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September 27, 2024

Mayor and Council
City of Victoria
1 Centennial Square
Victoria, BC V8W 1P6

Mayor and Council,

RE: City of Victoria Housing Reserve Fund Application – Affordable Indigenous Housing Project at 210/220 Langford St & 824 Alston St

On behalf of M'akola Housing Society, it is my pleasure to share our application to the Victoria Housing Reserve Fund (VHRF) for our 55-unit affordable housing development at 210/220 Langford St & 824 Alston St in the Vic West neighbourhood. This new housing development will be home to Indigenous families, individuals, and Elders. We are grateful for this opportunity to request a contribution of \$757,500 to support the project.

M'akola Housing Society (MHS) is a non-profit organization based in Victoria with over 30 years of experience providing safe, affordable, and high-quality rental homes specifically built for Indigenous Peoples. MHS's current housing portfolio includes over 1,000 units in communities across British Columbia, including those in the Greater Victoria area. This project leverages the depth and breadth of M'akola's experience, as both a housing developer and provider, to contribute a solution to the growing challenge of affordable housing in Victoria.

MHS and the City of Victoria have an established relationship centered around our shared goals of expanding affordable, Indigenous, and family-friendly housing options in the region. In this project, 25% of the homes are three- and four-bedroom units. The public benefit associated with this unit mix is indisputable since recent reports indicate a near-zero vacancy rate and low construction rate for units of this size over the past five years. Earlier this month, this project received a key funding award through BC Housing's Indigenous Housing Fund—the City's support was instrumental to our success as staff highlighted the project's local benefit and the municipal subsidies it is qualified for, including the VHRF.

This project supports the objectives of the VHRF, including the provision of larger, family sized units, accessible units for Elders and persons with disabilities, and a range of affordable rents to meet the targeted Indigenous tenant groups. The rent levels of all units will be at the Rent Geared to Income (RGI) rate dictated by the Indigenous Housing Fund framework, which City staff have confirmed aligns with the "very low" income category in the VHRF's affordability target table. Furthermore, Indigenous households are currently 1.4x more likely to be in core housing need than non-Indigenous households. By increasing the supply of rental housing specifically built for Indigenous Peoples, at rent levels that address their needs, MHS reduces the incidence of Indigenous households at core housing need. As such, our grant request from the VHRF is \$757,500—the full breakdown is provided in Table 1 below.

Table 1: Breakdown of VHRF Funding Request

Unit Size	Number of Units	VHRF Affordability Target	VHRF Per-Unit Grant Amount	Funding Request Total
Studio	9	Very Low Income	\$7,500	\$67,500
One-bedroom	21	Very Low Income	\$10,000	\$210,000
Two-bedroom	11	Very Low Income	\$15,000	\$165,000
Three-bedroom	7	Very Low Income	\$20,000	\$140,000
Four-bedroom	7	Very Low Income	\$25,000	\$175,000
Total	55			\$757,500

MHS has prepared a Tenant Assistance Plan that adheres to the City's Tenant Assistance Policy. This includes the following commitments to our tenants:

1. At least four months' notice prior to moving;
2. Rental compensation based on the length of tenancy;
3. Compensation for moving expenses;
4. Assistance in finding appropriate housing;
5. A right of first refusal offer back into the new building.

This contribution from the VHRF would ease financial pressure on the project and aid in affordability for the residents. Thank you for your consideration to support this impactful and affordable rental housing project in the community.

Sincerely,



Kevin Albers, CEO
M'akola Housing Society

cc. Kaela Schramm, Executive Director, M'akola Development Services
Morgan Henderson, Project Manager, M'akola Development Services

Attachments:

1. Application Checklist
2. Application Form
3. Building and Site Plans
4. Capital Budget (Confidential)
5. 10-year Operating Budget (Confidential)
6. Financial Statements (Confidential)