



Making a difference...together

## REPORT TO REGIONAL HOUSING TRUST FUND COMMISSION MEETING OF THURSDAY, APRIL 08, 2021

**SUBJECT**     **Additional Grant Request for Michigan Square**

### **ISSUE SUMMARY**

A recommendation to the Capital Regional District (CRD) Board is needed in response to a request from the Regional Housing First Program (RHFP) Partnership for an increase of \$525,000 to the grant from the Regional Housing Trust Fund (RHTF) in order to support an additional 35 units of affordable rental housing within the proposed development at 330 Michigan Street, located in the City of Victoria.

### **BACKGROUND**

On October 14, 2020, the CRD Board approved the following resolution:

*That a grant in the amount of \$570,000 to the Capital Region Housing Corporation be approved to support the development of 38 units of affordable rental housing at 330 Michigan Street, Victoria, subject to meeting the terms of the RHTF Grant Funding Agreement.*

The grant approved in October 2020 supports the development of affordable rental units in Building A of the project. See Table 1 below for more detail on the unit mix and funding stream.

**Table 1 - Unit Summary (Building A)**

Unit Type	# of Units	Projected Rent	Funding
Studio Unit (Shelter Rate)	3	\$375	RHFP
One Bedroom (Shelter Rate)	12	\$375	
Subtotal RHFP Units	15		
One Bedroom (Affordable)	8	\$1,250	RHTF
Two Bedroom (Affordable)	4	\$1,800	
Two Bedroom (Near Market)	20	\$2,000	
Three Bedroom (Near Market)	6	\$2,480	
Subtotal Affordable Rental	38		
Total Units	53		

Since receiving Board approval, the entire Michigan redevelopment project has been approved as a RHFP project which renders all affordable rental housing units eligible for additional RHTF grant funding. In its entirety, the project now includes a total of 73 affordable rental units, eligible for RHTF funding. See Table 2 for more detail on the unit mix and funding streams for the additional units.

**Table 2 - Unit Summary (Building B)**

Unit Type	# of Units	Projected Rent	Funding
Studio Unit (Shelter Rate)	4	\$375	RHFP
One Bedroom (Shelter Rate)	4	\$375	
Two Bedroom (Shelter Rate)	1	\$570	
Subtotal RHFP Units	9		
One Bedroom (Affordable)	9	\$739	RHTF
Two Bedroom (Affordable)	11	\$960	
Three Bedroom (Affordable)	2	\$1,380	
Two Bedroom (Near Market)	11	\$1,950	
Three Bedroom (Near Market)	2	\$2,000	
Subtotal Affordable Rental	35		
Total Units	44		

For additional background, see the Letter of Request in Appendix A.

## **ALTERNATIVES**

### *Alternative 1*

The Regional Housing Trust Fund (RHTF) Commission recommends to the Capital Regional District Board:

That a grant in the amount of \$525,000 to the Capital Region Housing Corporation be approved to support the development of 35 additional units of affordable rental housing at 330 Michigan Street, Victoria, subject to meeting the terms of the RHTF Grant Funding Agreement.

### *Alternative 2*

That the Additional Grant Request for Michigan Square report be referred back to staff for additional information.

## **IMPLICATIONS**

### *Financial Implications*

The status report of the RHTF service provided in Table 3 demonstrates that the fund has the capacity to fulfill this request.

**Table 3 - RHTF Service Financial Status**

Current RHTF Status	Amount
Total Funds Available in 2021	\$4,209,929
<b>Grant Funds Approved for Other Projects</b>	
Croftonbrook (IWAV)	(\$264,000)
Cedar Grove (Cool Aid Society)	(\$600,000)
Charters (M'akola Housing)	(\$330,000)
Drennan and Sooke (M'akola Housing)	(\$765,000)
Michigan Square I (CRHC)	(\$570,000)
Sub Total	(\$2,529,000)
<b>Total Remaining for New Grants</b>	<b>\$1,680,929</b>

Payments on all outstanding grant approvals are expected in the coming fiscal year as each project advances toward construction commencement over the next few months.

*Social Implications*

This project will provide 24 units of independent housing to help address the needs of people experiencing chronic homelessness in the region. Providing a grant to support the development of the 73 affordable rental units will help address the needs of low and moderate income populations as defined by the RHFP Definitive Agreement, many of whom continue to experience substantial hardship within the current rental market.

*Service Delivery Implications*

Management and operation of these additional units of housing will be the responsibility of the Capital Region Housing Corporation (CRHC) and increases in service delivery demands are being facilitated through CRD and CRHC corporate and budget planning processes.

**CONCLUSION**

The RHTF Commission has limited Letters of Intent and applications for grants to RHFP projects. The CRHC, through the redevelopment of Michigan Square, is providing an opportunity to expand its existing affordable housing stock and include units at provincial assistance shelter rates to address chronic homelessness. The mixed-market approach outlined in the application aligns with the RHFP model. The proponent's experience and long history in the development and operation of affordable housing makes this an appropriate project to be funded.

**RECOMMENDATION**

The Regional Housing Trust Fund (RHTF) Commission recommends to the Capital Regional District Board:

That a grant in the amount of \$525,000 to the Capital Region Housing Corporation be approved to support the development of 35 additional units of affordable rental housing at 330 Michigan Street, Victoria, subject to meeting the terms of the RHTF Grant Funding Agreement.

Submitted by:	John Reilly, MSW RSW, Manager Housing Initiatives and Programs
Concurrence:	Don Elliott, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENT**

Appendix A: Letter of Request - Michigan Square Funding Increase