

Revised Victoria Housing Reserve Fund Grant Application

330 – 336 Michigan Street
(Michigan Square)



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Background

- On February 27, 2020 Council approved a VHRF grant application from the CRHC for \$990,000 to support the construction of a 97-unit affordable housing apartment at 330-336 Michigan Street.
- Council also directed staff to consult with CRHC to explore opportunities for providing more three-bedroom affordable units and to reduce the rent for three-bedroom units.



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Revised Affordability and Funding

Unit Type	Target Income Level	Updated Unit Count	Monthly Rent	Eligible VHRF grant per Unit (as per VHRF Guidelines dated March 21, 2019)	Updated VHRF Contribution
Studio	Very Low	7	\$375	\$10,000	\$70,000
One-bedroom	Very Low	12	\$375	\$10,000	\$120,000
Two-bedroom	Very Low	1	\$570	\$20,000	\$20,000
One-bedroom	Low	9	\$739	\$10,000	\$90,000
Two-bedroom	Low	11	\$960	\$20,000	\$220,000
Three-bedroom	Low	2	\$1,380	\$30,000	\$60,000
One-bedroom	Moderate	12	\$1,250	\$5,000	\$60,000
Two-bedroom	Moderate	4	\$1,800	\$10,000	\$40,000
Two-bedroom	Moderate	11	\$1,950	\$10,000	\$110,000
Two-bedroom	Moderate	20	\$2,000	\$10,000	\$200,000
Three-bedroom	Moderate	2	\$2,000	\$15,000	\$30,000
Three-bedroom	Market	6	\$2,480	N/A	N/A
Total		97 units			\$1,020,000

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Recommendations

That Council:

- Revise the Victoria Housing Reserve Fund (VHRF) grant, approved on February 27, 2020, to the Capital Region Housing Corporation for the Michigan Square project located at 330-336 Michigan Street from \$990,000 to \$1,020,000 to reflect a shift from market to moderate (affordable) income rent for two of the eight proposed 3-bedroom units.
- Issue the VHRF grant funding subject to the applicant executing a Housing Grant Agreement and a Housing Agreement to the satisfaction of the City Solicitor and Director of Sustainable Planning and Community Development to secure the provision of the affordable units pursuant to the VHRF Guidelines as of March 21, 2019 on terms consistent with BC Housing's operating funding:
 - 7 studio units for very low income level;
 - 12 one-bedroom units for very low income level;
 - 1 two-bedroom unit for very low income level;
 - 9 one-bedroom units for low income level;
 - 11 two-bedroom units for low income level;
 - 2 three-bedroom units for low income level;
 - 12 one-bedroom units for moderate income levels
 - 4 two-bedroom units for moderate income levels;
 - 11 two-bedroom units for moderate income levels;
 - 20 two-bedroom units for moderate income levels; and
 - 2 three-bedroom units for moderate income levels.

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