

CAPITAL REGION HOUSING CORPORATION 2023 ANNUAL REPORT



TERRITORIAL ACKNOWLEDGEMENT

The CRHC conducts its business within the traditional territories of many First Nations, including but not limited to BOKÉĆEN (Pauquachin), MÁLEXEŁ (Malahat), P'a:chi:da?aht (Pacheedaht), Pune'laxutth' (Penelekut), Sc'ianew (Beecher Bay), Songhees, STÁUTW (Tsawout), T'Sou-ke, WJOLÉLP (Tsartlip), WSIKEM (Tseycum), and x^wsepsəm (Esquimalt), all of whom have a long-standing relationship with the land and waters from time immemorial that continues to this day.



Cover image: Prosser Place, *Central Saanich*

Back cover image: Michigan Square, *James Bay*

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Zac de Vries
Board Chair
Capital Region Housing Corporation

Message from the Board Chair

While the Capital Region Housing Corporation (CRHC) continues to make a positive impact in our community, the housing crisis is still very much with us.

We continue to add new homes to the housing inventory to deliver affordable, attractive, inclusive, sustainable housing. In 2023, the average rent for a CRHC two-bedroom home was \$1,301 per month, which is \$538 per month less than the Canada Mortgage and Housing Corporation (CMHC) average for the region, and up to \$1,417 less compared to the private market.

We are continuing to review the condition and capacity of our current housing stock and plan for the future. Investing in existing buildings, like our Carey Lane building envelope remediation, or replacing assets like our Village on the Green and Campus View developments, are examples of critical projects that support affordable housing in the region.

The energy and initiative of the CRHC gives me hope that we will meet the challenges of our housing crisis.



Ted Robbins
Chief Administrative Officer
Capital Regional District
Capital Region Housing Corporation
Capital Regional Hospital District

Message from the Chief Administrative Officer

2023 saw continued progress on the Capital Regional District (CRD) Board's goal to increase the number of affordable and inclusive homes across the region.

The Capital Region Housing Corporation (CRHC) expanded into Central Saanich with the 51-home Prosser Place, while two new projects, Michigan Square and Caledonia, made significant steps towards completion, and two more, Village on the Green and Campus View, moved into the advanced project planning phase.

The CRHC has seen significant growth over the last number of years, adding 645 units since 2019. This growth has added about 129 new affordable rental units per year in the region and represents annual unit growth of about eight per cent. The CRHC is going into 2024 owning and operating 52 buildings and 1,931 homes. Throughout this growth, the CRHC continues to ensure its tenants and their needs remain its key focus.

We look toward 2024 with optimism and that through further partnerships and collaboration, we will continue to make progress on this critical Board goal.



Caledonia redevelopment - Fernwood

The CRD and its subsidiary the CRHC, continue to demonstrate a willingness to be innovative, an ability to partner, and to critically focus on service delivery across the capital region through the provision of affordable housing.

CRHC Profile

Affordable housing is key to a strong economy and healthy region, and the Capital Region Housing Corporation (CRHC) provides 1,931 homes in 52 buildings across eight municipalities.

The CRHC is a wholly owned subsidiary of the Capital Regional District (CRD) and is the largest non-profit housing provider on Vancouver Island, providing homes for almost 4,000 tenants.

The projects recently completed, under development, and planned for the future are highlighted on the following pages listed as 2023 Progress.

The CRHC will continue to develop more homes to meet our community's current and future housing needs. The investments made today have a legacy impact across the region that is focused on those households currently struggling with housing affordability and experiencing, or are at-risk, of homelessness.

Vision

As leaders in non-profit housing in the capital region, the CRHC delivers affordable, attractive, inclusive, sustainable housing.

Mission

The CRHC's mission is to develop and manage affordable housing within the capital region for low to moderate income households.



CRHC Tenant Services Team

Staff Profile: Tenant Services - the Heart of Housing

While it can be said that all divisions of the CRHC put their hearts into their work, Tenant Services (TS) is where potential tenants have their first meetings with the Corporation, and where at the end of their interaction, there's usually a renewed sense of hope in finding a home.

The TS team, comprised of "Tenant Assists", have a wide background of customer service and face-to-face public experience, but followed their heart to work in social housing. They come from social services, other housing providers but all are in unison in identifying the necessity to make a difference in another's life as a key motivator in working at the CRHC.

Sorting out the complexities of finding a home in a difficult housing market and recognizing that successfully finding someone a new home could put that person's life on a new, positive trajectory, is something they say they keep in mind with every interaction.

It is that sense of social responsibility, expert customer service and respect that the TS team brings to the job every day. From the practical elements of providing resource information like saving tenants money on household insurance, to offering advice of helpful local resources, to offering long term hope of housing, the TS team ensures tenants have the support and assistance they need.

The stress of trying to find adequate and safe housing with a predictable rent is overwhelming to most, and the relief felt when that search is successful with the assistance of a TS team member is rewarding. Whether it is huge sighs of relief, or an impassioned "thank you", the reaction to the resolution of a housing struggle is something that the TS team never tire of hearing, and an accomplishment they continually strive towards.

Tenant Advisory Committee

The Tenant Advisory Committee (TAC) reports through the CRD's Hospitals and Housing Committee to advise the CRHC Board of Directors on tenant policies and programs and may include up to eight tenant representatives. The purpose of the TAC is to promote effective communication, engagement, and collaboration between the CRHC and its tenants.

2023 Progress

UNDER DEVELOPMENT



MICHIGAN SQUARE — *under development*

Located in Victoria's James Bay neighbourhood, Michigan Square is a redevelopment project which will replace the three existing apartment buildings on Michigan Street with two, four-storey apartment buildings to provide 97 affordable homes.



CALEDONIA — *under development*

Located in Victoria's Fernwood neighbourhood, Caledonia is a redevelopment project which will feature 158 affordable rental housing homes within two apartment and three townhouse buildings.



PANDORA — *under development*

Pandora is a unique collaboration between the City of Victoria, the Province through BC Housing, and the CRHC to build 205 new, non-market rental homes, with 158 operated by the CRHC. A new community programming space, and child care spaces, are planned for the development.



CAMPUS VIEW — *under development*

Located in Saanich near the University of Victoria, Campus View is a redevelopment project which will replace the existing 12 townhomes with 119 new homes in two apartment style buildings.



VILLAGE ON THE GREEN — *under development*

Located in Victoria's Fernwood neighbourhood, Village on the Green is a redevelopment project which will feature 140 affordable rental homes within two apartment style buildings.

NEW



VERDIER — *NEW development*

Located in Central Saanich's Brentwood Bay, Verdier is a proposed development that combines affordable housing with a planned daycare space. In the early development stages, construction is expected to start in 2025.

COMPLETED



PROSSER PLACE — *completed*

In 2023 the CRHC celebrated affordable housing in its eighth municipality – Central Saanich. Prosser Place is a 51-home affordable housing building which opened in late spring of 2023. Operated by the CRHC it includes 41 units for tenants with low to moderate incomes. Ten units are rented at provincial income assistance rates under the Regional Housing First Program (RHFP). The project aligns with the Saanichton Village Design Plan, a vision to include density and diversity of housing, accommodating people throughout their lifespan.

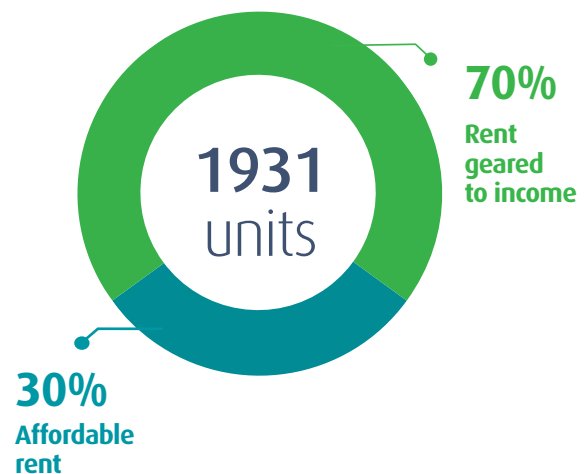
The project includes:

- ▶ 8 studio units
- ▶ 31 1-bedroom units
- ▶ 12 2-bedroom units
- ▶ Underground parking
- ▶ Close proximity to Centennial Park and nearby shops and services
- ▶ Convenient access to public transportation
- ▶ BC Energy Step Code – Step 2 design and construction

CRHC Overview



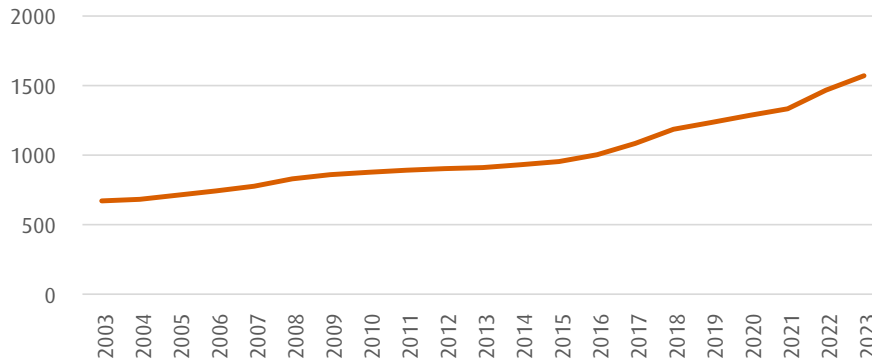
CRHC Rental Rates



Community Need

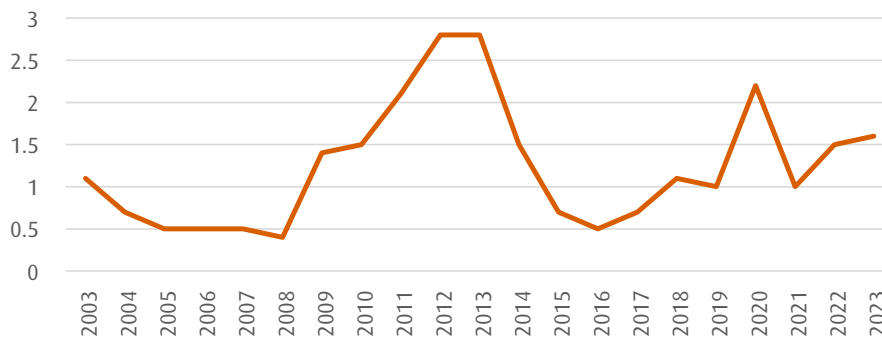
CRHC Regional Operating Environment

Average Rent/Month (\$)



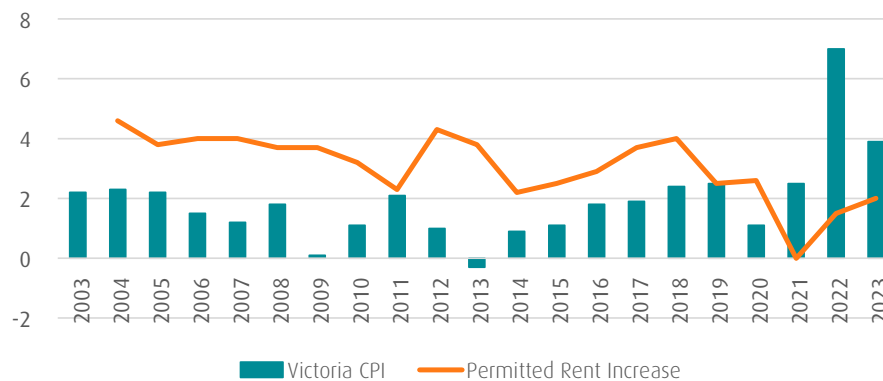
In 2003, an average two-bedroom apartment in Victoria was about \$789 a month. That escalated to about \$1,000 in 2016 but has steeply climbed to more than \$1,800 a month in 2023.

Vacancy Rate (%)



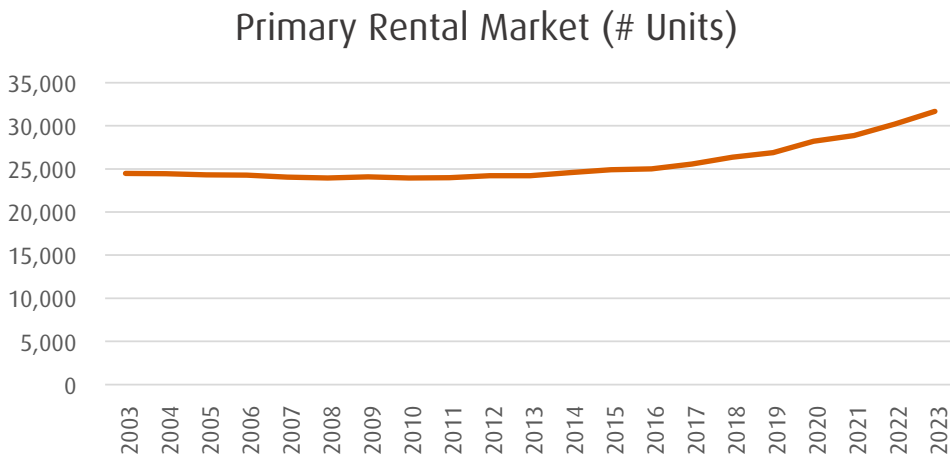
Over a 20-year span, vacancy rates have remained stubbornly tight ranging from as low as 0.4% in 2008 to a peak of 2.8% in 2013, and closing out 2023 at 1.6%.

Victoria CPI & Permitted Rent Increase (%)



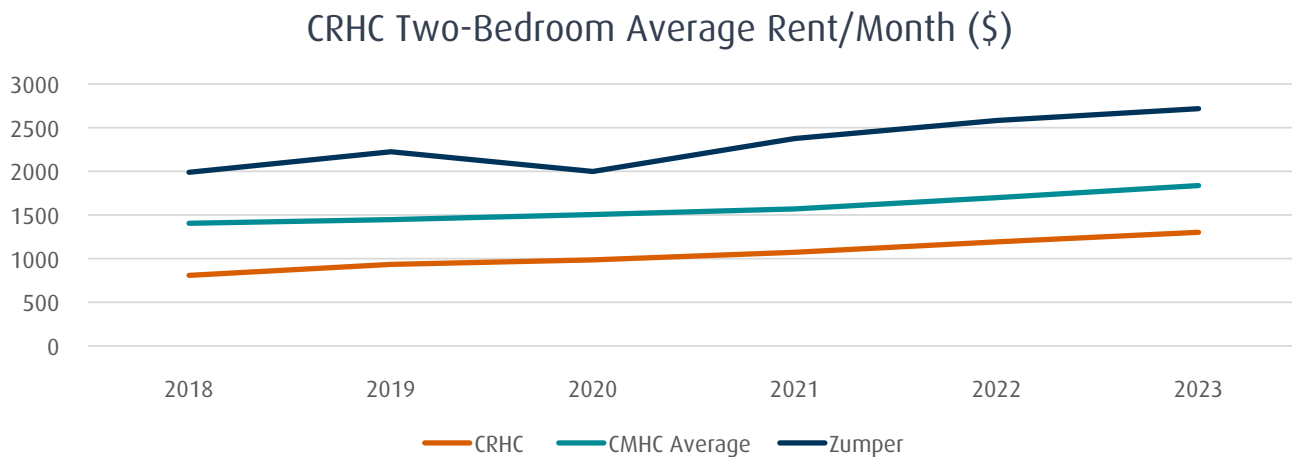
Permitted rent increases were below the Consumer Price Index (CPI) level for Victoria in 2021, 2022 and 2023, creating a compounding impact that places a downward pressure on revenue while the Corporation continues to experience an upward pressure on expenditures.

Rental Stock



Over the last 20 years the Primary Rental Market has seen overall growth of just 29% or less than an average of 1.5% per year, creating only 7,216 rental units in the capital region.

Average Rent for Two-Bedroom Apartments

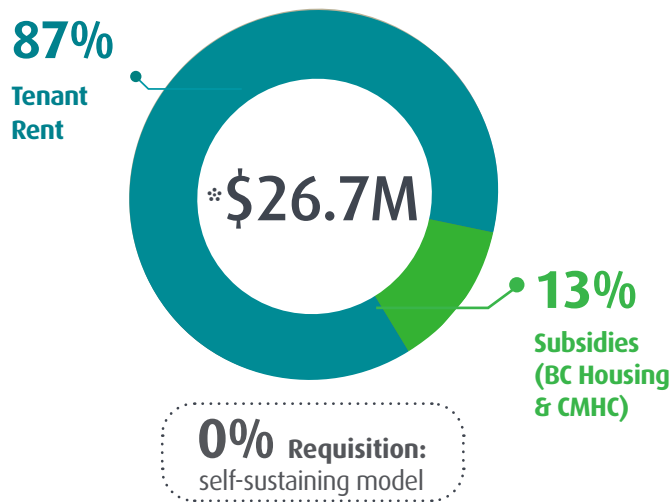


In 2023, the average cost of a CRHC two-bedroom unit was \$1,301/month, which is \$538/month less than the CMHC average for the region. When compared to average 2-bedroom units in the private rental market (**Zumper market rental website), CRHC 2-bedroom units are \$1,417/month less.

**Zumper, December 2023

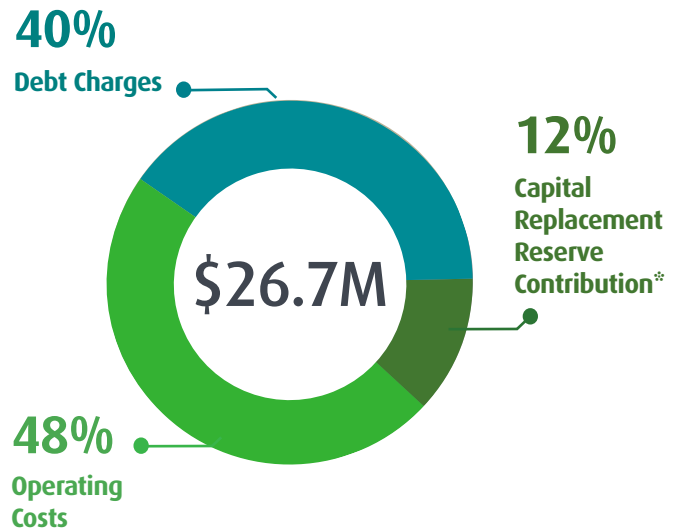
2023 Financial Highlights

Operating Income

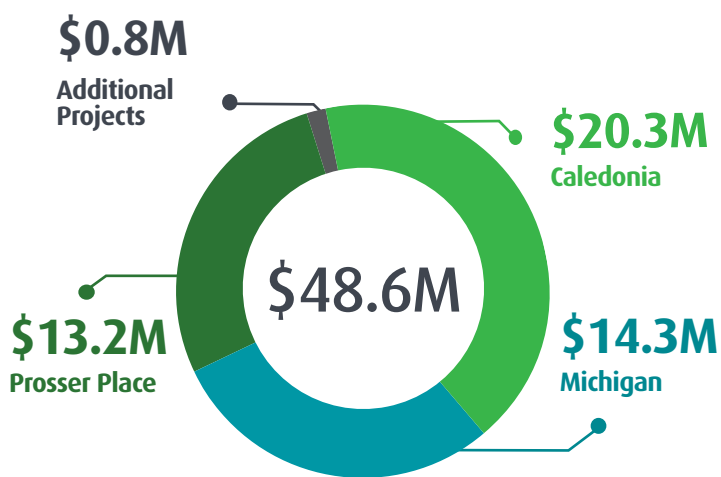


*Based on 2023 Audited Financial Statements. Includes transfers from Corporate Stabilization Reserve and capital project surpluses.

Operating Expenses



Capital Projects



*Includes pre-development and post-construction costs.

Routine Capital Improvements



\$3.2M

*Routine capital improvements are investments made to replace building components and appliances and may include such items as roof repair, siding replacement, access and egress improvements, paint, windows and specific units appliance repair/replacement.



CRD | CRHC

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