

Victoria Housing Reserve Fund Update

Introduction

- VHRF established to assist in the development and retention of affordable housing
- Focus on housing for households with no, low or moderate incomes to support community diversity and infrastructure

Purpose

- Provide information, analysis and recommendations on an update to strengthen and enhance the long term sustainability of the VHRF.
- Provide information on the benefits and drawbacks of establishing a rent supplement program

Background

- VHRF updated in 2016 and 2017
- In 2018 Council directed staff to explore utilizing the VHRF to provide rental supplements
- Renewed commitments by senior levels of government to support the construction of affordable income housing have lead to increased demand on the VHRF

Fund Capacity

- Current Balance \$1,195,617
- Current and Anticipated Applications: \$8,000,000

Suggested Improvements

- Update tiered grant structure
- Reduced grant for moderate income unit
- Reduced grant for projects outside of the City of Victoria

Suggested Improvements

- Adherence to the Tenant Assistance Policy
- Prioritize projects that receive no other supports from the City of Victoria

Rent Supplement Program

Benefits

- Could help mitigate the impacts of displacement

Drawbacks

- Administrative complexity and cost
- Benefit not sustained in the long term
- May duplicate existing provincial programs

Suggested Improvements

- Concurrent consideration of applications
- Deadline for remaining 2018 applications
- Yearly deadlines of March 31st and September 1st

Financial Impacts

- Current changes
- Future fund contributions

Recommendation

1. That Council direct staff to update the Victoria Housing Reserve Fund Guidelines appended to this report, based on the following changes:
 - a. An update to the tiered grant structure by changing funding allocation for different levels of affordability for projects in the City of Victoria and lowering the allocation for projects outside of the City of Victoria but within the CRD;
 - b. An update to the eligibility criteria to ensure that applicants adhere to the Tenant Assistance Policy and submit a Tenant Assistance Plan for staff approval;
 - c. An update to the project priority section to prioritize projects that receive no other supports from the City of Victoria; and
 - d. An update to the important notes section that advises applicants that the City will publish project eligibility information from applications to demonstrate that the projects have met all the eligibility requirements.

Recommendation (cont.)

2. That Council direct staff to create a deadline for submissions to the Victoria Housing Reserve Fund for 2018, and assess the applications concurrently;
3. That Council direct staff, from 2019 forward, to set annual deadlines of March 31 and September 30 for submissions to the Victoria Housing Reserve Fund and assess applications received by these dates concurrently; and
2. That Council refer consideration of potentially increasing the funding allocation to the Housing Reserve Fund to the 2019 financial planning process.