

Friday April 26, 2024

City of Victoria
Attention: Mayor and Council
1 Centennial Square
Victoria, BC V8W 1P6

Re: Affordable Housing Agreement for 1042/1044 Richardson Street – Rezoning Application No. 00753 and Development Permit with Variances Application No. 00158 (Fairfield-Gonzales)

Attn: Manasvini Thiagarajan and Karen Hoese,

Thank you for putting me in touch with Ross and Andrew, and providing information related to the Affordable Rental Housing Revitalization Tax Exemption Bylaw. With additional information related to this prospective program and considering the request for a longer commitment term related to affordable units, on behalf of 1248330 BC Ltd., I am willing to make the following commitment (via a housing agreement) related to an affordability commitment for 1042-1044 Richardson Street:

- 1. A commitment of 10% of units in the building (Total of 2 units) to be secured at 95% of CMHC median market rates for 60 years or the life of the building.**

Based on my conversation with Andrew it is my understanding that a commitment to affordability at this level would be consistent with, and result in eligibility for, the Affordable Rental Housing Revitalization Tax Exemption, should the housing agreement be secured at this level and the Bylaw be approved in its current form in the future. Andrew also confirmed that a commitment via a housing agreement with the above terms would meet the affordability requirement of the [Apartment Construction Loan Program | CMHC \(cmhc-schl.gc.ca\)](#), which is the funding that I intend to seek for construction, should this project receive re-zoning and DP (as indicated in the email provided to mayor and council and planning staff earlier this week).

Based on the acceptance of the above terms meeting the affordability requirement of the Federal CMHC Apartment Construction Loan Program, it is my understanding that this affordability commitment, due to its tenure and affordability level, is considered *equal to or greater than* the affordability commitment expressed via email to mayor and council earlier this week and discussed at COTW yesterday --which was to secure 20% of units in the building (4 units) at 10 percent below market value (based on Independent Appraisal) for a period of 10 years post-construction.

Please advise if anyone has any questions or require anything further related to this item.

Thank you,



Bart Johnson, PhD, MBA
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