



Linda E. Ross  
Property Management Inc.

October 19<sup>th</sup>, 2015

City of Victoria  
1 Centennial Square  
Victoria, BC  
V8W 1P6

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**Attention:** Mayor and Council

**Re:** Victoria Housing Fund Application – Letter of Intent to Request  
Funding for 2 Additional Units

To: Mayor and Council,

Please accept this letter as an expression of the Victoria Native Friendship Centre's (VNFC) desire to determine our eligibility to receive funding from the Victoria Housing Fund for Phase 2 of Siem Lelum.

In 2010 the City of Victoria purchased the former Traveller's Inn at 120 Gorge Road East to create affordable, supportive housing. Wanting to expand its housing division, the VNFC has purchased the site from the City, and has hired Linda E. Ross Property Management Inc. (LER) to develop Siem Lelum (Respected House) and to property manage the site.

The primary purpose of Siem Lelum is:

- To create a safe, affordable, supported and holistic "Urban Village" where life long skills and a healthy lifestyle will be modeled, and the necessary resources provided to encourage healthy choices;
- To renew traditional community based practices and help build community wellness and sustainability;

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Head Office: 387 Constance Avenue, Victoria, BC V9A 6N2 T: 250-381-9336

Sub Office : 120 Gorge Rd East, Victoria, BC V9A 1L3 T: 250-383-1283

[www.lindaeross.ca](http://www.lindaeross.ca)

- To empower Aboriginal peoples on the traditional lands of the Coast Salish and to help individuals to regain health and pride in belonging.

The first phase of the project, which opened for occupancy on June 1<sup>st</sup>, 2013, provides 26 units of housing for Aboriginal families, single young adults who are working and/or attending school, grandparents raising grandchildren and youth ageing out of the foster care system who are, or are at risk of becoming homeless, who will benefit from living in a supportive environment where they can learn parenting skills and other life skills necessary for self-sufficiency.

The second phase of Siem Lelum is currently at the working drawing stage, and once completed will provide 4 - 3 bedroom units, 10 - 2 bedroom units and 1-1 bedroom unit. This phase will also include a kinetic playground/gathering space, which will have exercise stations, as well as scientific and physically delightful stations for both children and adults; a community garden, traditional medicine plants, rain water recovery systems; and a Community Building, which will be the heart of the Urban Village.

The original project was designed to construct 39 units, however, we have been able to increase the number of units to a total of 41 units. The project did receive funding from the Victoria Housing Fund for the initial 39 units, however, now that the project has expanded by 2 units, we are requesting funding (\$20,000) for the additional units.

**Proponent Contact Information:**

Sponsor Name	Victoria Native Friendship Centre
Address	231 Regina Avenue, Victoria, BC V8Z 1J6
Web Address	www.vnfc.ca
Contact Person	Bruce Parisian
Contact Number	250-384-3211
Contact Email	bparisian@vnfc.ca
Date of Incorporation	August 4 <sup>th</sup> , 1969
Society Number	S8649
Federal Charitable Tax Number	108172933RR0001

**Project Summary:**

Project Location	120 Gorge Road East
Developer & Contact Info	Linda E. Ross Property Management Inc.
	387 Constance Ave, Victoria, BC V9A 6N2
	T: 250-381-9336
	Email: linda@lindaeross.ca
Project Architect & Contact Info	Merrick Architecture
	18 Bastion Square, Victoria, BC V8W 1H9
	T: 250-480-7811
Type of Housing & # of Units	41 non market (no market units) Renovation (Phase 1)/New Construction (Phase 2) <ul style="list-style-type: none"> <li>• 14 - studio</li> <li>• 4 - 1 bedroom</li> <li>• 9 - Small Family</li> <li>• 10 - 2 bedroom</li> <li>• 4 - 3 bedroom</li> </ul>
Target Tenant Group	Young families, youth ageing out of foster care, single young adults who are either working &/or attending school, and grandparents raising grandchildren who are at risk, or already homeless
Target Tenant Incomes	\$0 - \$34,000
Target Completion Date	Fall 2016

## **Overview of Tenant Support Services:**

In order to efficiently and effectively promote the self-sufficiency of its clients, the VNFC has developed and implemented a culturally appropriate/community driven Life Skills Development Program, where life long skills and a healthy lifestyle are modeled, and the necessary resources provided for greater self-sufficiency. The program is administered by a Tenant Support Worker (TSW) who utilizes cultural practices and provides "walk with" support to Applicants/Tenants (who apply for/reside in the housing that is owned and operated by the VNFC) on issues pertaining specifically to their ability to attain and maintain safe, healthy, and affordable housing, including basic home maintenance, energy conservation, financial literacy and healthy lifestyle. The TSW customizes the program to meet the specific needs of individuals and families and when necessary connects them to other education, employment and support services. The TSW also assists Tenants with their move ins by providing basic home maintenance and cooking supplies, to ensure the Tenants have the tools necessary to maintain their unit and feed their families.

## **Developing and Managing Non Profit Housing – Experience and Capacity:**

The VNFC has hired Linda E. Ross Property Management Inc. (LER) to develop Siem Lelum and to operate the site as a Social Enterprise. The CEO of LER has over 23 years of experience in Affordable/Social Housing, including as CEO of M'akola Group of Societies and of the CEO of the Aboriginal Housing Management Association.

### **Project Financing and Sustainability:**

Please see attached Capital and Operating Budgets.

***Please note that the capital budget is still currently under negotiation with BC Housing.***

### **Project Partnerships:**

A key strength of the VNFC has been its ability to develop and maintain linkages and partnerships with local groups and organizations to enhance its own capacities and services and program quality. These agencies and organizations include, but are not exclusive to the following:

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- Linda E. Ross Property Management Inc.;
- First Nation communities in and around the Capital Regional District;
- Ready to Rent BC;
- Burnside Gorge Community Association;
- BC Housing;
- The City of Victoria;
- Canada Mortgage and Housing;
- The Capital Regional Housing Trust Fund;
- Camosun Collage;
- The United Way of Greater Victoria;
- Horticulture Centre of the Pacific;
- The Ministry of Children and Family Development;
- Hulitan Family and Community Services;
- Cool Aid Society;
- M'akola Group of Societies;
- Pacifica Housing;
- Greater Victoria Housing Society.

**Financing Partnership for Phase 1:**

Funding for phase 1 of the project was provided by Canada Mortgage and Housing Corporation, BC Housing, the City of Victoria, and the Regional Housing Trust Fund.

**Financing Partnership for Phase 2:**

<b>Funder</b>	<b>Initial Funding Contribution</b>	<b>Request for Additional Funding</b>
BC Housing Capital Grant	\$4,136,000	
City of Victoria - \$10,000/ unit		\$20,000 (2 units)
Regional Housing Trust Fund - \$15,000/ unit		\$30,000 (2 units)
<b>Total Financing Partnership</b>	<b>\$4,186,000</b>	

If you have any further questions, please contact the undersigned at your convenience.

Sincerely,



William G.T. Ross;  
Development Consultant;  
Linda E. Ross Property Management Inc.

## Capital Budget

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BC HOUSING CAPITAL BUDGET FORMAT AN

Victoria Native Friendship Cener	
120 Gorge Road East, Victoria BC	
	BCH PROJ REF NO.

Budget Description	Total Budget Amount	Budget Category Totals
<b>APPRAISALS/STUDIES</b>	N/A	
Appraisal		
Market Rent Appraisal		
GST Appraisal		
Market/Feas Study		
Need & Demand Assessment		
Traffic Study	0	
<b>Total Appraisals/Studies</b>	<b>0</b>	
<b>ACQUISITION AND SERVICING</b>	N/A	
Land Value	0	
Offsite Service Costs		
Environmental Remediation		
Property Transfer Tax		
PTT - Purchase		
PTT - Lease		
Demolition (In construction budget)		
Mortgage Buy-out		
<b>Total Acquisition and Servicing</b>	<b>0</b>	
<b>MUNICIPAL FEES</b>	N/A	
Municipal Fees		
Building Permit	44977.5	
Development Cost Charges	65319	
Regional Dev ment Cost		
OCP/Rezoning Appl.		
Subdivision Appl.		
Mun. Connection Fee		
Building Grade		
Development Permit	2450	
<b>Total Municipal Fees</b>	<b>112746.5</b>	
<b>UTILITY FEES</b>	N/A	
Gas Connection Fees	0	
Hydro Connection Fees (In construction cost)	0	
Cable Connection Fees (In construction cost)	0	
Telephone Connection Fees (In construction cost)	0	
<b>Total Utility Fees</b>	<b>0</b>	
<b>DESIGN CONSULTANTS</b>	N/A	
Architect Contract	165475	
Arch. Cont. Sub-Consu		
Arch. Cont. Fees		
Arch. Cont. Disb.	9750	
Structural	28900	
Electrical	31130	
Mechanical	41634	
Landscape Architects	16400	
Building Envelope		
Code Consultant		
Civil Consultant	9274	
Certified Professional		
Security Consultant		
Acoustic		
Kitchen Consultant		
Interior Designer		
LEEDS Consultant	21600	
<b>Total Design Consultants</b>	<b>302563</b>	
<b>CONSULTANTS</b>	N/A	
Development Consultant		
Dev. Consult. Fees	116000	
Development Consult. Disbursements	1200	
Dev. Consult. Extraordinary Travel		
Geotechnical	2500	
Surveyor	2875	
Topographical Surveyor		
Cost Consultant	15000	
Environmental Consultant		
Hazardous Materials Consultant	3500	
Arborist		
Service Delivery Consultant		
Fire Safety Plan		
Maintenance & Renewal Plan		
BC Housing Inspector		



BC HOUSING CAPITAL BUDGET FORMAT AN

Victoria Native Friendship Cener	
120 Gorge Road East, Victoria BC	
	BCH PROJ REF NO.

Budget Description	Total Budget Amount	Budget Category Totals
BCH Inspector Fees		
BCH Inspector Disbursements		
Direct Delivery		
Community Consultant		
<b>Total Consultants</b>	141,075	
<b>MISCELLANEOUS SOFT COST</b>	<b>N/A</b>	
Property Taxes pre IAD		
Utilities pre IAD	7000	
Course of Const. Insurance	23202	
Professional E&O Insurance		
Society Org. Costs	45000	
Society Legal Fees	20000	
BC Housing Legal Fees	21604	
BCH Program Sign		
BCH Recoverable Costs		
Maintenance Costs		
Title Fees	2500	
Security pre-construction		
GST - No rebate	100000	
GST - Self Supply		
<b>Total Miscellaneous Soft Cost</b>	<b>219,306.00</b>	
<b>BORROWING COSTS</b>	<b>N/A</b>	
Interest pre IAD		
Mortgage Insurance Fee		
Loan Fee		
<b>Total Borrowing Costs</b>		
<b>CONSTRUCTION</b>	<b>N/A</b>	
Construction Contract 1	3,598,199	
Construction Manager	34,680	
Project Manager		
Construction Manager Disbursements		
Support/Service Delivery		
Construction Costs		
Construction Contract 2 (Communal Room in budget)	-	
Construction Contract 3		
Construction Contract 4		
Landscaping		
Playground supplied and installed	62000	
Common Laundry/kitchen		
Commercial Kitchen Appliances		
On-Site Security		
Building Warranty		
<b>Total Construction</b>	<b>3,694,879</b>	
<b>BUILDING START-UP/COMMISSIONING</b>	<b>N/A</b>	
Project Commissioning		
Vacancy Loss		
Marketing		
Common Dining/Furnishings		
Office Equipment		
Maintenance Equipment		
Support Serv Equip/Sup		
<b>Total Building Start-up/Commissioning</b>		
<b>CONTINGENCIES</b>	<b>N/A</b>	
Design	23106	
Construction Contingency	242901	
Soft Cost risk	53359	
Escalation	87607	
<b>Total Contingencies</b>	<b>406,973</b>	
<b>GROSS BUDGET</b>		
<b>DEDUCTIONS</b>	<b>N/A</b>	
Land Equity		
Society Equity Held by BCH		
Society Equity		
BC Housing Grants	4,136,000	
<b>Total Deductions</b>	<b>(741,542.50)</b>	
<b>NET CAPITAL BUDGET</b>		

VNFC  
Siem Lelum Operating Budget

**Seim Lelum Budget for Phase 1 & 2, also combined**

	Phase 1	Phase 2	Combined
<b>Revenue</b>	\$71,400	\$6,600	\$78,000
	66,960	78,000.00	144,960
	18,900	36,000.00	54,900
<b>Total Revenue</b>	<u>157,260</u>	<u>120,600</u>	<u>277,860</u>
<b>Expenses</b>			
Property Taxes	-	-	-
Insurance	20,000	16,000	36,000
Telephone	2,000	2,000	4,000
<b>Utilities</b>			
Hydro Lights and Heat	9,000	9,000	18,000
Water/sewer	8,600	8,000	16,600
Garbage	6,000	5,000	11,000
Gas for Hot Water	5,000	-	5,000
	<u>50,600</u>	<u>40,000</u>	<u>90,600</u>
<b>Maintenance</b>			
Buildings	6,000	5,000	11,000
Grounds	4,500	5,000	9,500
Service Contracts	5,500	15,000	20,500
Propert Management Fee	50,000	28,800	78,800
Office	1,000	1,000	2,000
IT	500	1,000	1,500
Mileage	500	500	1,000
Licenses,Fees, training & Advertizing	5,000	2,000	7,000
Accounting	2,000	2,000	4,000
Audit & Legal	-	-	-

VNFC  
Siem Lelum Operating Budget

GST 5%	<u>4,000</u>	<u>3,500</u>	<u>7,500</u>
	<b>79,000</b>	<b>63,800</b>	<b>142,800</b>
<b>Total Operating Expenses</b>	<b>129,600</b>	<b>103,800</b>	<b>233,400</b>
<b>Contingency &amp; Replacement Reserves</b>			
Contingency for vancany loss @3%	5,000	3,618	8,618
Replacment Reserves @\$72/mo/unit	<u>22,464</u>	<u>12,960</u>	<u>35,424</u>
	<b>27,464</b>	<b>16,578</b>	<b>44,042</b>
<b>Total Expenses</b>	<b>157,064</b>	<b>120,378</b>	<b>277,442</b>
<b>NET INCOME (LOSS)</b>	<u><u>\$196</u></u>	<u><u>\$222</u></u>	<u><u>\$418</u></u>