K. The anticipated balance of the RR on December 31, 2023 is \$169K.

Routine Capital Funding Strategies

A funding strategy is in place to ensure there are sufficient funds available for the IHI Routine Capital Plan to access in the future, as building components or equipment wear out and need to be replaced. The annual contribution has been set at the \$72/month per unit base rate to meet the anticipated replacement obligations. Staff have completed the 2024-2028 Routine Capital Plan based on identified need determined through annual inspections of unit and building components. Projected expenditures in 2024 are \$22K.

5. RHFP (4 Properties)

2023 Outcomes

As these are newly-opened properties much of the work is carried out through warranty, with some minor items that are not considered warranty items being funded under the Routine Capital Plan. The 2023 approved plan was \$119K; the estimated actual expenditures are \$114K. The estimated December 31, 2023 balance of the RHFP RR is \$1.4M.

Routine Capital Funding Strategies

Staff continue to implement a funding strategy, initially proposed in 2020, to ensure there are sufficient funds available for the RHFP Routine Capital Plan to access in the future, as building components or equipment wear out and need to be replaced. An annual contribution will be transferred from the approved Operating Budgets to the RR through an annual contribution of \$72/month per unit, pro-rated for those buildings anticipated to open part-way through a year. Staff have completed the 2024-2028 Routine Capital Plan based on routine replacement needs identified through annual inspections of unit and building components, with projected expenditures for 2024 determined to be \$292K.

6. CHF (2782 Spencer)

2023 Outcomes

The first CHF-funded project opened in the fall of 2022 and has just concluded the one-year post substantial completion warranty period. The 2023 approved plan was \$8K and there are no estimated actual expenditures.

Routine Capital Funding Strategies

An annual contribution will be transferred from the approved Operating Budgets to the RR through an annual contribution of \$72/month per unit, pro-rated for those buildings anticipated to open part-way through a year. Staff have completed the 2024-2028 Routine Capital Plan based on routine replacement needs identified through annual inspections of unit and building components, with projected expenditures for 2024 determined to be \$24K.

CONCLUSION

Staff are recommending the approval of the UOA, ILBC2, NOA, IHI, RHFP and CHF five-year updated Routine Capital Plans:

- The UOA updated Routine Capital Plan 2020-2024 for \$11M includes 38 properties and allows CRHC increased capacity to determine spending priorities of the UOA accumulated operating surpluses. The routine capital plan projected expenditures for 2024 are \$3.5M.
- The ILBC2 updated Routine Capital Plan 2024-2028 proposes 2024 expenditures of \$69K.
- The NOA updated Routine Capital Plan 2024-2028 proposes 2024 expenditures of \$338K.
- The IHI updated Routine Capital Plan 2024-2028 proposes 2024 expenditures of \$22K.
- The RHFP updated Routine Capital Plan 2024-2028 proposes 2024 expenditures of \$292K.
- The CHF Routine Capital Plan 2024-2028 proposes 2024 expenditures of \$24K.

RECOMMENDATION

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

1. a) That the Capital Region Housing Corporation Umbrella Operating Agreement (UOA) Updated Five-Year Routine Capital Plan 2020-2024 be approved; and
b) That staff be authorized to implement the UOA 2024 Routine Capital Plan.
2. a) That the Independent Living BC 2 (ILBC2) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the ILBC2 2024 Routine Capital Plan.
3. a) That the No Operating Agreement (NOA) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the NOA 2024 Routine Capital Plan.
4. a) That the Investment in Housing Innovation (IHI) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the IHI 2024 Routine Capital Plan.
5. a) That the Regional Housing First Program (RHFP) Updated Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the RHFP 2024 Routine Capital Plan.
6. a) That the Community Housing Fund (CHF) Five-Year Routine Capital Plan 2024-2028 be approved; and
b) That staff be authorized to implement the CHF 2024 Routine Capital Plan.

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

ATTACHMENTS:

- Appendix A: Five Year Routine Expenditure Plan Summary (2024-2028)
Appendix B: Five Year UOA Capital Expenditure Plan Summary (2020-2024)

CAPITAL REGION HOUSING CORPORATION

APPENDIX A

FIVE YEAR ROUTINE CAPITAL EXPENDITURE PLAN SUMMARY - 2024 to 2028

		2023 Plan	2023 Estimated Actuals	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2024-2028 TOTAL
EXPENDITURE									
UOA Routine Capital Replacement	Building	4,121,237	2,871,536	3,543,096	5,737,359	3,732,424	4,514,240	2,955,485	20,482,605
ILBC(2) Routine Capital Replacement	Building	91,372	44,750	69,201	125,773	43,922	31,625	389,618	660,139
NOA Routine Capital Replacement	Building	382,747	140,739	338,474	213,370	241,002	221,690	382,975	1,397,511
IHI Routine Capital Replacement	Building	3,400	4,600	22,284	13,673	21,812	17,910	172,709	248,387
RHFP Routine Capital Replacement	Building	118,557	113,710	291,748	148,950	149,932	205,924	223,691	1,020,246
CHF Routine Capital Replacement	Building	7,513	-	24,049	24,854	52,905	47,032	55,079	203,920
Vehicle Replacement - 2022 Carryforward	Equipment	-	70,290	-	-	-	-	-	-
Computer Equipment Replacements	Equipment	-	18,000	16,000	14,000	12,000	14,000	18,000	74,000
		4,724,826	3,263,625	4,304,852	6,277,978	4,253,998	5,052,421	4,197,558	24,086,807
SOURCE OF FUNDS									
UOA Capital Replacement	Reserve	(4,121,237)	(2,871,536)	(3,543,096)	(5,737,359)	(3,732,424)	(4,514,240)	(2,955,485)	(20,482,605)
ILBC(2) Capital Replacement	Reserve	(91,372)	(44,750)	(69,201)	(125,773)	(43,922)	(31,625)	(389,618)	(660,139)
NOA Capital Replacement	Reserve	(382,747)	(140,739)	(338,474)	(213,370)	(241,002)	(221,690)	(382,975)	(1,397,511)
IHI Capital Replacement	Reserve	(3,400)	(4,600)	(22,284)	(13,673)	(21,812)	(17,910)	(172,709)	(248,387)
RHFP Capital Replacement	Reserve	(118,557)	(113,710)	(291,748)	(148,950)	(149,932)	(205,924)	(223,691)	(1,020,246)
CHF Routine Capital Replacement	Reserve	(7,513)	-	(24,049)	(24,854)	(52,905)	(47,032)	(55,079)	(203,920)
Vehicle Replacement Reserve	Equipment	-	(70,290)	-	-	-	-	-	-
Computer Equipment Replacements	Equipment	-	(18,000)	(16,000)	(14,000)	(12,000)	(14,000)	(18,000)	(74,000)
		(4,724,826)	(3,263,625)	(4,304,852)	(6,277,978)	(4,253,998)	(5,052,421)	(4,197,558)	(24,086,807)

CAPITAL REGION HOUSING CORPORATION

APPENDIX A

FIVE YEAR ROUTINE CAPITAL EXPENDITURE PLAN SUMMARY - 2024 to 2028

	2023 Plan	2023 Estimated Actuals	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2024-2028 TOTAL
Capital Replacement Reserve Details								
UOA Replacement Reserve								
Beginning Balance		6,441,585	5,898,881	4,673,762	1,229,879	(302,545)	(2,616,786)	5,898,881
Annual Operating Transfer		2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	11,000,000
Annual Interest Income		128,832	117,978	93,475	-	-	-	211,453
Annual Capital Replacement Exp		(2,871,536)	(3,543,096)	(5,737,359)	(3,732,424)	(4,514,240)	(2,955,485)	(20,482,605)
		5,898,881	4,673,762	1,229,879	(302,545)	(2,616,786)	(3,372,271)	(3,372,271)
ILBC(2) Replacement Reserve								
Beginning Balance		152,676	127,579	77,529	(30,093)	(58,017)	(74,202)	127,579
Annual Operating Transfer		16,600	16,600	16,600	16,600	16,600	16,600	83,000
Annual Interest Income		3,054	2,552	1,551	(602)	(1,160)	(1,484)	856
Annual Capital Replacement Exp		(44,750)	(69,201)	(125,773)	(43,922)	(31,625)	(389,618)	(660,139)
		127,579	77,529	(30,093)	(58,017)	(74,202)	(448,704)	(448,704)
NOA Replacement Reserve								
Beginning Balance		470,570	594,044	522,254	549,272	470,479	409,423	594,044
Annual Operating Transfer		254,802	254,802	229,943	151,224	151,224	151,224	938,417
Annual Interest Income		9,411	11,881	10,445	10,985	9,410	8,188	50,909
Annual Capital Replacement Exp		(140,739)	(338,474)	(213,370)	(241,002)	(221,690)	(382,975)	(1,397,511)
		594,044	522,254	549,272	470,479	409,423	185,860	185,860
IHI Replacement Reserve								
Beginning Balance		108,620	169,264	213,437	267,105	313,709	365,147	169,264
Annual Operating Transfer		63,072	63,072	63,072	63,072	63,072	63,072	315,360
Annual Interest Income		2,172	3,385	4,269	5,342	6,274	7,303	26,573
Annual Capital Replacement Exp		(4,600)	(22,284)	(13,673)	(21,812)	(17,910)	(172,709)	(248,387)
		169,264	213,437	267,105	313,709	365,147	262,816	262,816
RHFP Replacement Reserve								
Beginning Balance		1,004,606	1,409,819	1,678,419	2,095,189	2,519,312	3,111,957	1,409,819
Annual Operating Transfer		498,831	532,152	532,152	532,152	748,182	835,762	3,180,401
Annual Interest Income		20,092	28,196	33,568	41,904	50,386	62,239	216,294
Annual Capital Replacement Exp		(113,710)	(291,748)	(148,950)	(149,932)	(205,924)	(223,691)	(1,020,246)
		1,409,819	1,678,419	2,095,189	2,519,312	3,111,957	3,786,268	3,786,268
CHF Replacement Reserve								
Beginning Balance		(550)	49,551	98,781	98,781	98,781	98,781	49,551
Annual Operating Transfer		50,112	72,288	184,264	184,264	184,264	296,239	921,318
Annual Interest Income		(11)	991	1,976	1,976	1,976	1,976	8,893
Annual Capital Replacement Exp		-	(24,049)	(24,854)	(52,905)	(47,032)	(55,079)	(203,920)
		49,551	98,781	260,166	232,115	237,988	341,916	775,843

CAPITAL REGION HOUSING CORPORATION

APPENDIX A

FIVE YEAR ROUTINE CAPITAL EXPENDITURE PLAN SUMMARY - 2024 to 2028

	2023 Plan	2023 Estimated Actuals	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2024-2028 TOTAL
--	--------------	------------------------------	--------------	--------------	--------------	--------------	--------------	--------------------

Vehicle Replacement Reserve

Beginning Balance		101,203	32,937	33,596	34,268	34,953	35,652	32,937
Annual Interest Income		2,024	659	672	685	699	713	3,428
Annual Capital Replacement Exp		(70,290)	-	-	-	-	-	-
		32,937	33,596	34,268	34,953	35,652	36,365	36,365

Equipment Replacement Reserve

Beginning Balance		25,652	18,165	14,528	12,819	13,075	11,337	18,165
Annual Operating Transfer		10,000	12,000	12,000	12,000	12,000	12,000	60,000
Annual Interest Income		513	363	291	256	262	227	1,398
Annual Capital Replacement Exp		(18,000)	(16,000)	(14,000)	(12,000)	(14,000)	(18,000)	(74,000)
		18,165	14,528	12,819	13,075	11,337	5,564	5,564

CAPITAL REGION HOUSING CORPORATION

APPENDIX B

FIVE YEAR UOA CAPITAL EXPENDITURE PLAN SUMMARY - 2020 to 2024

		2020-2024 Total Plan	2020 Actuals	2021 Actuals	2022 Actuals	2023 Plan	2023 Estimated Actuals	2023 Unspent Variance	2024 Plan	2020-2024 TOTAL
EXPENDITURE										
UOA Routine Capital Replacement	Building	11,000,000	1,491,876	1,322,277	1,771,214	4,121,237	2,871,536	(1,249,701)	3,543,097	11,000,000
		11,000,000	1,491,876	1,322,277	1,771,214	4,121,237	2,871,536	(1,249,701)	3,543,097	11,000,000
SOURCE OF FUNDS										
UOA Capital Replacement	Reserve		(1,491,876)	(1,322,277)	(1,771,214)	(4,121,237)	(2,871,536)	1,249,701	(3,543,097)	(11,000,000)
			(1,491,876)	(1,322,277)	(1,771,214)	(4,121,237)	(2,871,536)	1,249,701	(3,543,097)	(11,000,000)

Capital Replacement Reserve Details

UOA Replacement Reserve

Beginning Balance	4,198,677	4,727,450	5,716,363		6,441,585		5,898,881	4,198,677
Annual Operating Transfer	1,900,000	2,204,709	2,200,000		2,200,000		2,200,000	10,704,709
Annual Interest Income	120,649	106,481	296,436		128,832		117,978	770,375
Annual Capital Replacement Exp	(1,491,876)	(1,322,277)	(1,771,214)		(2,871,536)		(3,543,097)	(11,000,000)
	<u>4,727,450</u>	<u>5,716,363</u>	<u>6,441,585</u>		<u>5,898,881</u>		<u>4,673,761</u>	<u>4,673,761</u>

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, DECEMBER 06, 2023**

SUBJECT **Major Capital Plan (2024-2028)**

ISSUE SUMMARY

To request Capital Region Housing Corporation (CRHC) Board approval of the:

- Major Capital Plan (2024-2028) for development, redevelopment, and renewal projects; and
- Capital Funding Strategies.

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 over 1,900 units of affordable housing, providing homes to almost 4,000 residents of the capital region with low-to-moderate incomes. Additionally, on April 12, 2023, the CRD Board approved the 2023-2026 Corporate Plan, which included the following initiatives that are directly related to advancing the recommendations contained within this report:

- *5a-1 Increase supply of affordable, inclusive, and adequate housing across the region, and*
- *5b-1 Support continued investment into existing housing stock to preserve and enhance the quality of the buildings and units.*

Currently, the CRHC has 277 units under construction, 527 units in development and pre-construction. Staff have recently submitted grant applications that could provide an additional 717 new units of affordable housing by the end of 2028. The Major Capital Plan (2024-2028) inclusive of capital funding can be found in Appendix A.

In addition to the properties identified in this report, on April 17, 2023, the CRHC took possession of Prosser Place, a 51-unit affordable housing project located in Central Saanich. The acquisition took place through a Lease Agreement with the CRD and was funded through the Regional Housing First Program (RHFP) with supplemental funding through the Investment in Housing Initiative, Deepening Affordability, and Regional Housing Trust Fund (RHTF). Tenants started occupying the building in May 2023.

ALTERNATIVES

Alternative 1

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

1. That the Major Capital Plan (2024-2028) be approved; and
2. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to six development projects through funding programs as necessary and as they become available.

Alternative 2

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

1. That the Major Capital Plan (2024-2028) be approved as amended; and
2. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to six development projects through funding programs as necessary and as they become available.

IMPLICATIONS

Michigan Square

The Michigan Square Redevelopment project is a 97-unit redevelopment in Victoria's James Bay neighbourhood. The redevelopment will see two four-storey wood frame apartment buildings constructed on top of the existing underground parkade. The project received \$4.5 million (M) in grant funding through the RHFP, \$1.1M through the RHTF, \$4.7M through Building BC: Community Housing Fund (CHF), \$620 thousand (K) through the Victoria Housing Reserve Fund (VHRF) and a \$1.0M equity contribution from the CRHC's Portfolio Stabilization Reserve. The final project budget of \$34.3M was approved by the CRHC Board in December 2021 and the CRHC will take on a mortgage debt of \$22.4M at BC Housing Management Commission's (BCHMC) preferred interest rates. BCHMC will be required to provide an annual operating subsidy to meet the debt servicing requirements. For 2024, the expenditures are expected to equal the total remaining project budget of \$6.4M.

Onsite, the building envelope of the 53-unit west building is complete and interior finishing work is underway. Installation of the building envelope is advancing on the 44-unit east building with mechanical and electrical rough-in work and drywall installation underway. Due to ongoing labour shortages that affect the speed of construction, the anticipated completion date has been pushed from February 2024 to April 2024. It is anticipated that the remaining contingency balance will be sufficient to cover any site overhead costs that result from this delay.

Caledonia

Caledonia, a 158-unit redevelopment in Victoria's Fernwood neighbourhood will increase the number of units on-site from 26 to 158 units, including 14 three-bedroom units and 8 four-bedroom units. The final project budget that was approved by the CRHC Board in June 2022 is \$71.0M and includes a \$1.0M equity contribution from the CRHC's Portfolio Stabilization Reserve, \$1.1M from the VHRF and \$18.5M from the CHF. The CRHC will take on a mortgage debt of \$50.5M at BCHMC's preferred interest rates and BCHMC will provide an annual operating subsidy to meet the debt servicing requirements. For 2024, the expenditures are expected to total \$32.0M with the remaining project budget of \$4.5M planned for 2025.

The redevelopment will include five new multi-family residential buildings, consisting of two apartment buildings and three townhouse blocks. Onsite, the parkade structure is complete and wood framing is nearing completion on the two apartment buildings and one townhouse block that sit on top of the parkade structure. Installation of the building envelope is underway on the two apartment buildings while foundation work for the two remaining townhouses is ongoing. Due to unforeseen subsurface conditions discovered during excavation, the anticipated completion date has been pushed from April 2025 to June 2025. It is anticipated that the remaining contingency balance will be sufficient to cover any site overhead costs that result from this delay.

Carey Lane

Carey Lane, an existing 22-unit CRHC townhouse complex will undergo a full building envelope remediation (BER) as well as upgrades to the ventilation, heating, and cooling systems. The final project budget of \$6.1M was approved by the CRHC Board in September 2023 and includes a \$600K equity contribution funded through the CRHC Portfolio Stabilization Reserve, and \$5.5M in the form of a forgivable mortgage through BCHMC's Capital Renewal Fund. The 2024 expenditures are equal to the remaining project budget of \$5.0M.

Work onsite commenced in November 2023 and the contractor is currently setting up scaffolding and proceeding with exterior demolition of building envelope components that have been identified for remediation. Construction is anticipated to be complete in Q4 2024.

Pandora

The Pandora project is a partnership between the City of Victoria, BCHMC and the CRHC to build non-market rental homes and create a new community space in the North Park neighbourhood. Once completed, the CRHC would lease an air-space parcel and operate approximately 158 affordable rental units. In July 2023, the Development Permit was issued through the City of Victoria's Rapid Deployment of Affordable Housing (RDAH) approval stream. Design work is ongoing and in December 2023, once the design documents have reached the Building Permit Application stage, project partners will work with a cost consultant to carry out a Class C estimate and update the preliminary budget. Staff will return to the Board mid 2024 to provide an update and amend budget if applicable.

The preliminary budget for the affordable housing component of this project is \$83.4M and includes \$25.0M in grant funding from the CHF and an anticipated \$1.3M from the VHRF. The CRHC will take on an estimated mortgage debt of \$57.1M and BCHMC will provide an annual operating subsidy to meet the debt servicing requirements. For 2024, the estimated expenditures total \$250K with the majority of the project expenditures planned for 2028.

Drake Road

Drake Road is a 5.5-acre property on Salt Spring Island that is owned by the CRD. In April 2023, the CRD leased the property to the Provincial Rental Housing Corporation to facilitate a development that would see 28 new permanent rental homes with supports. The proposed development would utilize the available groundwater source to service the project. To fulfill the original goal of providing 60-80 units of affordable housing on the property, CRHC staff have continued efforts throughout 2023 to locate additional groundwater that could service future development onsite.

Staff secured \$80K under the Community Works Fund (CWF) to facilitate additional groundwater exploration. Access limitations to the proposed drill site on the neighbouring property require CRHC to upgrade and extend the existing access trail. Costs associated for this work were not accounted for in the original budget. In 2024 staff will request additional funding through the CWF to account for the expanded scope of work. For 2024, the estimated expenditures are \$165K.

Campus View

Campus View, an existing 12-unit CRHC townhouse complex located in the Gordon Head neighbourhood of Saanich was identified as a high priority redevelopment site. The proposed design could increase the number of units onsite to 119 units, including 23 net-new 3-bedroom units of affordable housing. A Rezoning and Development Permit Application was submitted to

the District of Saanich (Saanich) in April 2022 and has since proceeded through staff review and approval from the Advisory Design Panel. Currently, staff are awaiting confirmation of the date when Saanich Council will review the Rezoning and Development Permit Application.

The project has secured \$9.6M through the RHFP, \$1.4M through the RHTF, \$200K through the Federation of Canadian Municipalities Green Municipal Fund (GMF) and \$63K through Canadian Mortgage and Housing Corporation (CMHC) Seed Funding. Staff have also requested \$893K in grant funding through the Saanich Housing Fund. Pending the Rezoning and Development Permit approval, staff will submit a subsequent application to the GMF that could provide up to \$5.0M in additional grant funding. Although staff have secured \$11.3M in grants with another \$5.9M identified through potential funding sources, the overall project budget continues to carry an equity gap of \$6.8M. Staff will continue to pursue all avenues for capital grant funding, including CMHC's National Housing Co-Investment Funding (NHCIF), to close the gap but at this time no new major grant funding sources have been identified outside of the programs listed in this report. The total redevelopment budget is \$55.6M and is based on the Class C estimate that was updated in October 2023. For 2024, the estimated expenditures are \$2.5M with \$19.1M, \$19.1M and \$14.4M in each of the following three years (2025-2027).

Village on the Green

Village on the Green, a CRHC owned and operated 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 to approximately 140 units, including 15 net-new 3-bedroom units. In July 2023, a Development Permit Application was submitted through the RDAH. Staff are now working with City of Victoria staff to address design review comments and finalize the Housing Agreement that will ensure CRHC operates the units as low-income rental housing.

The project has secured \$12.3M through the RHFP, \$1.7M through the RHTF, \$4.2M from the Growing Communities Fund, \$175K through the GMF and \$71K through CMHC Seed Funding. Pending the Rezoning and Development Permit approval, staff will submit a request for grant funding through the VHRF and a subsequent application to the GMF that could provide up to \$7.0M in additional grant funding.

Although staff have secured \$18.4M in grants with another \$7.0M identified through potential funding sources, the overall project budget continues to carry an equity gap of \$3.6M due to an updated Class C estimate that was based on the Development Permit drawings as well as an increased interest rate projection from BCHMC. Staff will continue to pursue all avenues for capital grant funding, including NHCIF, to close the gap but at this time no new major grant funding sources have been identified outside of the programs listed in this report.

The total redevelopment budget is \$64.8M and is based on the Class C estimate that was updated in October 2023. For 2024, the estimated expenditures are \$4.6M with \$19.0M, \$20.4M and \$20.4M in each of the following three years (2025-2027).

New Redevelopment Projects

Throughout 2023, CRHC staff advanced the feasibility analysis and preliminary design work for six potential development projects in anticipation of the 2023 CHF call for proposals. In November 2023, six proposals were submitted to BCHMC requesting funding through the CHF. Additionally, these proposed projects may be eligible for Project Development Funding (PDF) through BCHMC, regardless of the results of the CHF. PDF could provide up to \$500K per project to support early

development work. CRHC staff will pursue PDF in 2024 for five of the projects and continue to advance the six new development projects.

Of the six projects that requested CHF, one project has already received PDF, is in the schematic design stage, and is on track for a Rezoning and Development Permit Application in Q1 2024. As a result, a Class D estimate was carried out in October 2023 and the preliminary project budget of \$63.1M is accounted for within the New Redevelopment Projects line of Appendix A. The total budget for the New Redevelopment Projects is \$65.6M. For 2024, the estimated expenditures are \$4.0M with the remainder of the spending over the next four years (2025-2028). The other five future development projects that requested CHF, if advanced, could add an estimated \$400.0M to the 2025-2028 capital plan.

CONCLUSION

The Major Capital Plan (2024-2028), when complete, will increase the CRHC's housing stock from 1,931 to more than 2,600 units while continuing to invest in the renewal and redevelopment of the existing CRHC portfolio. Additionally, staff have recently submitted grant applications that could see an additional 717 new units of affordable housing by the end of 2028.

In keeping with the 2023-2026 CRD Corporate Plan, throughout 2024, staff will continue to advance the Caledonia Redevelopment, the Michigan Square Redevelopment, and the Carey Lane BER through the construction phase; Pandora, Campus View and Village on the Green through the pre-construction and municipal approval phases and continue to pursue grant funding that is crucial to advancing the design work for six additional affordable housing projects.

RECOMMENDATION

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

1. That the Major Capital Plan (2024-2028) be approved; and
2. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to six development projects through funding programs as necessary and as they become available.

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

ATTACHMENTS:

Appendix A: Five Year Major Capital Expenditure Plan Summary (2024-2028)

CAPITAL REGION HOUSING CORPORATION

APPENDIX A

page 1

FIVE YEAR MAJOR CAPITAL EXPENDITURE PLAN SUMMARY - 2024 to 2028

			Forecast	Balance							
Type	Estimate	Total Project	spent at	Remaining							
	Class	Budget	Dec. 31,	at Dec. 31,							
			2023	2023	2024	2025	2026	2027	2028	TOTAL	
EXPENDITURE											
Michigan - RHFP / CHF	B	Class A	34,252,658	27,898,486	6,354,172	6,354,172	-	-	-	6,354,172	
Caledonia - CHF	B	Class A	70,989,386	34,410,416	36,578,970	32,000,000	4,578,970	-	-	36,578,970	
Carey Lane - BER	B	Class A	6,050,000	1,044,767	5,005,233	5,005,233	-	-	-	5,005,233	
Pandora - CHF	Lease	Class D	83,352,598	25,000	83,327,598	250,000	250,000	250,000	82,327,598	83,327,598	
Drake Road	B	Conceptual	180,000	15,000	165,000	165,000	-	-	-	165,000	
Campus View Redevelopment - RHFP	B	Class C	55,584,995	445,000	55,139,995	2,530,000	19,126,667	19,126,668	14,356,659	55,139,994	
Village on the Green Redevelopment - RHFP	B	Class C	64,834,500	424,356	64,410,144	4,632,205	18,962,220	20,423,940	20,391,780	64,410,144	
New Redevelopment Projects	B	Conceptual	65,581,159	434,937	65,146,222	3,972,428	1,953,726	26,649,031	26,649,031	65,146,223	
			380,825,296	64,697,962	316,127,334	54,909,038	44,871,583	66,449,639	61,647,470	316,127,334	
SOURCE OF FUNDS (combined)											
Mortgage Debt	Debt		238,187,323	30,728,442	207,458,881	38,044,173	4,046,470	34,966,616	61,397,470	201,458,881	
Grants (Federal, Provincial, Local)	Grant		140,037,973	31,969,520	108,068,454	16,264,865	40,825,113	31,483,023	250,000	114,068,453	
CRHC Equity	Equity		-	-	-	-	-	-	-	-	
UOA Reserve	Res		2,600,000	2,000,000	600,000	600,000	-	-	-	600,000	
			380,825,296	64,697,962	316,127,334	54,909,038	44,871,583	66,449,639	61,647,470	316,127,334	

CAPITAL REGION HOUSING CORPORATION

APPENDIX A

page 2

FIVE YEAR MAJOR CAPITAL EXPENDITURE PLAN SUMMARY - 2024 to 2028

		Total Project Budget	Forecast spent at Dec. 31, 2023	Balance Remaining at Dec. 31, 2023	2024	2025	2026	2027	2028	TOTAL
SOURCE OF FUNDS (by project)										
Michigan - RHFP / CHF										
Mortgage Debt	Debt	22,369,698	16,325,526	6,044,172	6,044,172	-	-	-	-	6,044,172
Grants	Grant	10,882,960	10,572,960	310,000	310,000	-	-	-	-	310,000
UOA Stabilization Reserve	Res	1,000,000	1,000,000	-	-	-	-	-	-	-
		34,252,658	27,898,486	6,354,172	6,354,172	-	-	-	-	6,354,172
Caledonia - CHF										
Mortgage Debt	Debt	50,449,386	14,402,916	36,046,470	32,000,000	4,046,470	-	-	-	36,046,470
Grants	Grant	19,540,000	19,007,500	532,500	-	532,500	-	-	-	532,500
UOA Stabilization Reserve	Res	1,000,000	1,000,000	-	-	-	-	-	-	-
		70,989,386	34,410,416	36,578,970	32,000,000	4,578,970	-	-	-	36,578,970
Carey Lane - BER										
UOA Stabilization Reserve	Res	600,000	-	600,000	600,000	-	-	-	-	600,000
Grants	Grant	5,450,000	1,044,767	4,405,233	4,405,233	-	-	-	-	4,405,233
		6,050,000	1,044,767	5,005,233	5,005,233	-	-	-	-	5,005,233
Pandora - CHF										
Mortgage Debt	Debt	57,082,146	-	57,082,146	-	-	-	-	57,082,146	57,082,146
Grants	Grant	26,270,452	25,000	26,245,452	250,000	250,000	250,000	250,000	25,245,452	26,245,452
		83,352,598	25,000	83,327,598	250,000	250,000	250,000	250,000	82,327,598	83,327,598
Drake Road										
Grants	Grant	180,000	15,000	165,000	165,000	-	-	-	-	165,000
		180,000	15,000	165,000	165,000	-	-	-	-	165,000
Campus View Redevelopment - RHFP										
Mortgage Debt	Debt	31,604,395	-	31,604,395	-	-	17,247,736	14,356,659	-	31,604,395
Grants	Grant	23,980,600	445,000	23,535,600	2,530,000	19,126,668	1,878,932	-	-	23,535,600
		55,584,995	445,000	55,139,995	2,530,000	19,126,668	19,126,668	14,356,659	-	55,139,995
Village on the Green Redevelopment - RHFP										
Mortgage Debt	Debt	35,837,379	-	35,837,379	-	-	15,445,599	20,391,780	-	35,837,379
Grants	Grant	28,997,121	424,356	28,572,765	4,632,205	18,962,220	4,978,341	-	-	28,572,765
		64,834,500	424,356	64,410,144	4,632,205	18,962,220	20,423,940	20,391,780	-	64,410,144
New Redevelopment Projects										
Mortgage Debt	Debt	40,844,319	-	40,844,319	-	-	2,273,281	26,649,031	5,922,007	34,844,320
Grants	Grant	24,736,840	434,937	24,301,904	3,972,428	1,953,726	24,375,750	-	-	30,301,903
		65,581,159	434,937	65,146,223	3,972,428	1,953,726	26,649,031	26,649,031	5,922,007	65,146,223