




Capital Region Housing Corporation > 2020 Budget

**Presentation to Hospitals & Housing Committee
Wednesday December 4, 2019**

- Investment from Senior Levels of Government
- CRD Board Strategic Priority
- Regional Housing Affordability Strategy



| | |
|---|--|
|  | <ul style="list-style-type: none">• Estimated Revenues \$17.1M |
|  | <ul style="list-style-type: none">• Estimated Expenses \$15.8M |
|  | <ul style="list-style-type: none">• Estimated Operating Surplus \$1.3M |

Success Factors

| | | | | | |
|----------------------------------|-----------------------|---|----------------------------|---|----------|
| Tenant turnover rate: 34 days | 0.85% vacancy rate | Increase in insurance premiums and deductibles | Decrease in mortgage rates | New buildings/first year of operations | Staffing |
|----------------------------------|-----------------------|---|----------------------------|---|----------|



Administration & Development

- Administration – Estimated Expense \$1.76M
- Development Services – Estimated Expense \$264K

Routine Replacement

- 2015-2019 routine replacement plan complete with estimated expenditures of \$11.1M

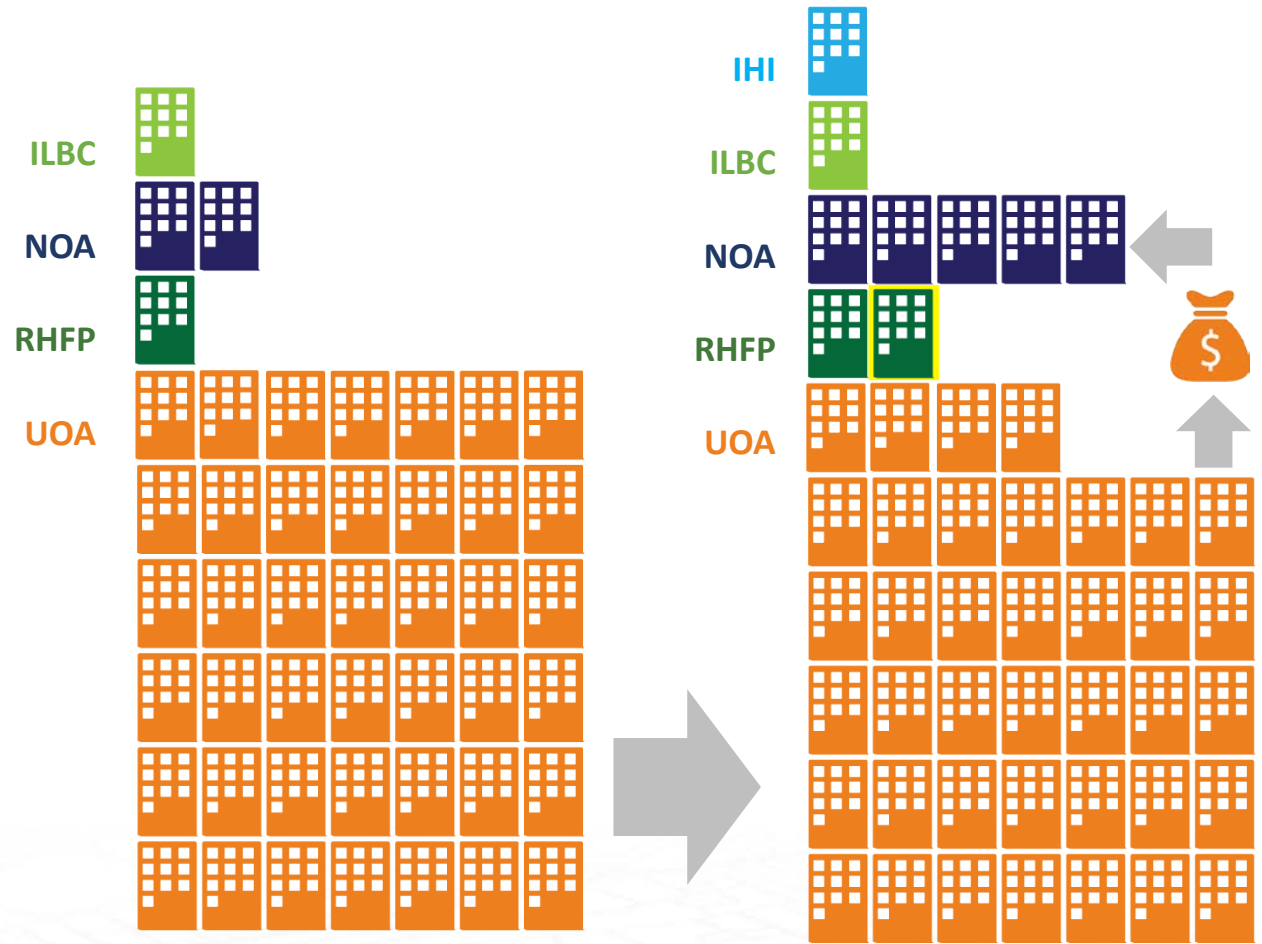
Capital

- Westview Development - \$11M
- Caledonia Redevelopment - \$350K
- Michigan Square Redevelopment - \$250K
- Drake Road Development - \$182K
- Millstream Purchase (RHFP) - \$35.5M





- UOA decrease
- NOA increase
- Redistribution allows for access to funds for the CRHC RHFP contribution



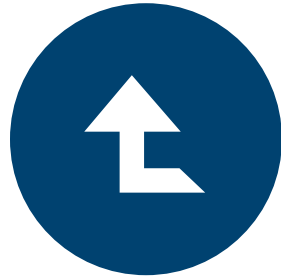
2019 CRHC Portfolio
46 Buildings

2020 CRHC Portfolio
48 Buildings

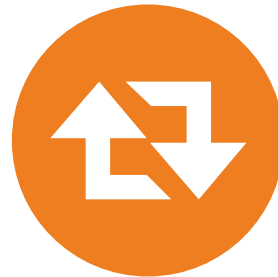




Staffing



Increase in
Insurance
premiums and
deductibles

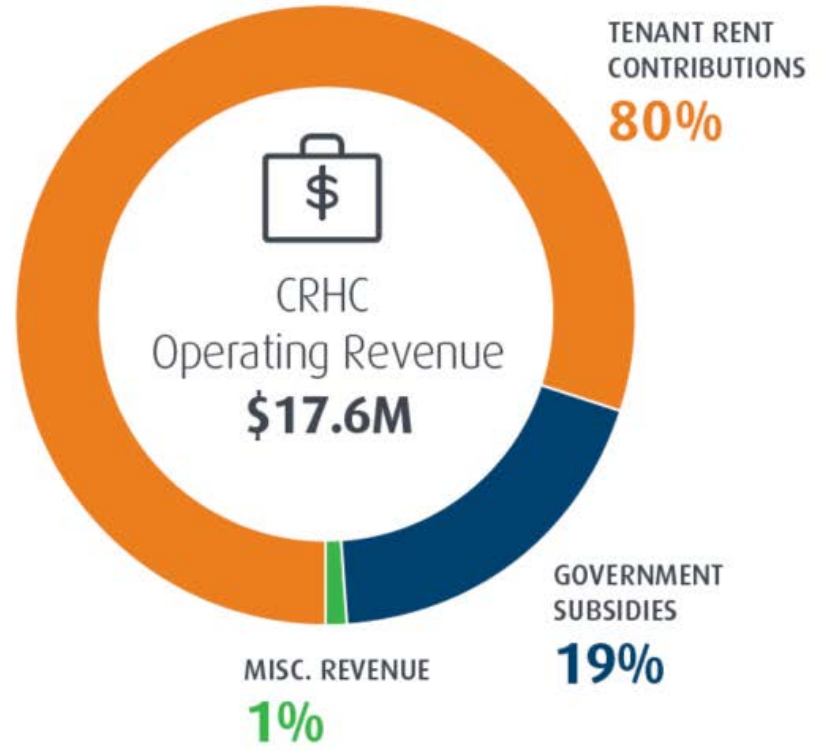
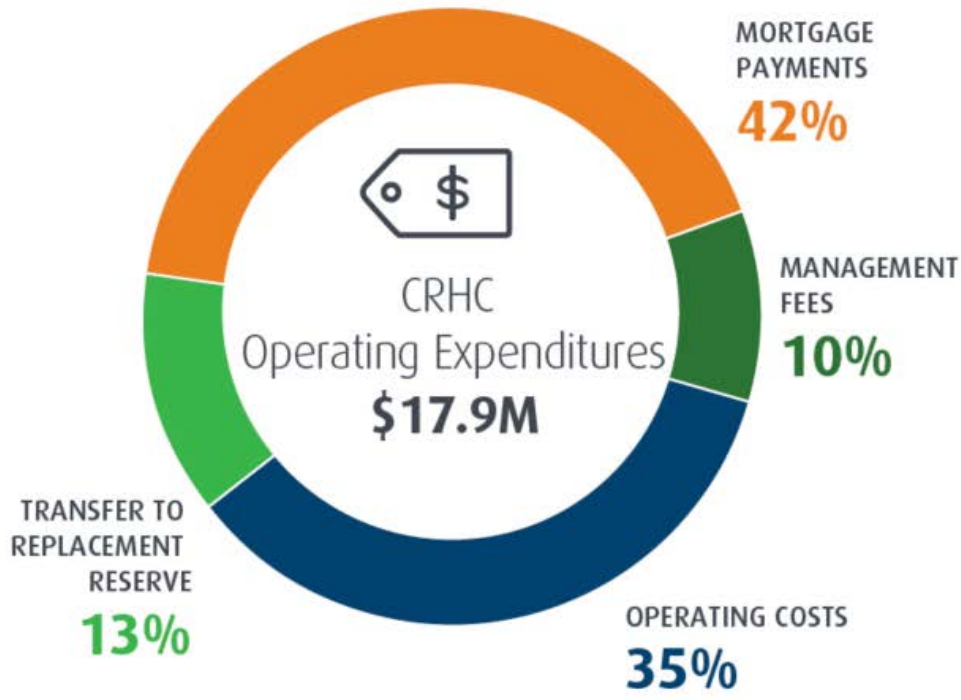


Replacement
Reserve
Contribution

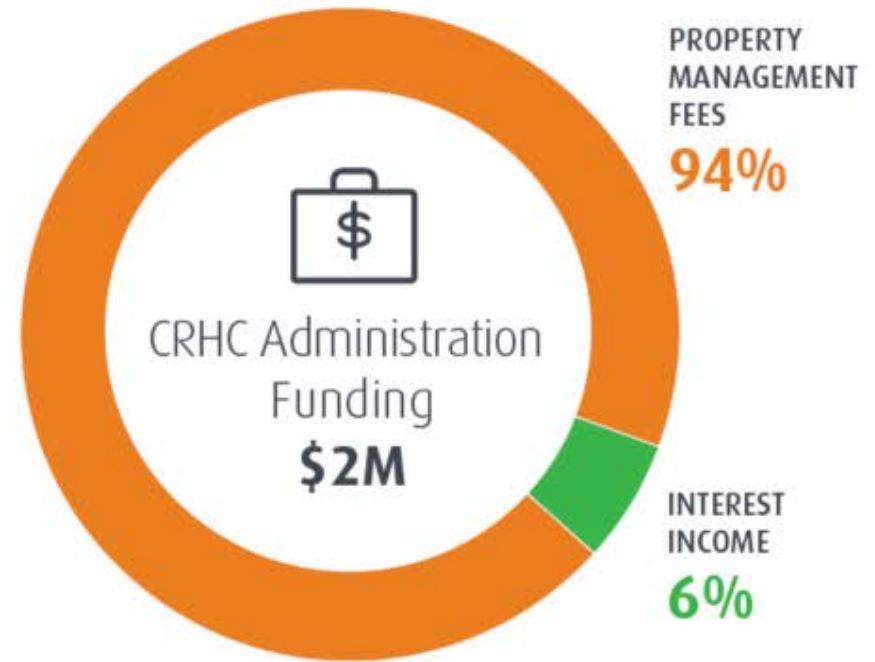
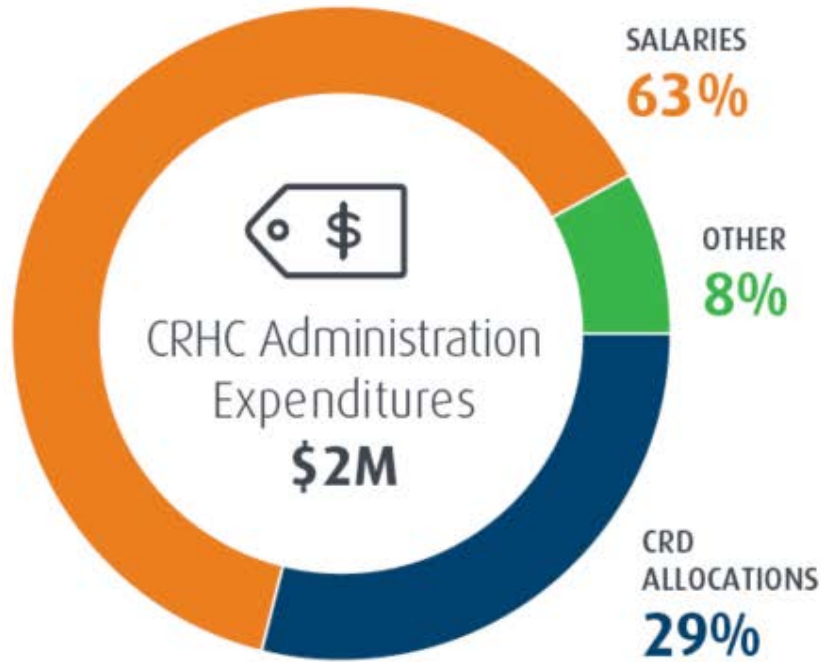


New
buildings/first
year of
operations









- 2015-2019 CRHC Board and BC Housing approved plan was for 2015-2019
- 2015-2019 estimated variance is \$0.1M (1%)
- Estimated December 31, 2019 balance of the UOA replacement reserve is \$4.1M
- 2020-2024 proposed routine capital plan is for \$11M
- 2020 annual contribution to PRR is \$2.2M (\$149/month per unit)

| UOA Five Year Capital Plan \$ millions | 2019 Actuals | 2020 Plan | 2021 Plan | 2022 Plan | 2023 Plan | 2024 Plan | Total |
|---|--------------|-----------|-----------|-----------|-----------|-----------|----------|
| Total Routine Replacement Reserve Expense | \$ 11.1M | \$ 2.4M | \$ 2.4M | \$ 2.3M | \$ 2.2M | \$ 1.7M | \$ 11.0M |



- UOA operating surpluses are deposited annually into the UOA Portfolio Stabilization Reserve (PSR)
- The UOA allows CRHC greater latitude regarding expenditures and therefore has increased capacity to determine spending priorities
- 2020 UOA PSR estimated ending balance is \$1.1M
- 2020-2024 UOA five year plan is \$11.0M



- Village on the Green (VoG) and Vergo are independent of BC Housing operating agreements; three properties will be added in 2020
- 2015-2019 estimated actuals are \$268K
- Estimated December 31, 2019 balance of the NOA replacement reserve is \$339K
- 2020-2024 proposed routine capital plan is for \$1.9M
- 2020 annual contribution to replacement reserve is \$255K (\$173/month per unit)

| Five Year Capital Plan \$ millions | 2019 Actuals | 2020 Plan | 2021 Plan | 2022 Plan | 2023 Plan | 2024 Plan | Total |
|---|--------------|-----------|-----------|-----------|-----------|-----------|--------|
| Total Routine Replacement Reserve Expense | \$ 268.1K | \$ 902.1K | \$312.7K | \$206.7K | \$248.0K | \$244.2K | \$1.9M |



- 2015-2019 estimated actuals are \$131K
- Estimated December 31, 2019 balance of the ILBC replacement reserve is \$99K
- 2020-2024 proposed routine capital plan is for \$145K
- 2020 annual contribution to replacement reserve is \$16.6K(\$65/month per unit)

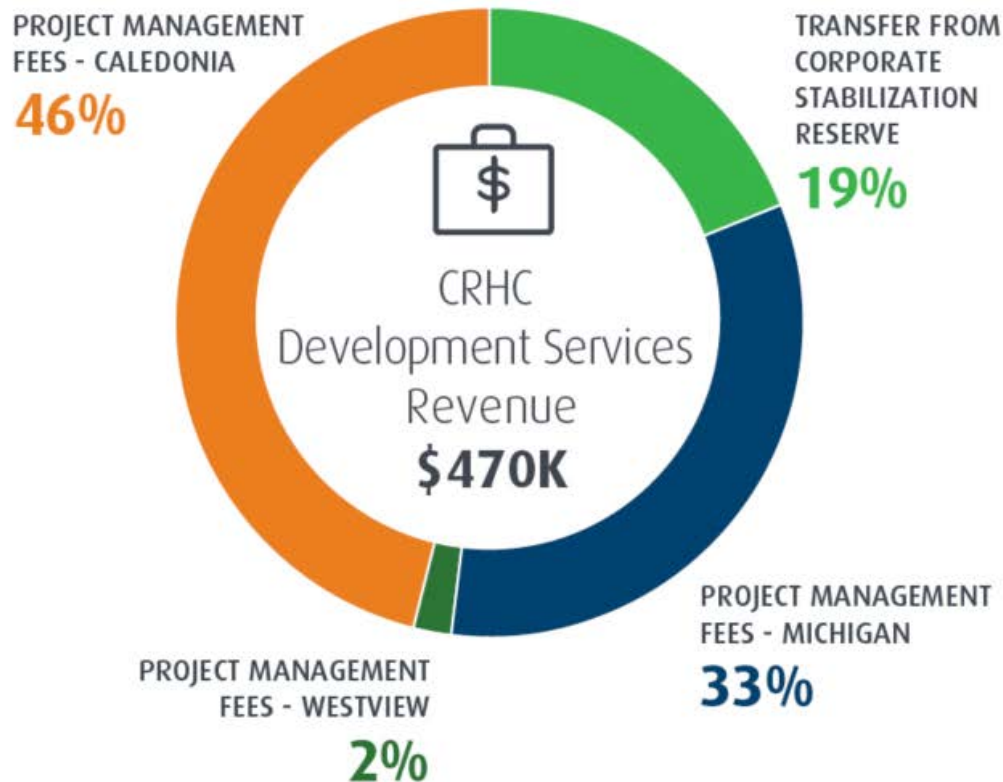
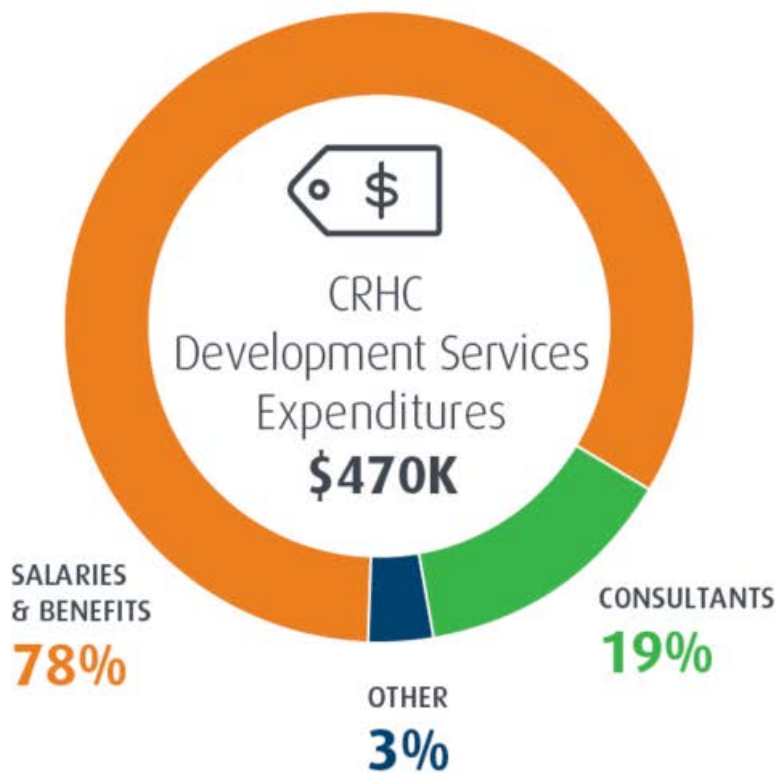
| Five Year Capital Plan \$ millions | 2019 Actuals | 2020 Plan | 2021 Plan | 2022 Plan | 2023 Plan | 2024 Plan | Total |
|---|--------------|-----------|-----------|-----------|-----------|-----------|----------|
| Total Routine Replacement Reserve Expense | \$ 131.4K | \$ 52.5K | \$6.0K | \$22.2K | \$41.4K | \$23.3K | \$145.4K |

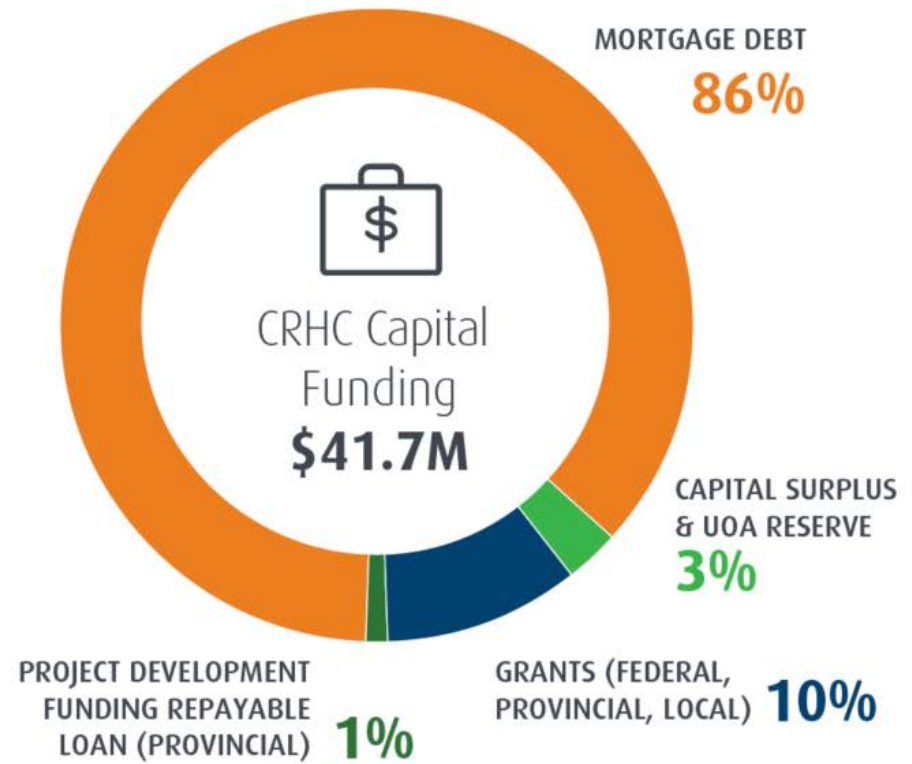
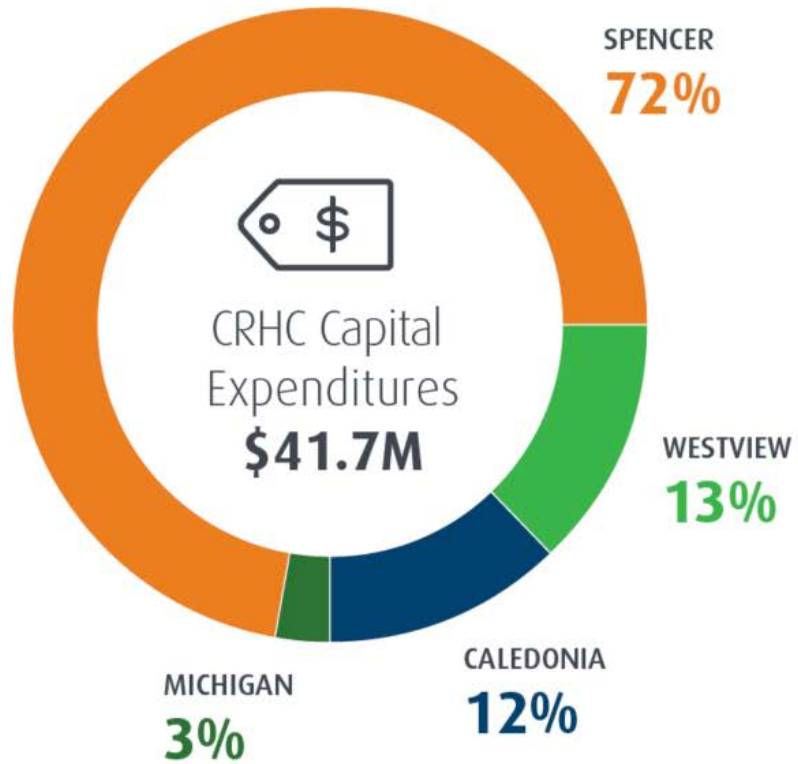


- 2019 estimated actuals are \$10K
- Estimated December 31, 2019 balance of the RHFP replacement reserve is \$84K
- 2020-2024 proposed routine capital plan is for \$60K
- 2020 annual contribution to replacement reserve is \$114K (\$72/month per unit)

| Five Year Capital Plan \$ millions | 2019 Actuals | 2020 Plan | 2021 Plan | 2022 Plan | 2023 Plan | 2024 Plan | Total |
|---|--------------|-----------|-----------|-----------|-----------|-----------|---------|
| Total Routine Replacement Reserve Expense | \$ 10.0K | \$ 5.6K | \$6.3K | \$6.0K | \$8.4K | \$33.7K | \$60.0K |







Questions

