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631 Fisgard Street F: 250.361.4970  
Victoria, BC, V8W 1R7 www.crd.bc.ca/crhc

March 28, 2024

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

Dear Mayor Alto and Council:

**Re: Victoria Housing Reserve Fund – Village on the Green Affordable Housing Redevelopment, 1132 Johnson Street**

The Capital Region Housing Corporation (CRHC) is pleased to submit this application for funding through the Victoria Housing Reserve Fund (VHRF) program for the Village on the Green Affordable Housing Redevelopment. The CRHC is seeking a \$2,400,000 contribution from the fund. This contribution will help provide a significant addition of affordable rental housing to the neighbourhood of Fernwood which is an area of the region in great need of additional rental housing options. This housing will be home to low-moderate income families, seniors, couples, single occupants, and very-low-income individuals otherwise at risk of experiencing homelessness.

**CRHC Introduction**

As the largest social housing provider in the capital region, the CRHC has a mandate to develop and manage affordable housing to meet the needs of people living in the capital region. The CRHC has been operating for almost 40 years and currently provides approximately 2,000 units of affordable housing across over 50 separate developments. The CRHC is committed to increasing housing opportunities that are safe, inclusive, sustainable, and remain affordable as the lives of the families change and grow.

**Project Summary**

The property at 1132 Johnson Street is owned by the CRHC and currently provides housing to 38 individuals and families in affordable townhouse style units. In an analysis of current assets, this site was identified as a priority site to redevelop due to its current low density, urban location with immediate proximity to amenities and transportation networks, and the age and condition of the existing buildings. The proposed redevelopment will create 140 homes for low-moderate income families and individuals, 30 of which are targeted for those at greatest risk of homelessness. In February of this year the project received planning approval with a Delegated Development Permit through the Rapid Deployment of Affordable Housing Program. As part of this program, affordability of the units has been secured through a housing agreement with the City on a 60-year term.



Project features include:

- 140 affordable rental homes owned and operated by the CRHC
- 53 new family-oriented homes (two and three-bedroom units)
- 14 accessible homes (10% of total homes), with increased adaptability for all remaining units
- CRHC commitment to re-house all existing tenants
- Rental affordability secured
- Target of BC Energy Code - Step 4
- Alignment with Zero Carbon Step Code emissions targets
- Enhanced active transportation amenities, in-suite laundry, indoor common area/amenity lounge, private outdoor amenity courtyard and children's play area

### **Target Population**


The Village on the Green Affordable Housing Redevelopment will provide affordable rental homes for families with 53 units in the redevelopment being two-bedroom or larger and including 25 (15 net new) three-bedroom units. The project has also been designed to accommodate very low-income individuals at risk of experiencing homelessness through the provision of 30 units at BC Housing Deep Subsidy (shelter) rental rates. Priority through the tenant selection process is given to Indigenous people experiencing homelessness, youth experiencing homelessness, and women fleeing violence. The housing needs identified for the local area also include individuals and small or single-parent families. Units also target single occupant households including individuals leaving transitional and supportive housing, and youth leaving the care system.

### **Accessibility**

Village on the Green will provide 14 homes that are fully accessible, which is 10% of the total within the development. This exceeds municipal and building code requirements and goes further than the BC Housing Design Guideline requirement of 5% (minimum). These fully accessible units will be a mixture of one-bedroom (11) and two-bedroom units (three). The remaining 126 units are targeting a universal design standard outlined by the Canada Mortgage and Housing Corporation (CMHC). This standard, which is very similar to the provincial Adaptable Dwelling Unit standard, allows for easier future modifications to units to provide increased opportunities for tenants to remain in their units if accessibility needs arise as they age.

### **Tenant Assistance**

Village on the Green is currently home to 38 families and individuals. The CRHC has been working with existing tenants since the onset of the project in 2022 to keep everyone informed and help them understand the support that will be provided through the process. This CRHC commitment to existing tenants includes:

- Offering eligible or qualifying tenants right of first refusal to move back into the completed redevelopment;
  - Providing frequent, accurate and timely information as the redevelopment progresses;
  - Offering tenants choice, and support in finding alternative housing within the CRHC portfolio or with another provider if necessary; and
  - CRHC tenant relocation policy and development of individualized Tenant Relocation Plans to meet the needs of each tenant.
- 

**Project Funding & Partnerships**

The Regional Housing First Program (RHFP) is a funding partnership between multiple levels of government which includes the Capital Regional District (CRD) (regional), BC Housing (provincial), and the CMHC (federal). The RHFP and Regional Housing Trust Fund (RHTF) portions of the program provide a total of \$13,950,000 in Capital Funding to the Village on the Green project. In addition to this the CRD has allocated an additional \$4,200,000 in financial support through the provincial Growing Communities Fund. The project is also pursuing significant additional federal funding through the Federation of Canadian Municipalities (FCM) Sustainable Affordable Housing (SAH) program which supports municipal non-profit housing projects that demonstrate industry leadership in sustainability and energy efficiency targets. Table 1 below outlines the total equity contributions that are secured and anticipated for the project, further to the contribution requested through this application.

**Table 1: Project Equity & Partnerships**

<b>(a) Total Project Cost</b>	<b>\$64,834,500</b>
<b>(b) Equity</b>	<b>\$28,996,000</b>
RHFP (Secured)	\$12,300,000
RHTF (Secured)	\$1,650,000
Growing Communities Fund (Secured)	\$4,200,000
CMHC Seed Funding (Secured)	\$71,000
FCM – SAH Study Grant (Anticipated)	\$175,000
FCM – SAH Capital Grant (Anticipated)	\$5,000,000
VHRF Grant	\$2,400,000*
Equity Gap	\$3,200,000
<b>(c) Mortgage</b>	<b>\$35,838,500</b>
<b>(d) Total Cost: (b) + (c)</b>	<b>\$64,834,500</b>

\* Based on approval of full VHRF funding request.

**Affordability**

The Village on the Green Affordable Housing Redevelopment uses a mixed income approach in order to provide affordable housing to a range of household types and incomes (see Table 2). This approach through the RHFP also allows the project to provide a significant number of units (30) at the BC Housing Deep Subsidy (shelter) rate and operate without any ongoing operating subsidies. An additional 12 units will be provided at a rate less than 80% of the median market rate (based on CMHC census data). This additional level of affordability aligns with requirements within the FCM SAH funding program and falls within the Median Income threshold affordability target through the VHRF program guidelines. The remaining 98 units will be affordable to moderate income households and be provided at below-market rates.



**Table 2: Affordability Breakdown**

Unit Size	Quantity	Affordability Target	VHRF Rent Threshold*
Studio	30	Very Low Income	\$375
Studio	10	Median Income	\$1,125
One-bedroom	2	Median Income	\$1,250
One-bedroom	45	Moderate Income	Below-market
Two-bedroom	28	Moderate Income	Below-market
Three-bedroom	25	Moderate Income	Below-market
<b>Total Units</b>	<b>140</b>	-	-

\* Rent thresholds as outlined in VHRF program guidelines. Where BC Housing definitions apply to unit types within primary funding program BC Housing definitions will govern.

### VHRF Support

The Village on the Green Affordable Housing Redevelopment will provide affordable homes to 140 families and individuals across an income spectrum that ranges from very low to moderate. Despite the significant amount of equity secured for the project to date (refer to Table 1), the project is subject to financial pressures that are currently creating an equity gap in the project proforma. The project must also operate without any ongoing operational subsidies and therefore the project must obtain additional funding in order to secure financial viability in advance of construction. Some additional financial considerations for the project include:

- Interest rate escalation creating a high cost of borrowing
- High degree of escalation in construction costs within the industry
- Increases to building construction standards that further increase the cost of construction (building code, energy efficiency standards, etc.)
- Primary grant funding is on a per unit basis (regardless of unit type) which puts increased financial pressure on family-oriented developments with larger unit types

The CRHC is seeking a \$2,400,000 contribution from the City of Victoria through the VHRF. Table 3 below outlines the funding request in relation to the affordability breakdown for the project. The CRHC acknowledges that this is a substantial request that exceeds the funding levels within the VHRF program guidelines and will impact the amount of funding available for other projects. This support will provide a significant contribution to the financial viability of the project and help mitigate the financial pressure the project is experiencing. In addition to this request, the CRHC will continue to pursue all funding opportunities in order to secure the remaining equity required.

**Table 3: Funding Breakdown**

Unit Size	Quantity	Affordability Target	VHRF Rent Threshold*	Funding Request (per unit)
Studio	30	Very Low Income	\$375**	\$30,000
Studio	10	Median Income	\$1,125	\$10,000
One-bedroom	2	Median Income	\$1,250	\$15,000
One-bedroom	45	Moderate Income	Below-market	\$10,000
Two-bedroom	28	Moderate Income	Below-market	\$15,000
Three-bedroom	25	Moderate Income	Below-market	\$20,000
<b>Total</b>	<b>140</b>	-	-	<b>\$2,400,000</b>

\* Rent thresholds as outlined in VHRF program guidelines. Where BC Housing definitions apply to unit types within primary funding program BC Housing definitions will govern.



The Village on the Green Affordable Housing Redevelopment provides an exciting opportunity for a significant contribution of affordable rental housing to the neighbourhood of Fernwood and the city as a whole. Like many areas of the region there is great need of new affordable housing options in this part of the City of Victoria. This project also advances important municipal and regional goals on sustainability and aligns with the vision of growth outlined by current municipal and provincial policy. The CRHC is excited to work with the City of Victoria to help realize this project as an important and positive contribution to the community.

Sincerely,



Kevin Lorette, P. Eng., MBA  
General Manager, Planning and Protective Services

cc: Ted Robbins, Chief Administrative Officer  
Don Elliott, Senior Manager, Region Housing  
Rob Fowles, Manager, Planning and Capital Projects

List of Documents Submitted:

- 1) Application Checklist
- 2) Application Form
- 3) Building Plans
- 4) Site Plans
- 5) Capital Budget
- 6) 10-year Operating Budget
- 7) Financial Statements







Sustainable Planning and  
Community Development  
1 Centennial Square  
Victoria, BC V8W 1P6  
E [housing@victoria.ca](mailto:housing@victoria.ca)

# Victoria Housing Reserve Fund Application for Funding

The [Victoria Housing Reserve Fund Program Guidelines](#) contain important information on project eligibility and the application process. Please review the guidelines prior to completing an Application for Funding.

The entire Application for Funding must be completed along with all other documents identified on the Application Checklist. Please attach additional pages if more space is needed.

An appointment is strongly encouraged prior to applying for funding to ensure the project meets eligibility criteria. To make an appointment, or if you have any questions about the criteria or the process, please contact the Community Planning Division at [housing@victoria.ca](mailto:housing@victoria.ca)

## 1. Letter to Mayor and Council

Please include a letter to Mayor and Council providing an executive summary of the proposed project including the amount of funding being requested. Please highlight key aspects of the proposed project and how it meets the objectives of the Victoria Housing Reserve Fund Program as outlined in the Program Guidelines.

## 2 Proponent Information

Organization Name Capital Region Housing Corporation (CRHC) Non-profit Society Yes  No

Contact Person/Position Colin Merriam, Senior Project Planner

Business Address 631 Fisgard Street, Victoria, BC V8W 1R7

Telephone 250.360.5965

Email cmerriam@crd.bc.ca

Date of Incorporation December 10, 1982

Canada Revenue Agency Charity # 100799642RT001

Previous Projects Funded through the Victoria Housing Reserve Fund, if any: Caledonia Redevelopment, Michigan Square Redevelopment

I have read and understand the Victoria Housing Reserve Fund Program Guidelines

I understand funding is a one-time, non-renewable grant

Application Date mm/dd/yyyy 03/28/2024

Applicant Signature 

## 3. Project Summary

Submission of building and site plans are required as part of the application package.

Address/location of project 1132 Johnson Street, Victoria

Developer and contact information (if different from the Proponent) \_\_\_\_\_

Project Architect and contact information Paul Hammond, Low Hammond Rowe Architects Inc, 250.472.8013

Owner and Operator of Housing Capital Region Housing Corporation (CRHC)

Housing type (strata/apt etc.), number of units and sizes (bedrooms) 140 rental apartment units



# Victoria Housing Reserve Fund Application for Funding

## Fund Request Summary

Please list the units which are proposed to receive funding in the table below. Please refer to the VHRF Guidelines for more information about the program's Affordability Levels and Grant Eligibility Amounts.

Unit Type	Number of Units	Monthly Rent Amount	Identify the Affordability Level		Eligible VHRF Grant per Unit	VHRF Total Contribution
			City of Victoria Affordable Rents (Very Low, Low, Median, or Moderate)	BC Housing Rents (Deep Subsidy, RGI, HILs, Below market)		
Studio	30	\$375	Very Low Income	Deep Subsidy	\$7,500 (\$30,000 requested)	\$225,000 (\$900,000 requested)
	10	\$775	Median Income	Housing Income Limits	\$2,500 (\$10,000 requested)	\$25,000 (\$100,000 requested)
1 Bed	2	\$925	Median Income	Housing Income Limits	\$5,000 (\$15,000 requested)	\$10,000 (\$30,000 requested)
	45	\$1,900	Moderate Income	Below Market	\$3,500 (\$10,000 requested)	\$157,500 (\$450,000 requested)
2 Bed	28	\$2,350	Moderate Income	Below Market	\$5,000 (\$15,000 requested)	\$140,000 (\$420,000 requested)
3 Bed	25	\$2,700	Moderate Income	Below Market	\$10,000 (\$20,000 requested)	\$250,000 (\$500,000 requested)
4 Bed						
<b>Total Units</b>	140					\$807,500 (\$2,400,000 requested)

## Project Units Summary

Total housing units on existing site: 38  
 Total proposed units in the affordable housing project: **Gross** 140 **Net** 102

Target Population or Group as defined in the Program Guidelines (E.g., Seniors, youth, single parent families, persons with disabilities, etc.)

The Village on the Green Affordable Housing Redevelopment will provide affordable rental homes for families with 53 units in the redevelopment being two-bedroom or larger. The project has also been designed to accommodate very low-income individuals at risk of experiencing homelessness through the provision of 30 units at BC Housing Deep Subsidy (shelter) rental rates. Priority through the tenant selection process is given to indigenous people experiencing homelessness, youth experiencing homelessness, and women fleeing violence. The housing needs identified for the local area also include individuals and small or single-parent families. Units also target single occupant households including individuals leaving transitional and supportive housing, and youth leaving the care system.

Support services provided (if any)

The project will accommodate individuals who are transitioning out of supportive housing, or youth leaving the care system, but are now able live without additional on site support.



Sustainable Planning and Community Development  
 1 Centennial Square  
 Victoria, BC V8W 1P6  
 T 250.361.0382 E [housing@victoria.ca](mailto:housing@victoria.ca)

## Victoria Housing Reserve Fund Application for Funding

How does the project meet the objectives and project priorities of the Victoria Housing Reserve Fund Program as described in the Program Guidelines?

The Village on the Green Affordable Housing Redevelopment meets the objectives of the VHRF Program Guidelines by:

- Leveraging financial partnerships with multiple levels of government through various funding programs
- Focus on affordable family housing with larger unit types
- Housing individuals and families at risk of experiencing homelessness with BC Housing Deep Subsidy units
- Mixed affordability approach to accommodate very-low to moderate income households
- Exceeding accessibility requirements of the BC Building Code and BC Housing Design Guidelines

What development approvals are required or have been received?

The project has received a Delegated Development Permit through the Rapid Deployment of Affordable Housing program.

Target Completion Date

Q4 2027

#### 4. Experience and Capacity to Develop and Manage Affordable Housing

Outline the proponent's experience in the development and management of affordable housing. How does this project compare to this previous experience and the proponent's capacity to complete the project in the short-term and manage it over the long-term?

As the largest social housing provider in the capital region, the CRHC has a mandate to develop and manage affordable housing to meet the needs of people living in the capital region. The CRHC has been operating for almost 40 years and currently provides approximately 2,000 units of affordable housing across over 50 separate developments. The CRHC is committed to increasing housing opportunities that are safe, inclusive, sustainable, and remain affordable as the lives of the families change and grow. The CRHC Development Services Team is currently managing two development projects currently in construction (Caledonia & Michigan Square), two other similar regional projects also currently in detailed design, and multiple other projects in early design and feasibility.





## 5. Project Financing and Sustainability

Describe how the funding model will support long-term financial sustainability and housing affordability. Please also attach a detailed Capital Budget and 10-year Operating Budget.

The project has secured primary funding through the Regional Housing First Program (RHFP) and Regional Housing Trust Fund (RHTF). These funding portions combine to provide a total of \$13,950,000 in Capital Funding to the project. In addition to this the CRD has allocated an additional \$4,200,000 in financial support through the provincial Growing Communities Fund. The project is also pursuing significant additional federal funding through the Federation of Canadian Municipalities (FCM) Sustainable Affordable Housing (SAH) program which supports municipal non-profit housing projects that demonstrate industry leadership in sustainability and energy efficiency targets. The Village on the Green Affordable Housing Redevelopment uses a mixed income approach in order to provide affordable housing to a range of household types and incomes. This approach through the RHFP program also allows the project to provide a significant number of units (30) at the BC Housing Deep Subsidy (shelter) rate and operate without any ongoing operating subsidies.

## 6. Partnerships

List partners in this project (developers, agencies, other levels of government etc.), and detail their involvement.

Through the Regional Housing First Program (RHFP) Village on the Green is a funding partnership between multiple levels of government which includes the Capital Regional District (CRD) (regional), BC Housing (provincial), and the CMHC (federal).

## 7. Tenant Assistance

Adherence with the [Tenant Assistance Policy](#) is required to be eligible to receive VHRF grant funding. Please identify whether a [Tenant Assistance Plan](#) is required as part of the development approvals for this project:

- Yes, there are tenants at the existing site that will be displaced as a result of the proposed development and a Tenant Assistance Plan has been prepared.
- No, tenants will not be displaced as a result of the proposed development.

Note: Please be advised that additional information may be requested as part of the Tenant Assistance Plan for Council's consideration.

## 8. Other Information

Provide any other information that supports your application.

Village on the Green is currently home to 38 families and individuals. The CRHC has been working with existing tenants since the onset of the project in 2022 to keep everyone informed and help them understand the support that will be provided through the process. This CRHC commitment to existing tenants includes:

- Offering eligible or qualifying tenants right of first refusal to move back into the completed redevelopment;
- Providing frequent, accurate and timely information as the redevelopment progresses;
- Offering tenants choice, and support in finding alternative housing within the CRHC portfolio or with another provider if necessary; and
- CRHC tenant relocation policy and development of individualized Tenant Relocation Plans to meet the needs of each tenant.