

Victoria Housing Reserve Fund Guidelines Update



Introduction

- VHRF established to assist in the development and retention of affordable housing
- Focus on housing for households with very low, low or moderate incomes to support community diversity and infrastructure



Purpose

- Provide information, analysis and recommendations on considerations around funding options and tenant protections on redevelopment projects receiving grant contributions from the Victoria Housing Reserve Fund



Victoria Housing Reserve Fund Guideline Update – July 4, 2019

Background

- In 2019 Council directed staff to report back on:
 - *All existing tenants are offered alternate rental housing at existing rent levels*
 - *No net loss of units at existing rent levels in new building, subject to annual increases as permitted under the Residential Tenancy Act*
 - *Options on basing city grant programs on net additions to the affordable housing stock*



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Tenant Assistance Policy (TAP)

- To help mitigate the potential impacts of displacement on tenants by providing guidelines for developers and property owners to provide additional supports for tenants who are displaced as a result of renovations or development.



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TAP Review

- **Tenant Relocation Assistance**
 - Most municipalities did not specify or apply to non-market or social housing
 - Allowed flexibility in Tenant Assistance Policy



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TAP Review

➤ Right of First Refusal

- Up to 20% discount on new market rate
- No right of first refusal offering the same rent back into new building



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Affordable Housing Fund Review

➤ Gross vs. Net Unit Grant Program

- Gross Units: Coquitlam, Kelowna, Saskatoon
- Net New Units: North Vancouver (City), Edmonton
- Gross or Net New Units: Burnaby
- To be determined: Port Moody, Calgary



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Affordable Housing Fund Review

➤ Tenant Assistance

- Very few municipalities require this in a redevelopment
- Most municipalities provide more flexibility with non-profits for this policy



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Consultation and Feedback

➤ Gross vs. Net Unit Grant Program

➤ Non-Profits

- Gross units for redevelopments

➤ Core Funders

- Considers funding gross units for redevelopment projects



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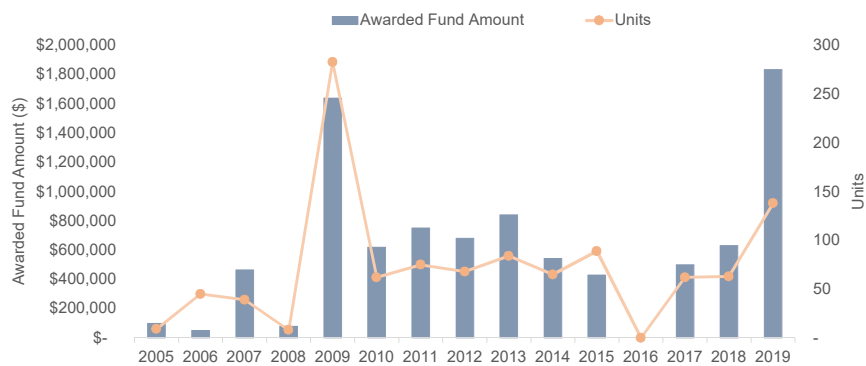
Consultation and Feedback

- **Tenant Assistance**
 - **Non-Profits**
 - Add modified TAP requirements
 - **Core Funders**
 - Allow flexibility in tenant assistance guidelines



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Awarded Fund Amount and Units

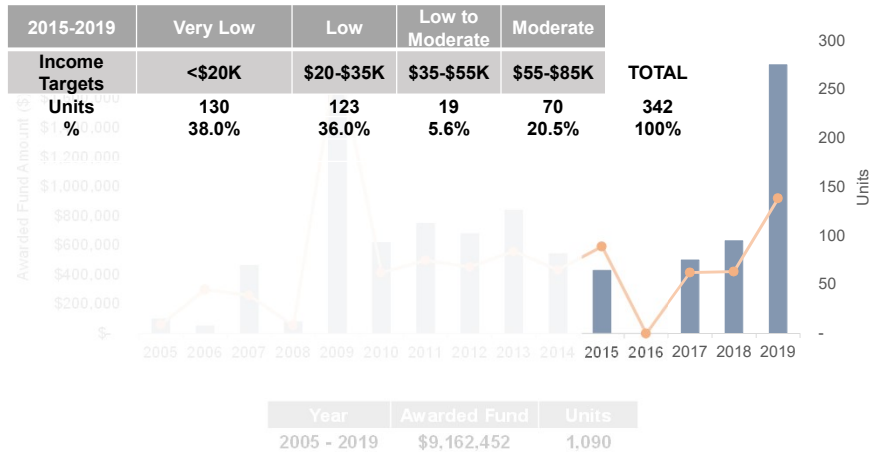


Year	Awarded Fund	Units
2005 - 2019	\$9,162,452	1,090



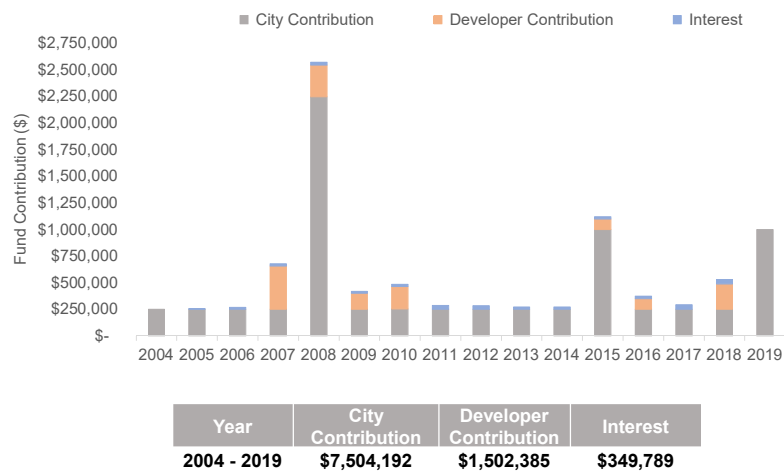
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Awarded Fund Amount and Units



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Fund Contributions



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Fund Pressures

➤ Awarded Fund & Units

Year	Awarded Fund	Units
2005 - 2019	\$9,162,452	1,090

➤ Fund Contributions

Year	City Contribution	Developer Contribution	Interest
2004 - 2019	\$7,504,192	\$1,502,385	\$349,789

➤ Remaining Balance July 2019

= \$403,915



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Housing Definition Updates

	VHRF (Existing Definition)	City of Victoria Housing Targets 2016 - 2031 (Proposed Definition)
Very Low Income	Households earning no employment income and/or in receipt of Income Assistance	< \$20k/yr
Low Income	Households with a gross annual income at or below current Housing Income Limits (HILs), as published by BC Housing on an annual basis.	\$20 - \$35k/yr
Low to Moderate Income	Not defined	\$35 - \$55k/yr
Moderate Income	Households with incomes at or below the latest available census data for the Victoria census metropolitan area median total income, as defined by Statistics Canada	\$55 - \$85k/yr



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Recommendations

That Council direct staff to:

1. Continue considering Victoria Housing Reserve Fund applications based on gross new units in redevelopment projects.
2. Add a Tenant Assistance Plan section to the Victoria Housing Reserve Fund application form to provide clarity on tenant protections for redevelopment projects seeking funding.
3. Establish a Victoria Housing Reserve Fund Working Group for future policy reviews and revisions to the Victoria Housing Reserve Fund Guidelines on an as-needed basis.



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Recommendations

That Council direct staff to:

4. Update the Victoria Housing Reserve Fund Guidelines as follows:
 - a. add a funding cap, indicating that grant contributions must not exceed non-refundable contributions from other levels of government on the same project
 - b. remove staff assessment timeline of “within one month after the intake deadline, and two months to receive a Council decision.”
 - c. replace existing fund definitions with Victoria Housing Target definitions and only fund units for very low, low, and low to moderate incomes



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