

# Victoria Housing Reserve Fund Grant Application

210 GORGE ROAD EAST  
(Cedar Grove)



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## Purpose

- To provide updated recommendations for a VHRF grant previously approved for 210 Gorge Road East.



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## Background

- **August 9, 2018** – Council approved a \$600,000 VHRF grant to Victoria Cool Aid Society.
- Grant supports 50 units of affordable housing with 60 bedrooms for low to moderate income residents.
- Cedar Grove project located at 210 Gorge Road East (Burnside)



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## Background

- **October 4, 2018** – Council directed project design to better align with Burnside Neighbourhood Plan:
  - Building height lowered from 6 to 5 storeys
  - Total dwellings reduced from 82 to 72
- **June 27, 2019** – Council approved housing agreement, rezoning application, and development permit with variances.



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## Reduced Grant Eligibility

| Unit Type           | Income Type  | Original Unit Count | Approved Unit Count | Original VHRF Grant | Revised VHRF Grant Eligibility |
|---------------------|--------------|---------------------|---------------------|---------------------|--------------------------------|
| Studio (Supportive) | Shelter Rate | 32                  | 30                  | No Grant Requested  | N/A                            |
| Studio              | Low          | 10                  | 8                   | \$100,000           | \$80,000                       |
| Studio              | Moderate     | 20                  | 14                  | \$200,000           | \$140,000                      |
| One Bedroom         | Moderate     | 10                  | 10                  | \$100,000           | \$100,000                      |
| Two Bedroom         | Moderate     | 10                  | 10                  | \$200,000           | \$200,000                      |
| <b>Total</b>        |              | <b>82</b>           | <b>72</b>           | <b>\$600,000</b>    | <b>\$520,000</b>               |

- 10 studio units eliminated including eight units previously funded at \$10,000 per unit.



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## Financial Impacts to Project

- Design changes and reduction in dwelling units have resulted in:
  - Reduced operating revenue
  - Additional consultant and application fees
  - One-year construction delay and increased construction costs
  - \$80,000 shortfall to the project capital budget
- Applicant has requested retention of \$600,000 grant.
- Reduced grant of \$520,000 is consistent with the VHRF guidelines.



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## Recommendation

- That Council revise the Victoria Housing Reserve Fund grant to the Victoria Cool Aid Society for the Cedar Grove project from \$600,000 to \$520,000.
- All other terms and conditions of the grant approval continue to apply in accordance with the August 9, 2018 approval.

