Community Need
2023 Summary

Affordable Housing

Strategy

Target Outcome
We envision that residents have access to affordable housing that enhances community well-being.

Strategic Context

Strategies
- Regional Housing Affordability Strategy
- Regional Growth Strategy
- Southern Gulf Island Housing Strategy
- Future Housing Priorities and Partnerships White Paper
- National Housing Strategy
- Homes for B.C.: A 30-Point Plan for Housing Affordability in British Columbia

Trends, risks and issues
- Changing rental housing market dynamics related to the continued negative economic impacts of COVID (e.g. higher vacancy rates, rent increase freeze), supply chain pressures, and inflation.
- Significant increases in the costs of acquiring property for affordable housing projects.
- Increased project administration and oversight.
- Increase in funding available through various streams with considerable administrative demands and pressing timelines.
- Increase in competition for available funds in support of development.
- More units coming online impact on future staffing requirements.
- Increased complexity and number of funding applications required to support increased development costs.
- Increasingly specialized roles in support of service delivery and tight employment market for specific roles.
- Difficulty in staff recruitment and retention.
- This service area is also heavily impacted by the availability and nature of provincial and federal programs as senior-level governments play a key role in funding and shaping the non-profit housing sector (e.g., National Housing Strategy, Homes for B.C.: A 30-Point Plan for Housing Affordability in British Columbia).

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2023 Summary

CRD
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Services

Core Services Levels	
Service	**Levels**
Housing Planning, Policy & Programs (HP3) Facilitates the development of affordable housing through collaboration with other levels of government, community and housing agencies, private development industry, and other funders in accordance with the Regional Housing Affordability Strategy (RHAS). HP3 acts as the Community Entity for the Government of Canada on the Reaching Home Program (RHP), administers funds under the Rapid Housing Initiative (RHI), Regional Housing First Program (RHFP), and the Regional Housing Trust Fund (RHTF), stewards applications to the CMHC Affordable Housing Innovation Fund (Innovation Fund), and manages/supports the region's Housing Agreement Program (HAP) and Service Agreements with non-profit societies.	• Support continued implementation of the RHAS and Southern Gulf Island Affordable Housing Strategy. ↳ Service level adjusted, see initiative 1a-11 • Supports efforts to advance the Future Housing Priorities and Partnership work. • Review and process required Letters of Intent and proposals for the RHFP and RHTF. • Administer the RHI as required. • Support applications to the Innovation Fund where and when required. • Renew and manage Greater Victoria Coalition to End Homelessness (GVCEH) and Aboriginal Coalition to End Homelessness Service Agreements. • Administer Housing Agreements. • Issuing quarterly Request for Proposals to non-profit and private developers for the RHFP. • Acquiring, developing and building housing in accordance with the RHFP Framework and, where appropriate, transitioning CRD owned housing to the CRHC for operations. • Manage and administer the RHP – Designated Funding Stream to support efforts to respond to homelessness in the region. • Advance efforts to implement a Coordinated Access and Assessment Process (CAA) and a Homeless Management Information System (HMIS). ↳ Service level adjusted, see initiative 1a-10
Capital Region Housing Corporation (CRHC) Wholly owned subsidiary of the CRD, develops, manages and promotes affordable housing for low and moderate income families, seniors and persons living with disabilities. The CRHC currently owns and operates 1,831 units of housing across 50 properties and has three projects in varying stages of development.	• Operational management of units, adjusting service delivery needs as required. ↳ Service level adjusted, see initiative 1a-2 • Property management of 114 units for third party owners. • Asset management: building envelope remediation of Carey Lane. • Contract management of Umbrella Operating Agreement with BC Housing.

Community Need

2023 Summary

Core Services Levels	
Service	**Levels**
In addition, the CRHC manages 114 units in four buildings on behalf of third parties.	• Decommissioning of 18 units at Caledonia.
Planning & Development and Capital Construction Supports all planning and development processes related to achieving the approval of CRHC projects by municipal authorities and other approval bodies. Facilitates the capital construction of all CRHC projects and also supervises the construction of RHFP projects that will be acquired by the CRD/CRHC for operations.	• Fulfill the CRHC mission to develop affordable housing within the capital region through review and analysis of existing residential assets to identify opportunities for redevelopment or renewal. • Further the regional priorities of the CRD Board through collaboration and development of strategic partnerships to enable the planning, design and construction of new affordable housing units within the capital region in a manner that is environmentally, socially and financially responsible. • Responsible for early feasibility, site analysis, conceptual design development and coordination of municipal approvals required to progress new affordable housing developments to the construction stage. • Identifies and secures new and continued funding sources to allow for the continued development of new affordable housing units in the capital region. • Evaluates and recommends to the CRD/CRHC Board of Directors opportunities for new land acquisitions or air space parcel leases to further the vision and mission of the CRHC to provide additional affordable housing to low and moderate income residents of the capital region. • Supporting the ongoing delivery of 522 units under construction and 462 units in pre-construction and planning.
Support Services The core services listed rely on the support of several corporate and support divisions to effectively operate on a daily basis. These services are reported on in the Accountability Community Need Summary.	• Services include Asset Management, Facility Management, Financial Services, Information Technology & GIS, Information Services, Human Resources & Corporate Safety, Corporate Communications, Legislative Services, Legal Services, Risk & Insurance and Real Estate Services.

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2023 Summary

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	Initiatives				
Ref	Initiative	Description	Year(s)	2023 impacts[1]	
1a-2	Housing Planning & CRHC Operations	Increase staffing complement in Regional Housing in response to increase in operational units and the shift from three operating portfolios to four. Includes the opening and rent up of 97 units at Michigan and 58 units at 2782 Spencer	2023 – ongoing	+6.0 FTE Ongoing +1.5 FTE Term	$177K[2] Allocation / Other
1a-4	Housing continuation through RHFP	Development of a housing supply program for consideration by the Board as follow-up to RHFP	2023	-	$122K Allocation / Other
1a-10	Reaching Home	Creation of term positions to support effective delivery and administration of increasing program funds	2023 – 2024	+0.2 FTE Auxiliary to term	$22.7K Allocation / Other
1a-11	Southern Gulf Islands Housing Strategy	Implementation of the strategy and coordination of program	2023	-	$16K Allocation / Other
Board-directed initiatives					
1a-7	Funding for Aboriginal Coalition to End Homelessness	Include funding in the 2023 budget for one year to the Aboriginal Coalition to End Homelessness	2023	-	$150K Requisition

[1] Budget impacts reflect full program costs, including cost of staffing.

[2] This information reflects the amendment to the Capital Regional District budget; changes to the CRHC budget will be reflected through its own, separate budgeting process.

Community Need

2023 Summary

Business Model

Funding
Who contributes
• All municipalities and electoral areas participate in some aspect of these services
• All local First Nations
• Non-profit housing and private housing providers
• BC Housing, CMHC, Employment and Social Development Canada
Funding Sources
• Requisitions, operating agreements subsidies, fee-for-service (tenant rent and housing agreements) and grants

Reporting Structure	
• Capital Regional District Board	• Canadian Mortgage and Housing Corporation
• Capital Region Housing Corporation Board	• Employment and Social Development Canada
• Hospitals and Housing Committee Board	• Tenant Advisory Committee
• Regional Housing Trust Fund Commission	• Regional Housing Advisory Committee
• BC Housing Executive Committee	• Development Planners Advisory Committee

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Performance			
Definition and Source	**2021 Actual**	**2022 Forecast**	**2023 Target**
Metric 1: Increase directly managed affordable housing for low to moderate income households to 2,000 Total number of affordable units directly owned and managed by the CRHC; data from Regional Housing Division.	1,831	1,871	2,019
Metric 2: Meet the terms of the RHFP Definitive Agreement by December 31, 2022 of having 400 shelter rate units under construction or completed Total number of approved RHFP units that are under construction or completed; data from Regional Housing Division.	229	352	373
Metric 3: Invest $11M from 2020-2024 to improving existing CRHC housing stock under Umbrella Operating Agreement (UOA) Total cumulative investment ($M) 2020-2024; data from CRHC Routine Capital Budget for the UOA properties.	2.9	6.2	8.8
Metric 4: Ensure turnover of CRHC units is no greater than 30 days Average number of days to turnover a unit after is has been vacated; data from CRHC Operations.	44	38	30
Metric 5: Decrease chronic homelessness TBC Point-in-Time (PiT) metric; data from PiT Count & Homeless Individuals and Families Information System (under development).	Under Development	Under Development	Under Development

Community Need
2023 Summary

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Discussion

Link to Target Outcome

- Ensuring that residents have access to affordable housing and enhancing community well-being requires a multi-pronged approach. Increasing supply and maintaining affordable housing broadly is a critical measure of effort made in support of this outcome. However, for those individuals potentially requiring additional support in increasing or maintaining their stability, ensuring there are enough units available to them that are affordable on income assistance while also being linked to available community-based support services is the foundation of their recovery from homelessness. Finally, working collaboratively to develop a Homelessness Management Information System (HMIS) is known as a best practice in reducing the numbers of individuals experiencing chronic homelessness through better being able to respond and mobilize housing and supports around these individuals' needs and circumstances.

Discussion

- Metric 1: At the end of 2021, the CRHC owned and operated a total of 1,831 units of affordable rental housing. It is expected that an additional 58 will be opening up through 2782 Spencer in November 2022 and the demolition of 18 units at Caledonia will see the CRHC operate a total of 1,871 units at end of 2022. 2023 is expected to see the addition of 97 units in Michigan and 51 units in Prosser bringing the total to 2,019 at end of 2023.

- Metric 2: A total of 229 units of shelter-rate housing had been approved through the RHFP at end of 2021. It is anticipated that the CRD will close out 2022 with an additional 123 units approved for a total of 352 shelter-rate units. This will see the full allocation of the CRD and CMHC's portion of RHFP funds. Additional projects approved in 2023 through BC Housing's remaining commitment is expected to increase the unit totals to approximately 373 shelter-rate units.

- Metric 3: The CRHC saw a significant underspending of approximately $1.5M in 2021. In response, it has budgeted a total of $3.8M for 2022 bringing the total 2020-2022 to $6.2M. It is expected than an additional $2.6M in 2023 will bring the total cumulative funds spent in 2020-2023 to $8.8M.

- Metric 4: Unit turnover times suffered in 2021 due to a range of issues associated with COVID-19. Impacts continued into 2022 but staff are working on returning to the 30 day target in 2023.

- Metric 5: No updated data is available as the last PiT was undertaken in 2020. It is expected there will be another PiT in 2023. In addition, the CRD continues to work closely with the Government of Canada and the Province of British Columbia to implement a Homelessness Management Information System (HMIS) that will better determine community-level trends and occurrences of homelessness. This is expected to be available in late 2023 or early 2024.

Community Need
Initiative Progress Report

CRD
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Affordable Housing

Initiatives approved in 2020, 2021 & 2022			
Ref	Initiative	% complete	Progress to date
1a-1	Affordable Housing per RGS	Ongoing	Lead: Regional Housing (2020) Progressing – This is being actioned though IBC 1a-2 and IBC 1a-10.
1a-2	Housing Investment through RHFP	95%	Lead: Regional Housing (2020, 2021 & 2022) Progressing – It is anticipated that 352 units will be approved by the end of 2022.
1a-3	Housing Investment through CRHC	Ongoing	Lead: Regional Housing (2020 & 2022) Progressing – 522 new units under construction and an additional 462 units in predevelopment.
1a-4	Housing Continuation beyond RHFP	100%	Lead: Regional Housing (2020) Complete - White Paper endorsed by the CRD Board on Future Housing Priorities and Partnerships and the endorsement of the Southern Gulf Island Housing Strategy.
1a-5	Housing Affordability Measurement	100%	Lead: Regional Housing (2020) Complete – Housing Needs Reports Project for 11 jurisdictions including 10 municipalities and one electoral area.
1a-6	Housing Assets	100%	Lead: Regional Housing (2020) Progressing - Part of core services. Annual budget of $3.8M (capital) for improvements.
1a-7	Greater Victoria Coalition to End Homelessness Support	100%	Lead: Regional Housing (2020) Progressing - Part of core services. Support extension to Aboriginal Coalition to End Homelessness.
1a-8	Municipal Housing Support	Ongoing	Lead: Regional Housing (2020) Progressing – Part of core services. Administration of new and existing agreements ongoing.
1a-9	Housing System Improvement	100%	Lead: Regional Housing (2020) Part of core services. Includes participation and engagement on a range of committees and working groups to support knowledge dissemination and collaboration.

Community Need

Initiative Progress Report

Initiatives approved in 2020, 2021 & 2022			
Ref	Initiative	% complete	Progress to date
1a-10	Reaching Home	80%	Lead: Regional Housing (2019 - 2024) Progressing – Continuing to work with the Government of Canada and local service organizations to administer program.

Community Needs

Capital Plan Update

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Affordable Housing

Service Overview

Regional Housing provides strategic planning and administrative oversight for two core service functions including 'Housing Planning, Policy and Programs' and the 'Capital Region Housing Corporation'. CRD Service 1.310 Land Banking and Housing empowers the CRD to undertake land assembly for the purposes of either public or private housing and to undertake the development and operation of public housing. Service 1.311 Regional Housing Trust Fund enables the CRD to provide capital funding in support of a range of activities related to affordable housing.

In 2016, the CRD Board approved the development of the Regional Housing First Program (RHFP) under the Land Banking and Housing Service. As planned, as borrowing is undertaken for the RHFP, the Regional Housing Trust Fund will be wound-down and requisition capacity transferred from 1.311 Regional Housing Trust Fund to 1.310 Land Banking and Housing to fund RHFP debt costs. Also in 2016, the service establishment bylaw for the Land Banking and Housing was amended to remove the maximum borrowing limit of $25 million (M) while the maximum requisition was left unchanged. The maximum requisition capacity based on 2022 BC Assessment Data is approx. $5M annually.

With the existing investments, maximum requisition is almost entirely committed until debt obligations on the 22 properties retires in 2025.

Background

The 2019 – 2022 CRD Board Corporate Plan included Initiative 1a-4 "Determine continuation of housing supply program beyond RHFP implementation". At the July 2022 meeting of the CRD Board, a white paper on Future Housing Priorities and Partnerships was endorsed. Related to this endorsement, the CRD Board passed the following motion: "That funding for the establishment, and seed investment for a scaled up regional housing program be included in the 2023 preliminary budget."

Staff have been directed to identify available funding to support the establishment of, and seed investment for, a scaled-up regional housing program in the 2023 CRD Budget.

Capacity to Partner

Staying within the current overall borrowing capacity, the CRD has approximately $10M as "seed investment" that will become available once the existing debt obligations retire starting in 2025. Should the Board wish for additional borrowing capacity, an amendment to the Service Establishment Bylaws would be required. This seed investment can be used to leverage potential partnerships in support of collaborative efforts to increase

Community Needs

Capital Plan Update

the availability of affordable housing in the region and in-line with the Board's upcoming priorities for the 2022-2026 term, as identified though the strategic planning process in late 2022 and early 2023.

The 2023 CRD Provisional Budget includes $122,000 (K) in funds to undertake financial modelling, demographic analysis, community planning and the development of a housing supply program for consideration and implementation in 2023/24. This program would stand as a follow-up to the RHFP and would engage the CRD in contributing to additional affordable housing supply.