

Revised Victoria Housing Reserve Fund Grant Application

2558 Quadra Street
(Forest Heights)



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Background

- March 21, 2019 - Council approved a VHRF grant application from GVHS for \$440,000 to support the construction of a 40-unit affordable housing apartment at 2558 Quadra Street.
- Following approval of the grant the GVHS submitted a rezoning and DP application with revised affordability.
- March 12, 2020 - Council endorsed the revised project including affordability levels and directed staff to prepare a rezoning bylaw prior and related legal agreements prior to a public hearing.



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Revised Affordability Levels

Unit Type	Original Proposal		Current Proposal			
	*Low Income	Monthly Rent	**Median Income	Monthly Rent	Below Market	Monthly Rent
Studio	20	\$863	9	\$690	11	\$1,100
One Bedroom	16	\$995	8	\$790	8	\$1,300
Two Bedroom	4	\$1,293	2	\$1,020	2	\$1,700
Total Units:	40		19		21	
Eligible Funding	\$440,000		\$105,000		N/A	

***Original (Low Income) Grant:** \$10,000 per unit

****Revised (Median Income) Grant:** \$5,000 per studio/1bdrm and \$10,000 per 2bdrm unit



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Evaluation of Revised Application

- Grant application has been re-evaluated in consideration of revised affordability levels using the current VHRF guidelines.
- Shift from low income units to a mix of median and below market units strengthens project feasibility and provides better alignment with funding requirements from BC Housing and CMHC.
- Revised project is now only seeking funding for 19 median income units.
- Previously approved grant is proposed to be reduced from \$440,000 to \$105,000.
- All other conditions from the original approved grant remain in place including requirements for housing agreement and a housing fund grant agreement.



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Recommendations

That Council:

1. Reduce the grant, approved on March 21, 2019, from the Victoria Housing Reserve Fund to the Greater Victoria Housing Society for the Forest Heights project located at 2558 Quadra Street from \$440,000 to \$105,000 to reflect changes to the project, specifically a reduction in number of eligible units and level of affordability.
2. Confirm that all other terms and conditions of the grant approval continue to apply in accordance with the March 21, 2019 approval, except for levels of affordability of the proposed units.

