

# Revised Victoria Housing Reserve Fund Application

330-336 MICHIGAN STREET



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## Purpose

- To provide updated recommendations for a VHRF grant previously approved for 330-336 Michigan Street (Michigan Square).
- 97-unit affordable housing project.



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## Background

- April 2, 2020 – Council approval of a revised VHRF grant application and reduced grant (\$1,020,000).
- Applicant has a legal agreement with BC Housing to provide specific levels of affordability.
- VHRF moderate income threshold is significantly lower than BC Housing moderate threshold.
  - VHRF: \$70,283
  - BC Housing: \$74,150 - \$113,040
- Applicant has requested to no longer receive VHRF grant for moderate income units to avoid conflict with definitions.



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## Revised Unit Composition and Funding

Unit Type	Units Approved	Revised Units	Affordability Level	Monthly Rent	Grant Funding per Unit	Previous Approved Grant Amount	Revised Grant Amount
One Bedroom	12	16	Very Low Income	\$375	\$10,000	\$120,000	\$160,000
One Bedroom	12	8	Moderate Income	\$1,250	\$5,000	\$60,000	N/A
Two Bedroom	35	35	Moderate Income	\$1,800-\$2,000	\$10,000	\$350,000	N/A
Three Bedroom	2	2	Moderate Income	\$2,000	\$15,000	\$30,000	N/A

- Unit composition and affordability unchanged for all other units.
- Project continues to align with VHRF Guidelines.
- Project continues to provide 97 units of affordable rental housing for individuals and families with a variety of income types.



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## Capacity of VHRF

- \$620,000 reduced grant will result in an additional \$400,000 being made available for future VHRF projects.
- VHRF unallocated balance would increase to **\$3,795,442**
  - \$705,000 for seniors' housing
  - \$3,090,442 for all other applications.
- Next VHRF intake process is on March 31, 2021



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## Recommendation

- That Council revise the Victoria Housing Reserve Fund grant to the CRHC for the Michigan Square project from \$1,020,000 to \$620,000.
- Authorize \$310,000 to be payable upon execution of the Housing Fund Grant Agreement and related legal agreements in a form to the satisfaction of the City Solicitor, with the remaining \$310,000 balance payable once the City has issued all required occupancy permits for the project.



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