



## Notice of Meeting and Meeting Agenda Capital Region Housing Corporation Board

Wednesday, November 27, 2024

11:00 AM

6th Floor Boardroom  
625 Fisgard Street  
Victoria, BC

### Special Meeting - Budget

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

#### 1. TERRITORIAL ACKNOWLEDGEMENT

#### 2. APPROVAL OF THE AGENDA

#### 3. PRESENTATIONS/DELEGATIONS

*The public are welcome to attend CRD Board meetings in-person.*

*Delegations will have the option to participate electronically. Please complete the online application at [www.crd.bc.ca/address](http://www.crd.bc.ca/address) no later than 4:30 pm two days before the meeting and staff will respond with details.*

*Alternatively, you may email your comments on an agenda item to the CRD Board at [crdboard@crd.bc.ca](mailto:crdboard@crd.bc.ca).*

#### 4. SPECIAL MEETING MATTERS

##### 4.1. [24-1215](#) Major Capital Plan (2025-2029) and Development Services Budget

- Recommendation:**
1. That the Major Capital Plan (2025-2029) be approved;
  2. That the Development Services Budget be approved; and
  3. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to three redevelopment projects through funding programs as necessary and as they become available.

- Attachments:**
- [Staff Report: Major Capital Plan \(2025-2029\) & Dev'l Svcs Budget](#)
  - [Presentation: CRHC 2025 Financial Plan](#)
  - [Appendix A: Five Year Mir Capital Expend Plan Sum \(2025-2029\)](#)
  - [Appendix B: Development Services Budget](#)

4.2. [24-1216](#) Capital Region Housing Corporation 2025 Financial Plan

- Recommendation:**
1. That the Capital Region Housing Corporation 2025 Financial Plan be approved as presented;
  2. That the Chief Administrative Officer or their duly authorized delegate be authorized to apply for, negotiate and accept the terms to receive funds for routine capital works through funding programs as necessary and as they become available; and
  3. That any 2024 operating surplus/(deficits) to be transferred to/(from) the Corporate and/or Portfolio Stabilization Reserves as contained within the CRHC 2025 Financial Plan be approved.

- Attachments:**
- [Staff Report: Capital Region Housing Corporation 2025 Financial Plan](#)
  - [Appendix A: 2025 Consolidated Operations Budget](#)
  - [Appendix B: 2025 Administration Budget](#)
  - [Appendix C: 2025 Umbrella Agreement Operating Budget Summary](#)
  - [Appendix D: 2025 RHFP Agreement Budget Summary](#)
  - [Appendix E: 2025 CHF Agreement Budget Summary](#)
  - [Appendix F: 2025 No Operating Agreement Budget Summary](#)
  - [Appendix G: 2025 IHI Agreement Budget Summary](#)
  - [Appendix H: 2025 ILBC \(2\) Operating Budget Summary](#)
  - [Appendix I: Five Year Routine Capital Expenditure Summary \(2025-2029\)](#)
  - [Appendix J: 2025 Routine Capital Replacement Services Budget](#)
  - [Appendix K: UOA Mortgage Renewal and Expiry](#)

5. ADJOURNMENT

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD  
MEETING OF WEDNESDAY, NOVEMBER 27, 2024**

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**SUBJECT**      **Major Capital Plan (2025-2029) and Development Services Budget**

**ISSUE SUMMARY**

To request Capital Region Housing Corporation (CRHC) Board approval of the:

- Major Capital Plan (2025-2029) for development, redevelopment, and renewal projects; and
- Development Services Budget.

**BACKGROUND**

The CRHC is a wholly owned subsidiary of the Capital Regional District (CRD) with the mandate to develop and manage affordable housing to meet the needs of individuals and families residing within the capital region. In working to fulfill its mandate, the CRHC delivers more than 2,000 affordable, attractive, inclusive, and sustainable homes across more than 51 unique properties. The CRHC is advancing two complementary staff reports with this one detailing a five-year Major Capital Plan (2025-2029). The second is the CRHC 2025 Financial Plan, which is focused on operational sustainability of the CRHC in supporting and enabling the continued growth.

Since 2019, the CRHC has increased its housing portfolio by more than 800 homes through development and acquisition. Currently, the CRHC has an additional 180 homes under construction and over 1,000 homes in various phases of development and pre-construction. To help guide decision-making and to ensure the CRHC continues to meet the objectives of the 2023-2026 Corporate Plan, staff have prepared the Major Capital Plan (2025-2029), which is attached as Appendix A and the Development Services Budget, which is attached as Appendix B.

During the pre-development phase of a potential capital project, the cost for feasibility studies, preparation of grant applications and the salaries and overhead for Development Services are recovered through the Development Services Stabilization Reserve (DSSR), if required. Once a project is approved, required staff salaries are recovered through approved capital projects and the DSSR is reimbursed the equal amount of the pre-development phase staff salaries.

**ALTERNATIVES**

*Alternative 1*

1. That the Major Capital Plan (2025-2029) be approved;
2. That the Development Services Budget be approved; and
3. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to three redevelopment projects through funding programs as necessary and as they become available.

*Alternative 2*

1. That the Major Capital Plan (2025-2029) be approved as amended;
2. That the Development Services Budget be approved as amended; and
3. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to three redevelopment projects through funding programs as necessary and as they become available.

## **IMPLICATIONS**

### *Service Delivery Implications*

In April 2024, the CRHC was notified that four projects had been selected to proceed under the Community Housing Fund (CHF) program, including the Verdier Affordable Housing project and the Cedar Hill Library and Affordable Housing project. Details and timelines for the two additional projects remain under embargo until confirmed.

Once staff receive permission to hire the designated project staff in 2025, design work will commence for the required municipal development approvals and a tenant engagement process will be conducted for the two additional properties. Both projects are eligible for \$500 thousand (K) in Project Development Funding (PDF) through BC Housing and staff will pursue additional funding that will be required to advance design, development, and pre-construction activities.

Throughout 2024, CRHC staff continued refining the CRHC Development Strategy and have identified three additional properties with significant redevelopment potential. Staff will pursue primary funding for these projects through the anticipated 2025 CHF call for proposals. Additionally, these proposed projects may be eligible for PDF through BC Housing, regardless of the results of the CHF. PDF could provide up to \$500K per project to support early development work. CRHC staff will pursue PDF in 2025 for all three of the projects and continue to pursue major grant funding sources as they become available. The anticipated expenditures for the future redevelopment projects are \$1.5M in 2025.

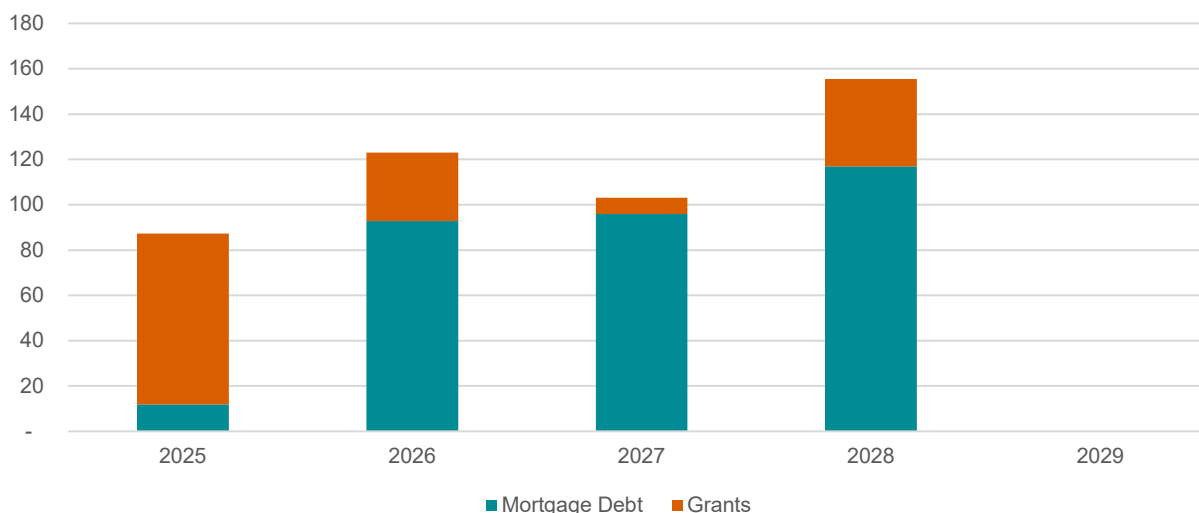
Additional capacity is required on the CRHC's Development Services Team in support of the newly awarded projects and the ongoing efforts to secure new funds. To effectively deliver these four newly awarded projects, staff put forward an Initiative Business Case (IBC) in 2024 to secure staffing on five year term positions that are required to lead and support these projects. Roles include two new Senior Project Leads, two Project Coordinators and one Planning Assistant position. As these roles are funded through project management fees available through approved capital projects, staff are actively beginning the recruitment process and are targeting January 2025 start dates. With the approved positions, the Development Services Team will be well positioned with depth and capacity to service the eight active development projects while pursuing capital funding for three additional redevelopment projects.

### *Financial Implications*

The five-year Major Capital Plan is included as Appendix A and totals \$469 million (M) in expenditures from 2025-2029, with \$88M planned in 2025. As shown in the graph below, approximately 32% of the five-year total will be funded by capital grants, with approximately 68% funded by mortgage debt. These mortgage debt costs are supported through operational revenue that is more fully detailed in the CRHC 2025 Financial Plan staff report.

It is noted that 2029 does not currently show spending, however staff are actively pursuing new opportunities and it is expected that expenditures will be added to 2029 and beyond in future updates to the plan.

**Graph 1: CRHC 2025-2029 Major Capital Plan by funding source (\$M)**



Since 2020, development budgets and construction costs have seen significant upward pressure. Cost escalation continues to be attributed to factors such as supply-chain interruptions, interest rate pressures, building code updates, sustainability requirements as well as skilled labour shortages and increasing labour rates. On all CRHC projects, staff work with hired cost consultants to establish construction cost estimates and incorporate contingencies into project budgets. Contingencies are generally broken down into three categories: design contingency, construction contingency and escalation contingency. Generally, these values are based on a percentage of the project budget and vary based on the level of design detail available at the time of the estimate.

Through the work of our hired cost consultants, it was noted that construction costs will continue to moderate with a downward trend in construction cost escalation. However, development and construction costs do not look to be reducing significantly due to ongoing labour shortages and inflationary pressures. Costs outlined in the Major Capital Plan (2025-2029) are subject to change based on these factors and staff will continue to provide updates to the CRHC Board and report on progress and issues that have a potential to impact capital project budgets.

***Development Services Budget***

To deliver the Major Capital Plan, the CRHC employs a Development Services Team consisting of Project Coordinators, administrative, and management staff. This Team is funded through Project Management fees charged to each capital project. Details of the operating budget for this Team are shown in Appendix B and summarized in Table 1 below.

**Table 1: Development Services Budget - Appendix B (\$)**

	<b>2024 Amended Budget</b>	<b>2024 Estimates</b>	<b>2024 Variance</b>	<b>2025 Proposed Budget</b>	<b>2024-2025 Budget Change</b>
<b>Total Revenue</b>	1,481,337	772,187	(709,150)	1,970,358	489,021
<b>Total Expenditures</b>	1,176,033	713,387	(462,646)	1,878,992	702,959
<b>Operating Surplus/(Deficit)</b>	305,304	58,800	(246,504)	91,366	(213,938)

Estimated revenues in 2024 are lower than budgeted due to the timing of Development Services expenses. Revenues consist of project management fees which are charged to align with the team's costs.

Staff estimate a \$59K surplus due to a deferral of various fees, costs, and residual project funds from interest earnings. Additionally, salaries and benefits were approximately 27% below budget due to staff vacancies. The 2024 estimated surplus of \$59K will be transferred into the DSSR, which was approved by the Board in 2022.

Staff are proposing the 2025 Development Services Budget expenditures of \$1.9M. This represents an expenditure increase of \$703K or 60% over 2024 and is driven and funded by approved capital projects based on a standard project management fee. Funding required for Development Services staff is included in the Major Capital Plan (2025-2029) proposed for approval.

**CONCLUSION**

The Major Capital Plan (2025-2029), when complete, will increase the CRHC's housing stock from approximately 2,000 homes to more than 3,000 homes while continuing to invest in the renewal and redevelopment of the existing CRHC portfolio.

In keeping with the CRD Corporate Plan 2023-2026, throughout 2025, staff will continue to advance the nine funded projects through development, pre-construction, construction, and occupancy. Concurrently, staff will continue to look for innovative ways to access the necessary grant funding that is crucial to advancing up to three additional affordable housing redevelopment projects as well as grant funding that is required to close the equity gaps on the Campus View Redevelopment and the Village on the Green Redevelopment projects.

Approval of the Major Capital Plan and associated Development Services Budget will allow the CRHC to continue to support the CRD in meeting its corporate goals of increasing the supply of and preserving and enhancing existing affordable, inclusive, and adequate housing stock in the region.

**RECOMMENDATION**

1. That the Major Capital Plan (2025-2029) be approved;
2. That the Development Services Budget be approved; and
3. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to three redevelopment projects through funding programs as necessary and as they become available.

Submitted by:	Don Elliott, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer, GM Finance & IT
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENTS:**

- Appendix A: Five Year Major Capital Expenditure Plan Summary (2025-2029)
- Appendix B: Development Services Budget

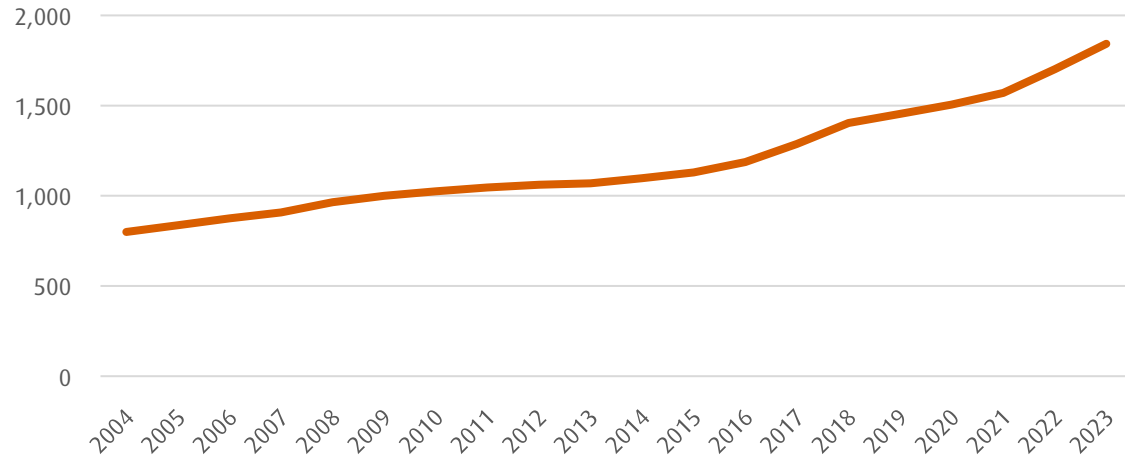
# Capital Region Housing Corporation 2025 Financial Plan

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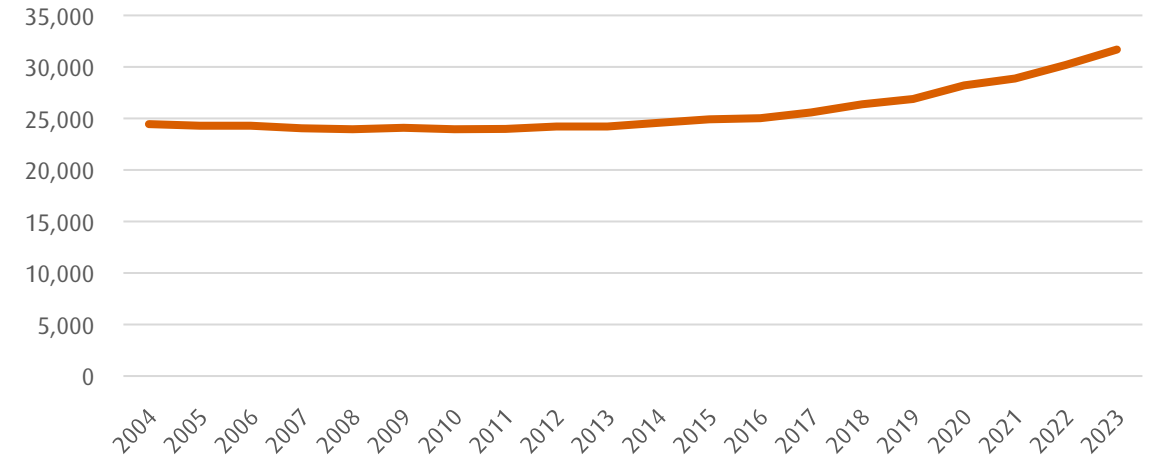
Presentation to: Capital Region Housing Corporation Board of Directors  
November 27, 2024

# Housing in the Victoria CMA

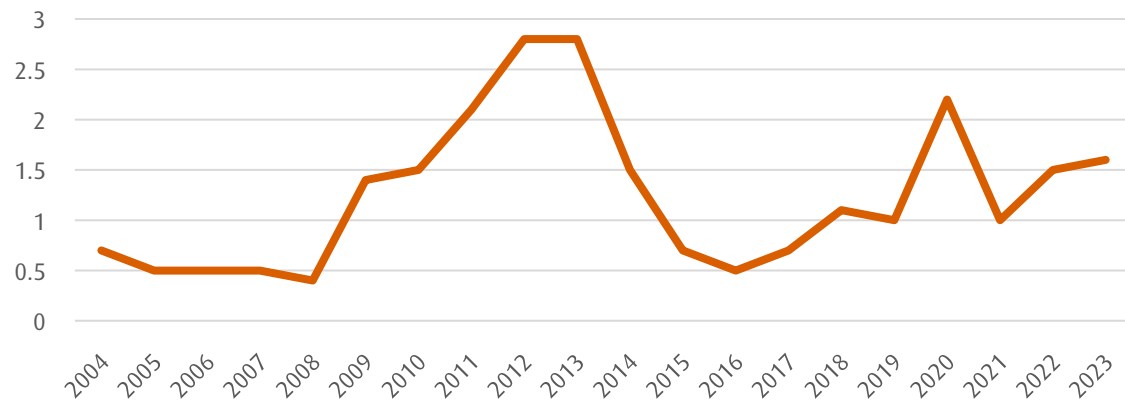
### Victoria CMA 2 Bedroom Rent Levels (\$)



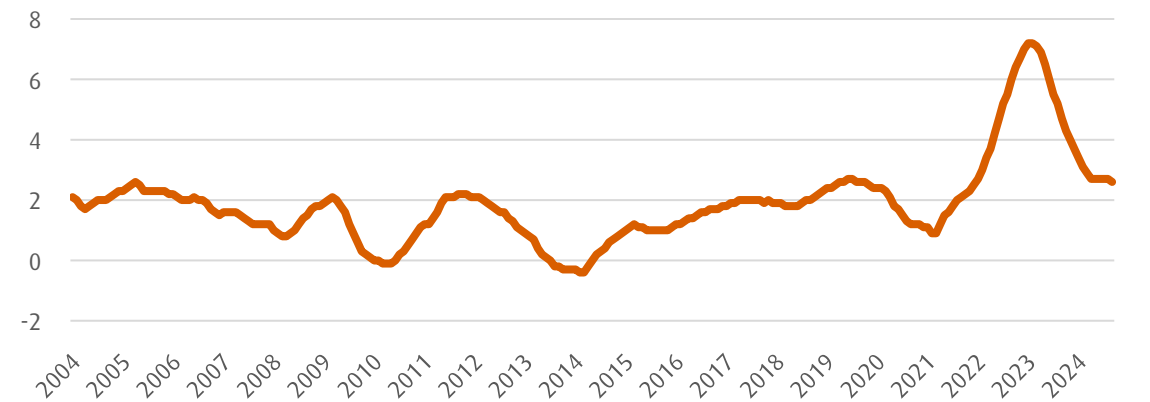
### Victoria CMA Primary Rental Market - # Homes



### Victoria CMA Vacancy Rate (%)



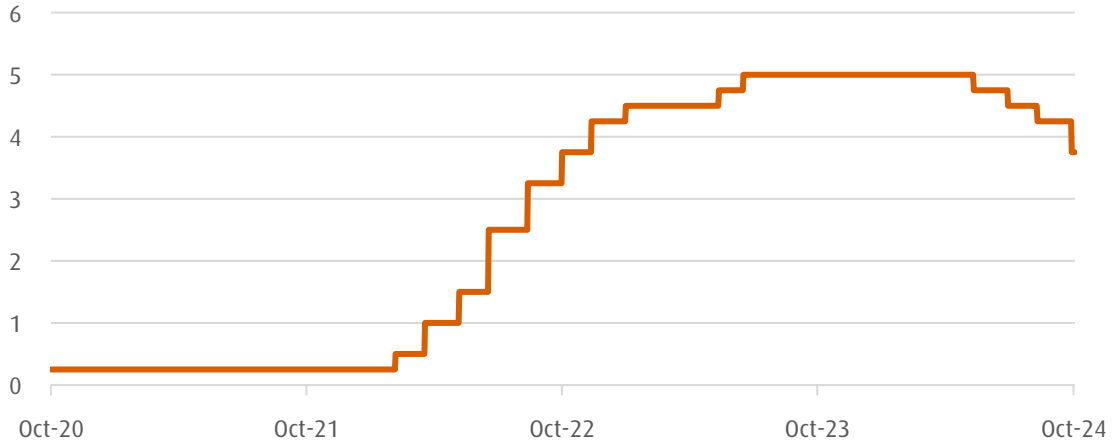
### Victoria CPI % Change



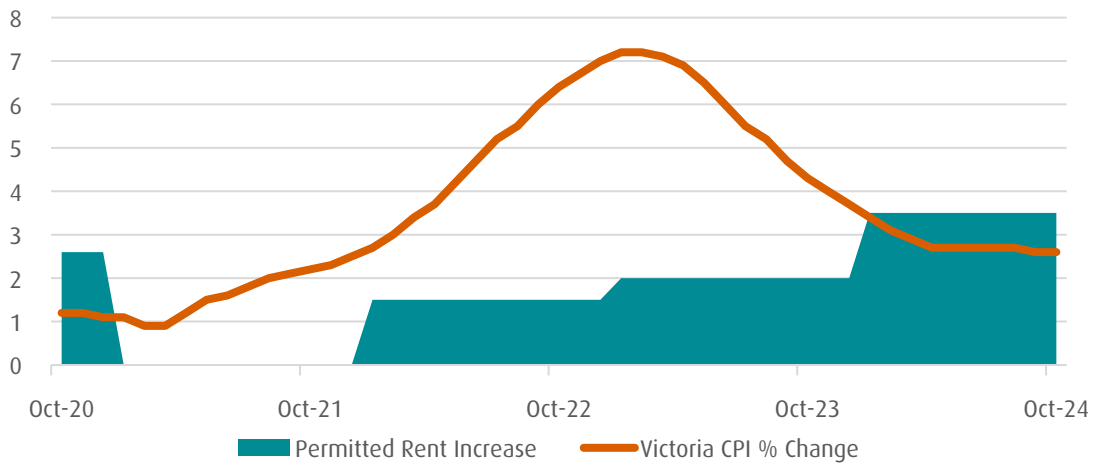


# Trends & Observations

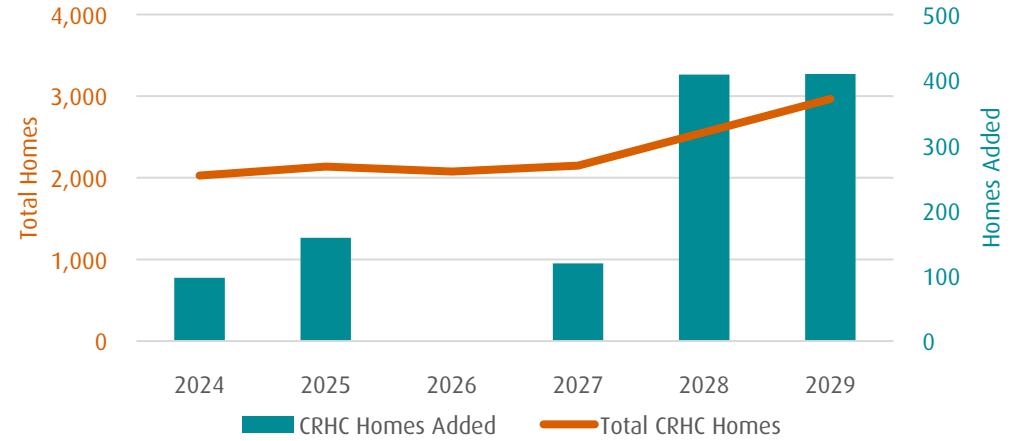
Bank of Canada Overnight Policy Rate



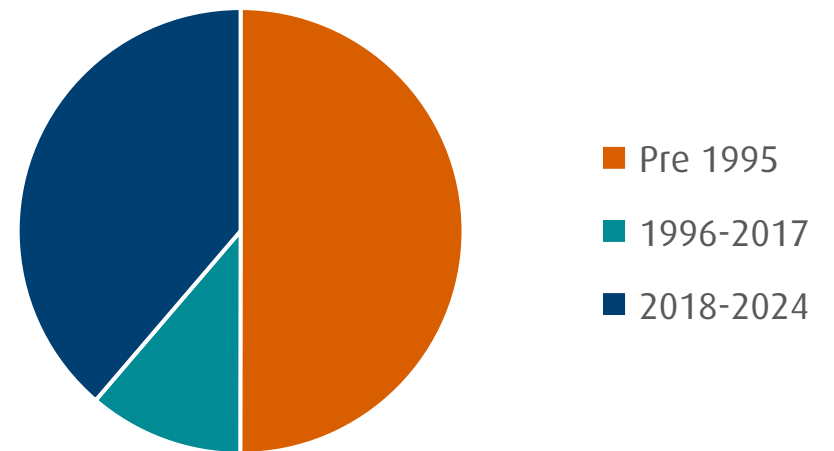
Victoria CPI % Change & Permitted Rent Increase



CRHC Homes (2024 - 2029)



CRHC Asset Age



# Reports & Budgets

## 1. Major Capital Plan (2025 – 2029) and Development Services Budget

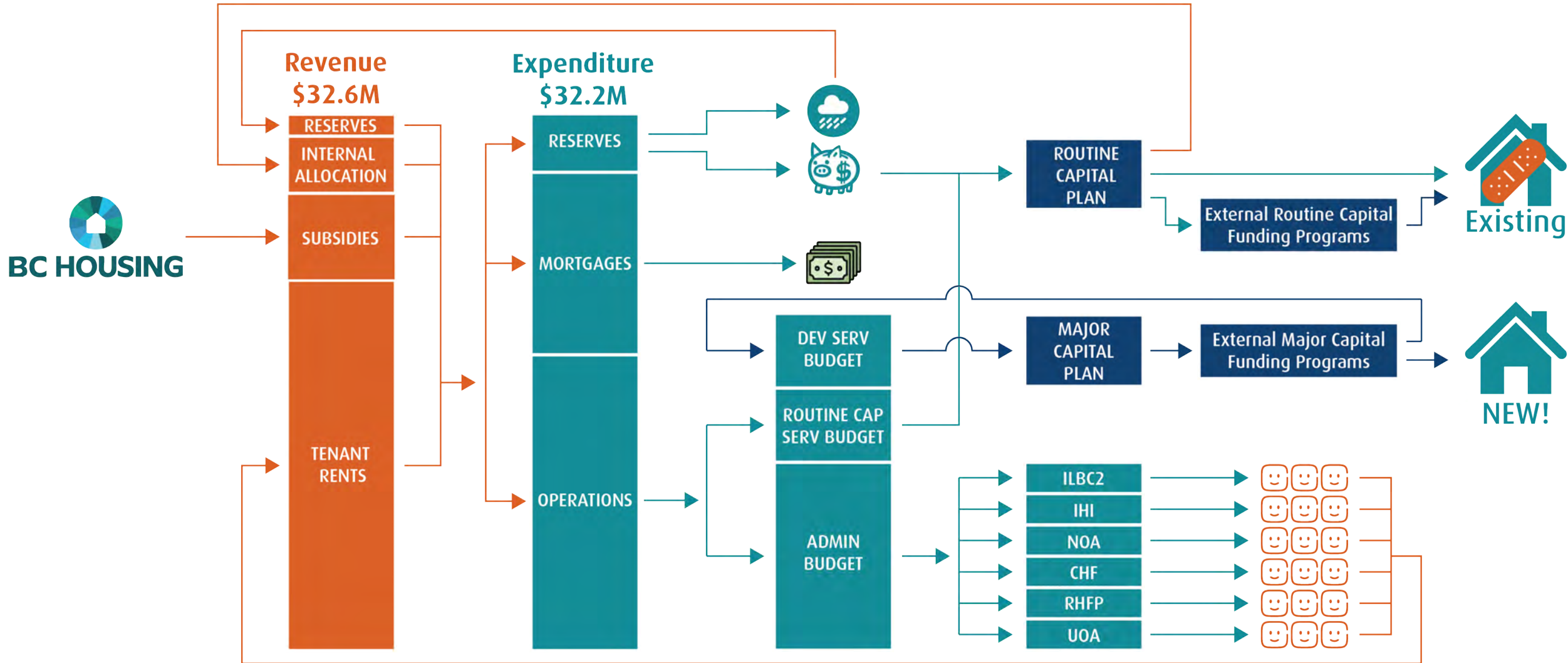
- Five Year Major Capital Plan Expenditure Plan Summary (2025 – 2029)
- Development Services Budget

## 2. Capital Region Housing Corporation 2025 Financial Plan

- 2025 Consolidated Operations Budget
- 2025 Administration Budget
- 2025 Umbrella Agreement Operating Budget Summary
- 2025 RHFP Agreement Budget Summary
- 2025 CHF Agreement Budget Summary
- 2025 No Operating Agreement Budget Summary
- 2025 IHI Agreement Budget Summary
- 2025 ILBC (2) Operating Budget Summary
- Five Year Routine Capital Expenditure Summary (2025 - 2029)
- 2025 Routine Capital Replacement Services Budget
- UOA Mortgage Renewal and Expiry

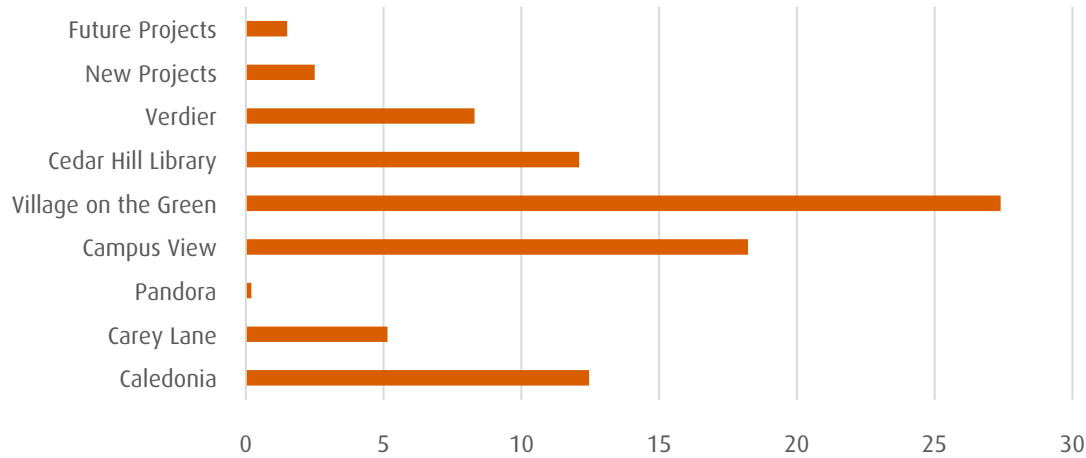


# How the CRHC Budgets Work

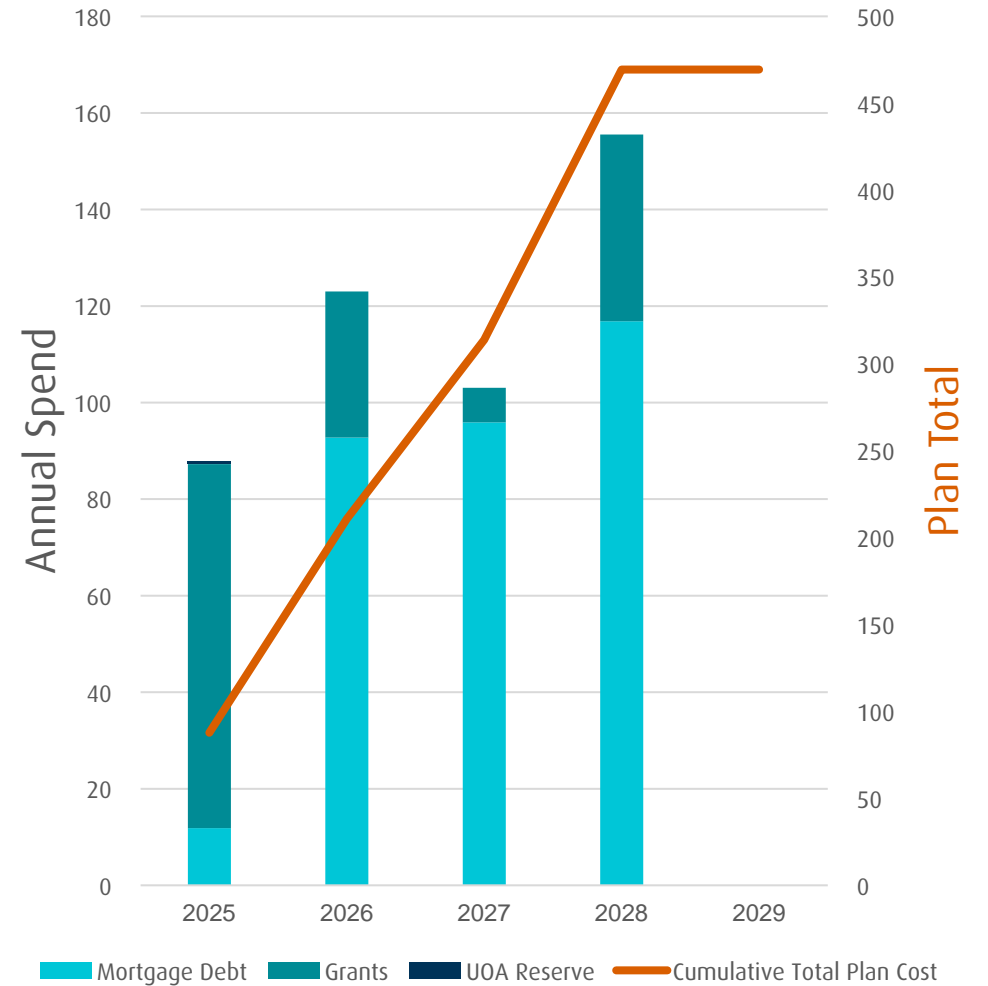


# 2025 – 2029 Major Capital Plan

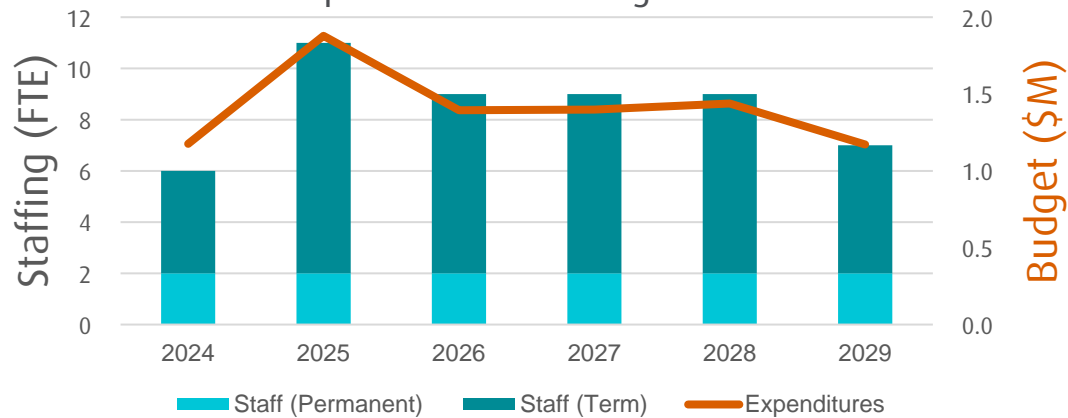
2025 Planned Expenditure By Project (\$M)



2025 - 2029 Planned Expenditure Summary (\$M)



Development Services Budget & FTE





# Upcoming Capital Projects

Caledonia Summer 2025



Campus View 2027



Village on the Green 2027



Verdier 2027



Pandora 2028/29

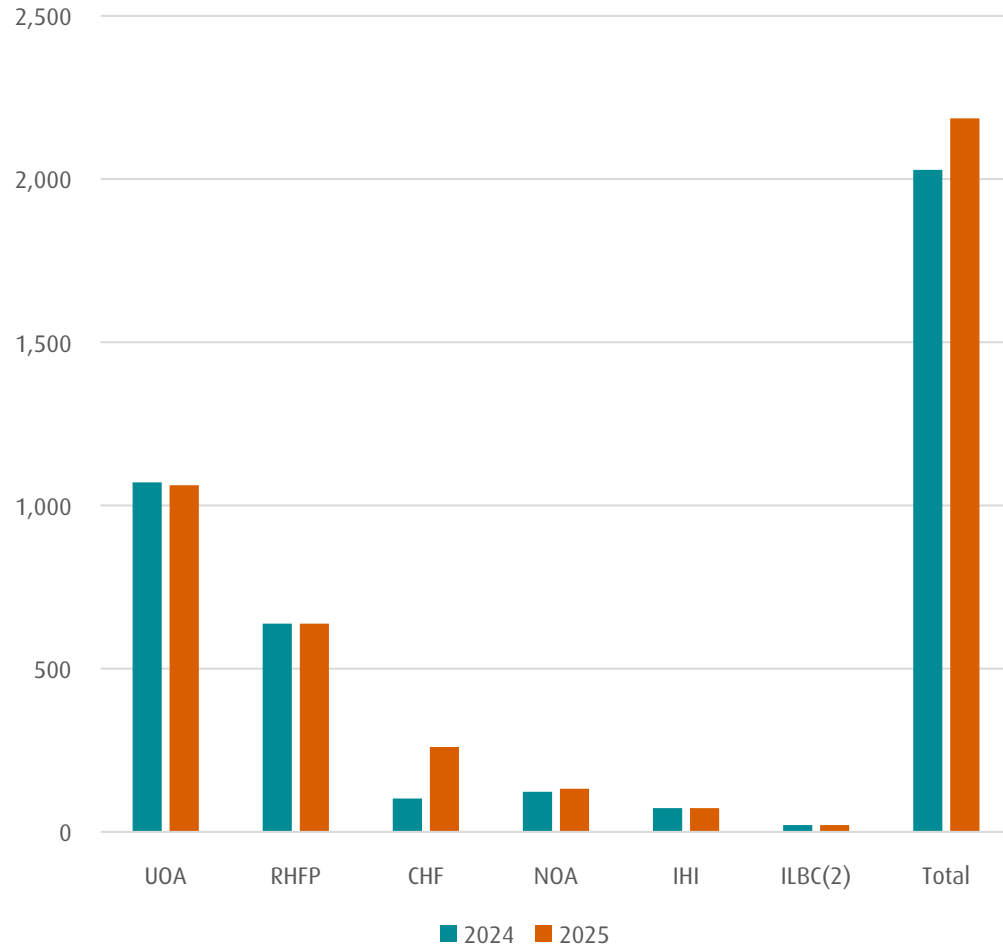


Cedar Hill TBD



# Portfolio Changes 2024 – 2025

CRHC Portfolio Changes (2024 - 2025)



## KEY CHANGES

- Removal of nine homes from UOA and added to NOA
- Addition of 158 homes to CHF

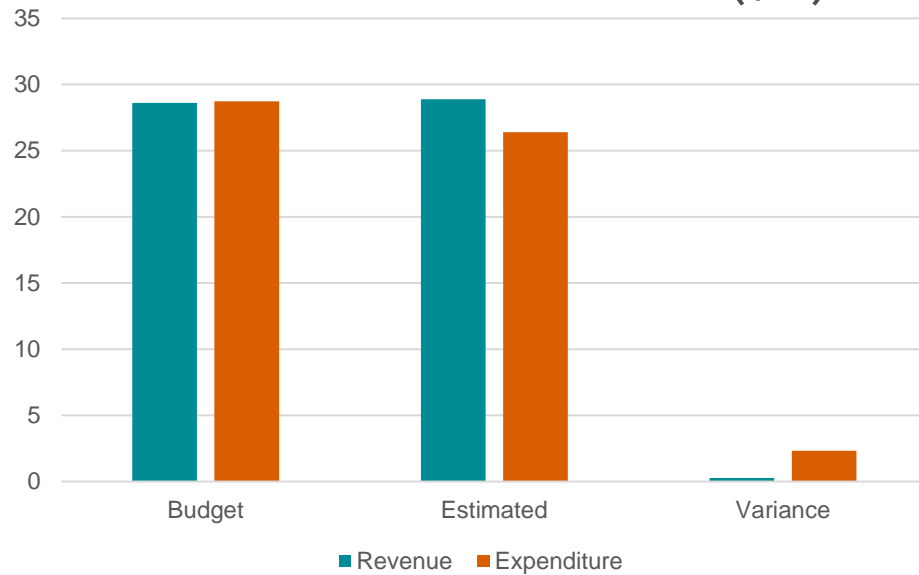
**CRHC GROWTH**  
**2,028 to 2,186**

# 2025 CRHC Financial Plan Summary

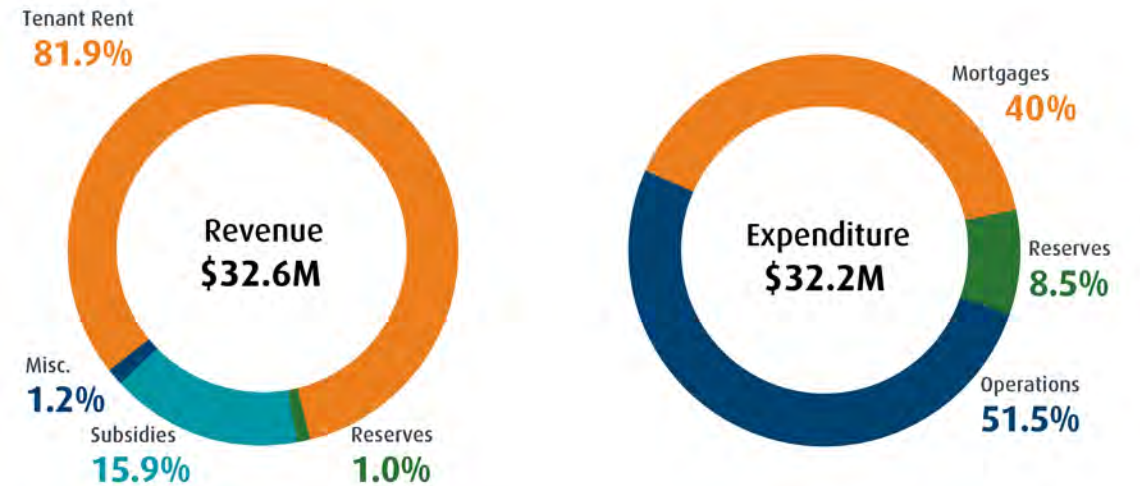
## 2024 – 2025 Budget Change



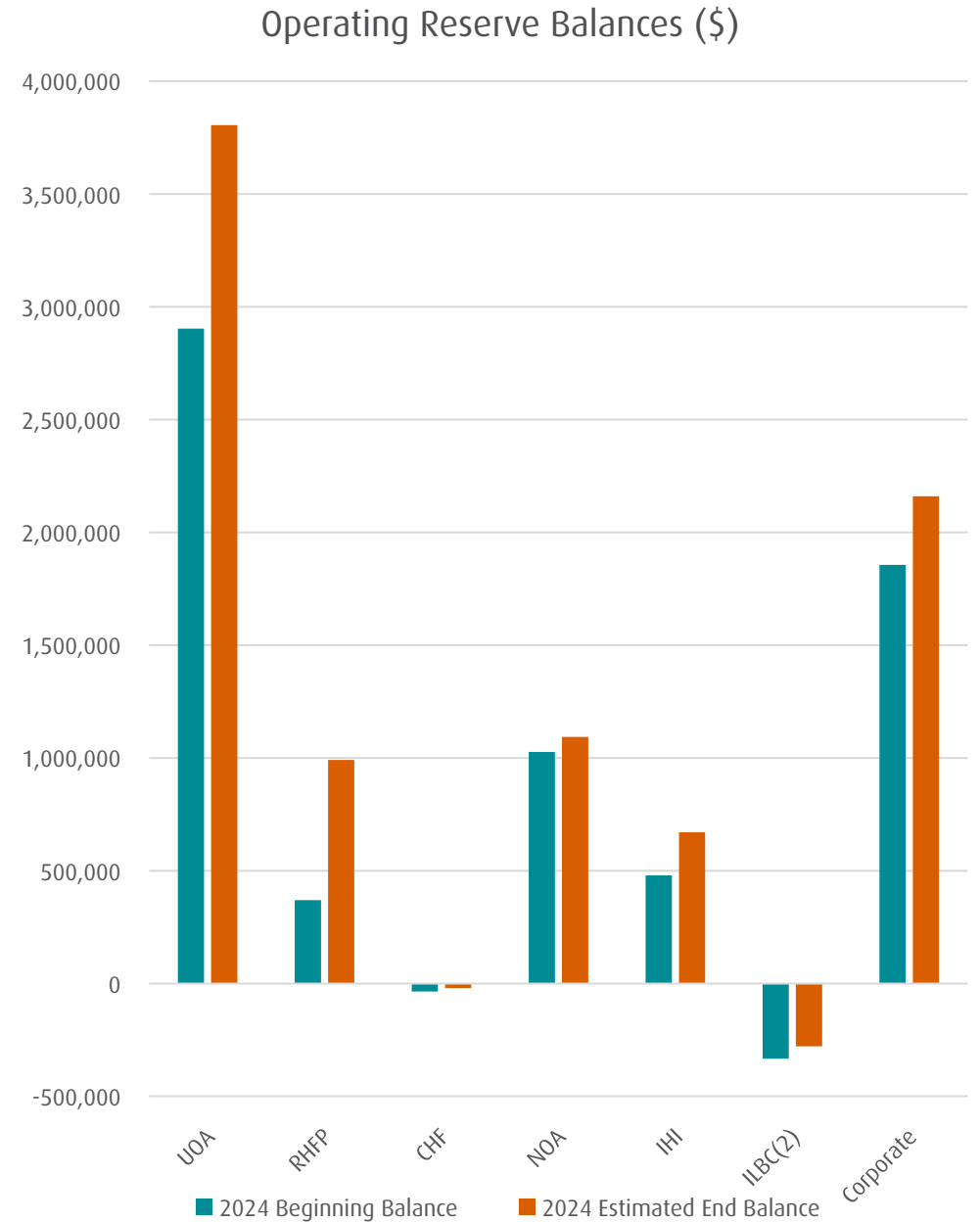
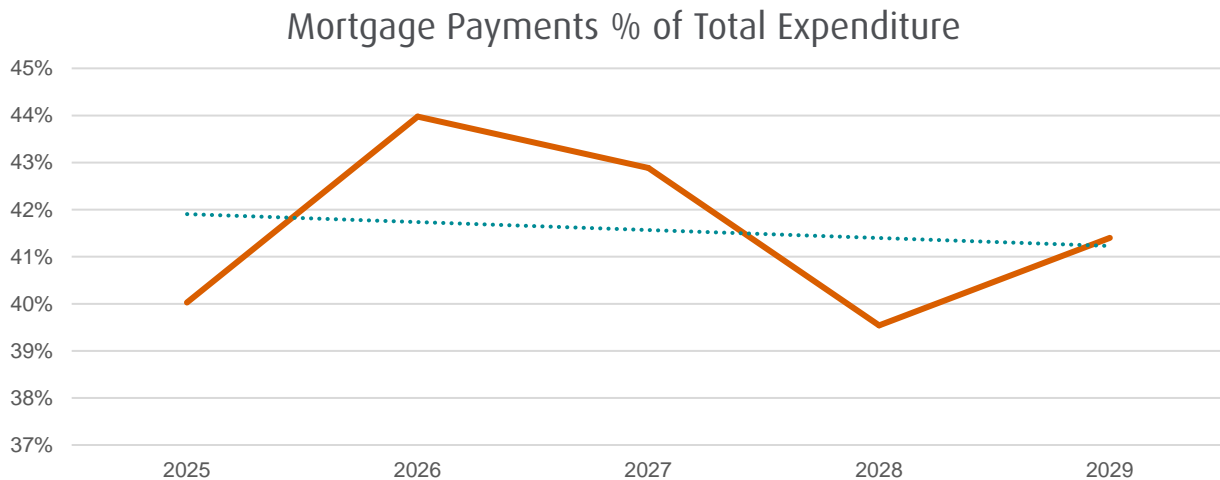
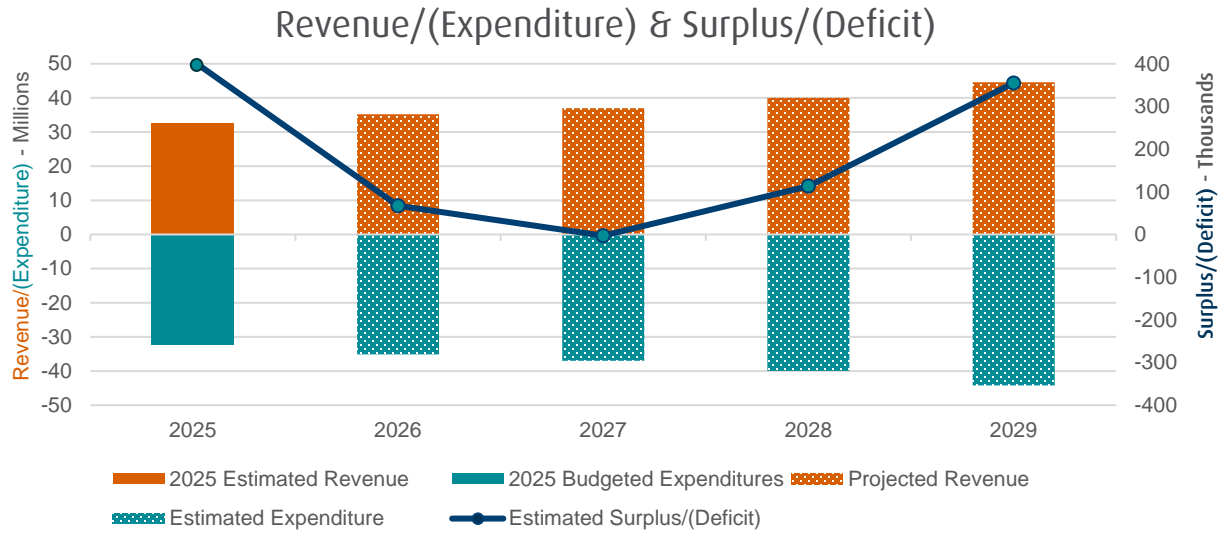
### 2024 Financial Performance (\$M)



### 2025 Budget Summary



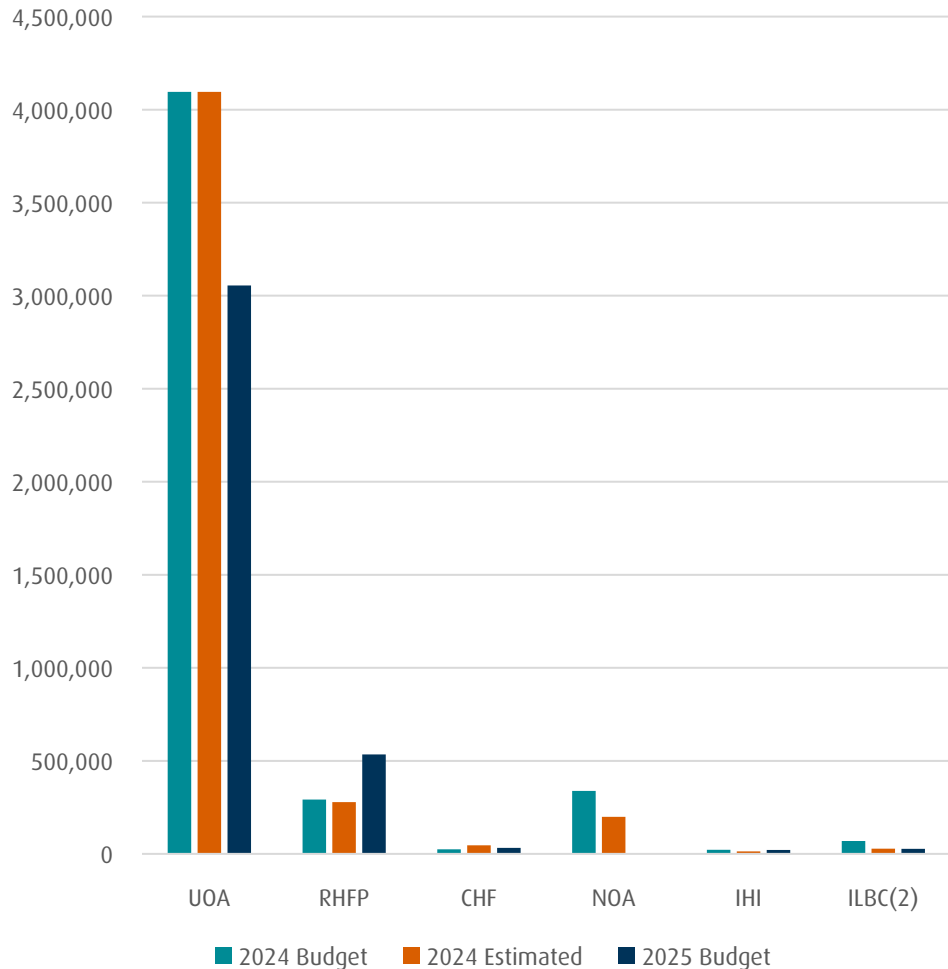
# CRHC 2025 – Operations



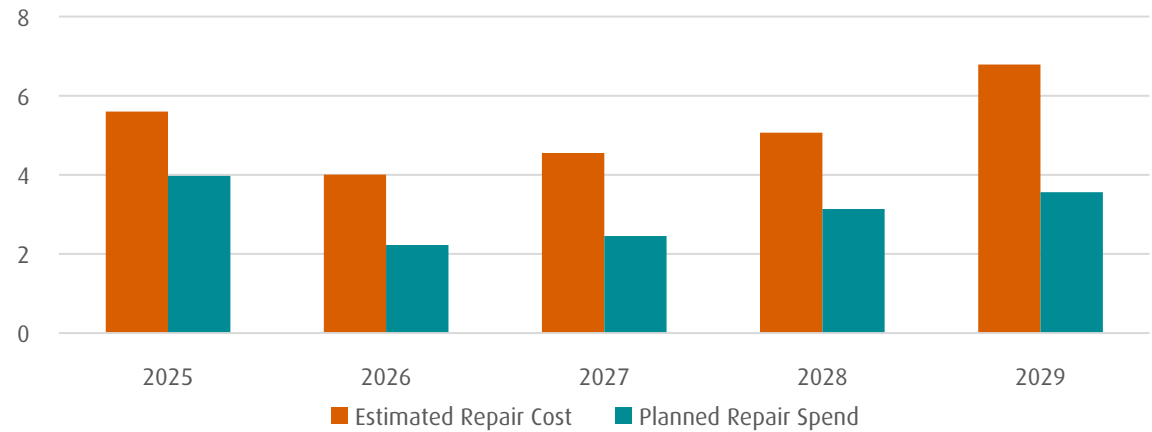


# CRHC 2025 – Asset Management

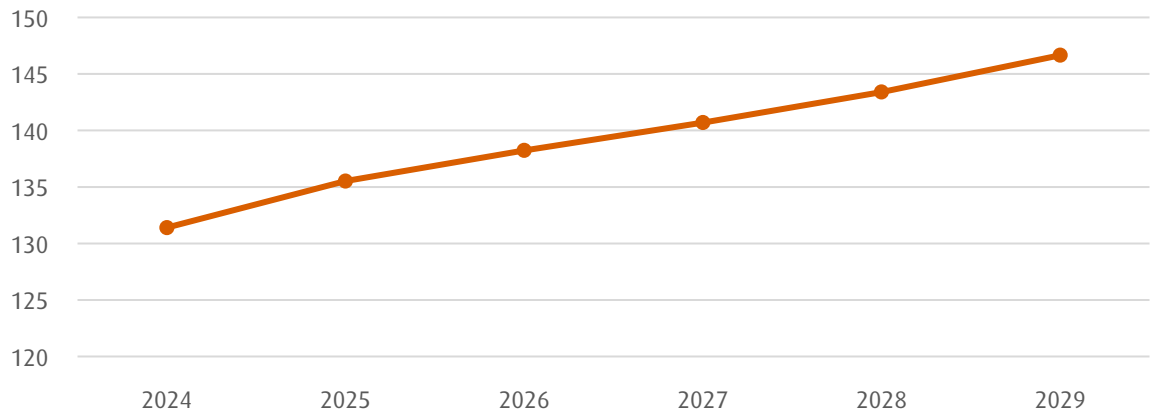
Routine Capital Plan Expenditure Summary



5-Year Routine Capital Cost & Spend (\$M)

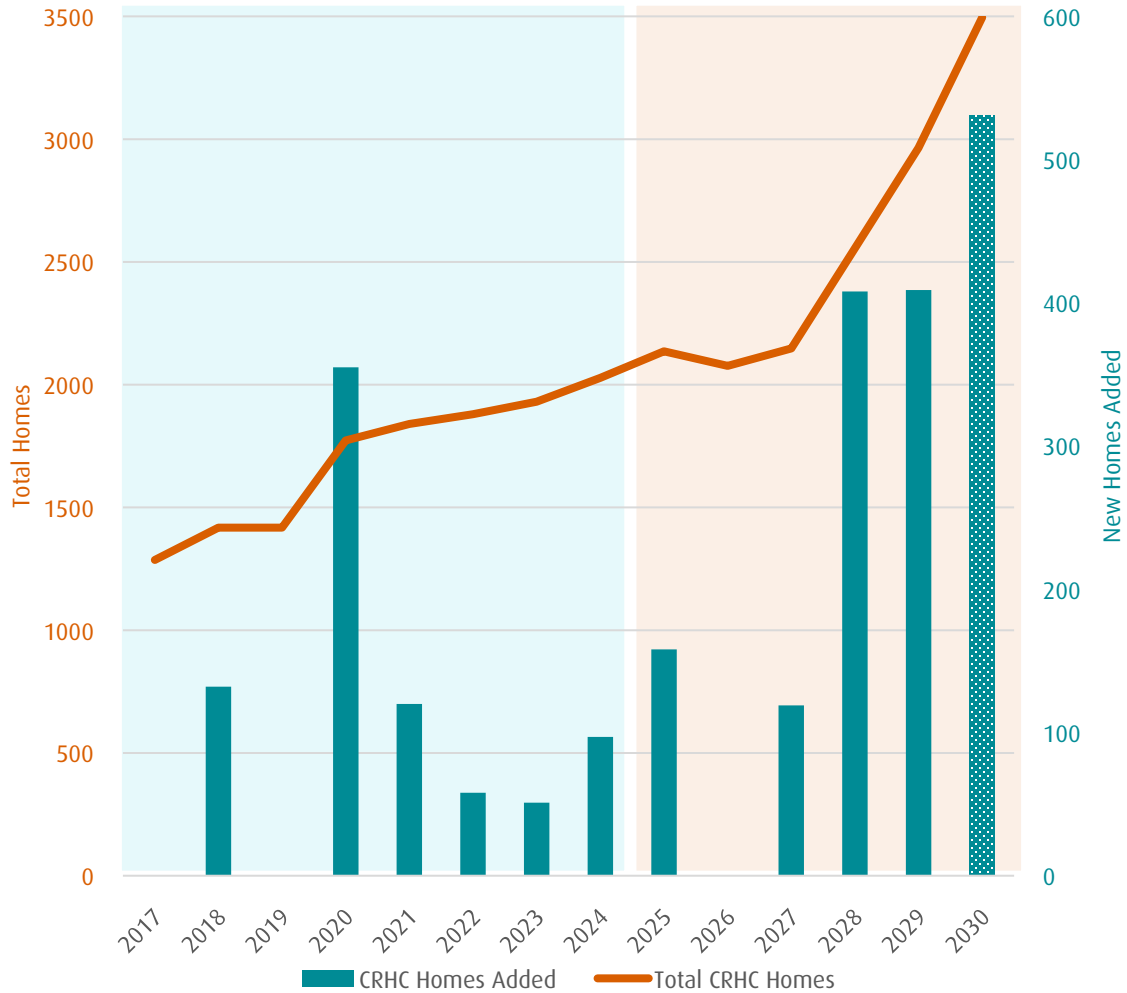


Per Home Per Month Contribution (\$)

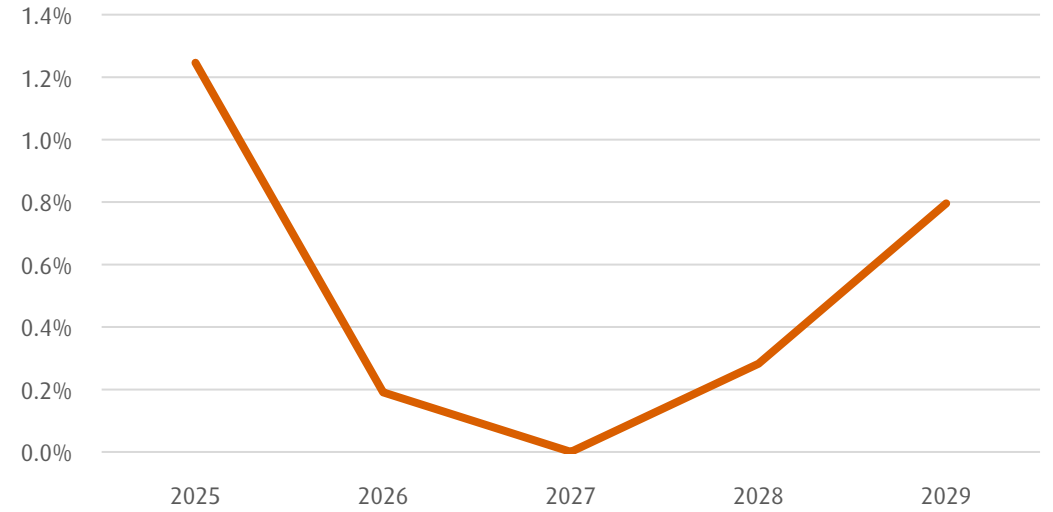


# 2025 – 2029 Risks

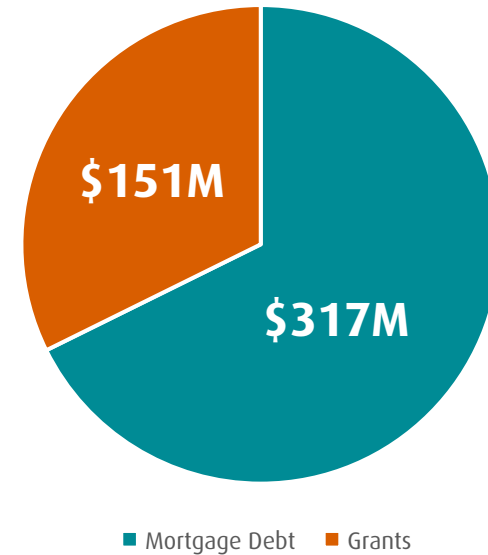
Corporate Growth 2018 - 2030



Net Income as % Total Revenue



2025 – 2029 Mortgage Debt & Grant



# Recommendations

## Major Capital Plan (2025 – 2029) and Development Services Budget

1. That the Major Capital Plan (2025-2029) be approved;
2. That the Development Services Budget be approved; and
3. That the Chief Administrative Officer, or their duly authorized delegate, be authorized to apply for, negotiate and accept the terms to receive funds for up to three redevelopment projects through funding programs as necessary and as they become available.

## Capital Region Housing Corporation 2025 Financial Plan

1. That the Capital Region Housing Corporation 2025 Financial Plan be approved as presented;
2. That the Chief Administrative Officer or their duly authorized delegate be authorized to apply for, negotiate and accept the terms to receive funds for routine capital works through funding programs as necessary and as they become available; and
3. That any 2024 operating surplus/(deficits) to be transferred to/(from) the Corporate and/or Portfolio Stabilization Reserves as contained within the CRHC 2025 Financial Plan be approved.







# Questions?

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Capital Regional District



CRDVictoria



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CAPITAL REGION HOUSING CORPORATION

FIVE YEAR MAJOR CAPITAL EXPENDITURE PLAN SUMMARY - 2025 to 2029

	Type	Estimate Class	Total Project Budget	Forecast spent at Dec. 31, 2024	Balance Remaining at Dec. 31, 2024	2025	2026	2027	2028	2029	TOTAL
<b>EXPENDITURE</b>											
Caledonia - CHF	B	Class A	73,586,979	61,127,144	12,459,835	12,459,835					12,459,835
Carey Lane - BER	B	Class A	10,539,332	5,396,901	5,142,431	5,142,431					5,142,431
Pandora - CHF	Lease	Class B	114,399,753	20,000	114,379,753	200,000	200,000	200,000	113,779,753		114,379,753
Campus View Redevelopment - RHFP	B	Class B	55,446,365	1,011,571	54,434,794	18,227,203	23,906,070	12,301,521	-	-	54,434,793
Village on the Green Redevelopment - RHFP	B	Class C	81,102,549	3,618,746	77,483,803	27,395,730	29,214,357	20,873,715			77,483,803
Cedar Hill Library & HSG Redevelopment - CHF	B	Class D	138,244,506	900,000	137,344,506	12,100,000	41,748,169	41,748,169	41,748,169	-	137,344,506
Verdier / Brentwood - CHF	B	Class C	65,437,392	1,262,083	64,175,308	8,301,416	27,936,946	27,936,946			64,175,309
New Redevelopment Projects	B	Conceptual	2,500,000	-	2,500,000	2,500,000	-	-	-	-	2,500,000
Future Redevelopment Projects	B	Conceptual	1,500,000	-	1,500,000	1,500,000	-	-	-	-	1,500,000
			61,673,795								
			<b>542,756,876</b>	<b>73,336,446</b>	<b>469,420,430</b>	<b>87,826,615</b>	<b>123,005,542</b>	<b>103,060,351</b>	<b>155,527,922</b>	<b>-</b>	<b>469,420,430</b>
<b>SOURCE OF FUNDS (combined)</b>											
Mortgage Debt	Debt		358,572,682	41,180,030	317,392,652	11,866,950	92,749,541	95,910,771	116,865,390	-	317,392,651
Grants (Federal, Provincial, Local)	Grant		182,584,194	31,142,980	151,441,214	75,373,102	30,256,000	7,149,580	38,662,532	-	151,441,214
CRHC Equity	Equity		-	-	-	-	-	-	-	-	-
UOA Reserve	Res		1,600,000	1,013,436	586,564	586,564	-	-	-	-	586,564
Other - Third Party Funding	Other		-	-	-	-	-	-	-	-	-
			<b>542,756,876</b>	<b>73,336,446</b>	<b>469,420,430</b>	<b>87,826,616</b>	<b>123,005,542</b>	<b>103,060,351</b>	<b>155,527,922</b>	<b>-</b>	<b>469,420,429</b>

CAPITAL REGION HOUSING CORPORATION

FIVE YEAR MAJOR CAPITAL EXPENDITURE PLAN SUMMARY - 2025 to 2029

		Total Project Budget	Forecast spent at Dec. 31, 2024	Balance Remaining at Dec. 31, 2024	2025	2026	2027	2028	2029	TOTAL
<b>SOURCE OF FUNDS (by project)</b>										
<b>Caledonia - CHF</b>										
Mortgage Debt	Debt	53,046,979	41,180,030	11,866,949	11,866,949					11,866,949
Grants	Grant	19,540,000	19,007,500	532,500	532,500					532,500
UOA Stabilization Reserve	Res	1,000,000	939,614	60,386	60,386					60,386
		<b>73,586,979</b>	<b>61,127,144</b>	<b>12,459,835</b>	<b>12,459,835</b>	-	-	-	-	<b>12,459,835</b>
<b>Carey Lane - BER</b>										
UOA Stabilization Reserve	Res	600,000	73,822	526,178	526,178					526,178
Grants	Grant	9,939,332	5,323,079	4,616,253	4,616,253					4,616,253
		<b>10,539,332</b>	<b>5,396,901</b>	<b>5,142,431</b>	<b>5,142,431</b>	-	-	-	-	<b>5,142,431</b>
<b>Pandora - CHF</b>										
Mortgage Debt	Debt	82,066,801	-	82,066,801	-	-	-	82,066,801		82,066,801
Grants	Grant	32,332,952	20,000	32,312,952	200,000	200,000	200,000	31,712,952		32,312,952
		<b>114,399,753</b>	<b>20,000</b>	<b>114,379,753</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>113,779,753</b>	-	<b>114,379,753</b>
<b>Campus View Redevelopment - RHFP</b>										
Mortgage Debt	Debt	32,506,535	-	32,506,535	-	20,205,014	12,301,521	-		32,506,534
Grants	Grant	22,939,830	1,011,571	21,928,259	18,227,203	3,701,056	-	-		21,928,259
		<b>55,446,365</b>	<b>1,011,571</b>	<b>54,434,794</b>	<b>18,227,203</b>	<b>23,906,070</b>	<b>12,301,521</b>	-	-	<b>54,434,793</b>
<b>Village on the Green Redevelopment - RHFP</b>										
Mortgage Debt	Debt	43,606,549	-	43,606,549	-	22,732,834	20,873,715			43,606,549
Grants	Grant	37,496,000	3,618,746	33,877,254	27,395,730	6,481,524	-			33,877,254
		<b>81,102,549</b>	<b>3,618,746</b>	<b>77,483,803</b>	<b>27,395,730</b>	<b>29,214,357</b>	<b>20,873,715</b>	-	-	<b>77,483,803</b>
<b>Cedar Hill Library &amp; HSG Redevelopment - CHF</b>										
Mortgage Debt	Debt	104,395,766	-	104,395,766	-	34,798,589	34,798,589	34,798,589		104,395,766
Grants	Grant	33,848,740	900,000	32,948,740	12,100,000	6,949,580	6,949,580	6,949,580		32,948,740
		<b>138,244,506</b>	<b>900,000</b>	<b>137,344,506</b>	<b>12,100,000</b>	<b>41,748,169</b>	<b>41,748,169</b>	<b>41,748,169</b>	-	<b>137,344,506</b>
<b>Verdier/Brentwood</b>										
Mortgage Debt	Debt	42,950,052	-	42,950,052	-	15,013,106	27,936,946			42,950,052
Grants	Grant	22,487,340	1,262,083	21,225,257	8,301,416	12,923,840	-			21,225,257
		<b>65,437,392</b>	<b>1,262,083</b>	<b>64,175,308</b>	<b>8,301,416</b>	<b>27,936,946</b>	<b>27,936,946</b>	-	-	<b>64,175,308</b>
<b>New Redevelopment Projects</b>										
Mortgage Debt	Debt	-	-	-	-	-	-	-	-	-
Grants	Grant	2,500,000	-	2,500,000	2,500,000	-	-	-	-	2,500,000
		<b>2,500,000</b>	-	<b>2,500,000</b>	<b>2,500,000</b>	-	-	-	-	<b>2,500,000</b>

**CAPITAL REGION HOUSING CORPORATION  
2025 DEVELOPMENT SERVICES BUDGET**

APPENDIX B

	2024 Board Approved	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2025 Budget \$ Change	2025 Budget % Change	2026 Forecast \$ Estimate	2027 Forecast \$ Estimate	2028 Forecast \$ Estimate	2029 Forecast \$ Estimate
<b>REVENUE</b>											
Project Management Fees	1,387,851	637,000	(1) (750,851)	-54%	1,872,000	(7) 484,149	35%	1,446,000	1,446,000	1,110,000	934,000
Other Revenue	-	41,701	(2) 41,701	100%	-	-	0%	-	-	-	-
Transfer from Routine Replacement Reserve	93,486	93,486	-	0%	98,358	4,872	5%	100,325	102,331	104,378	106,466
<b>TOTAL REVENUE</b>	<b>1,481,337</b>	<b>772,187</b>	<b>(709,150)</b>	<b>-48%</b>	<b>1,970,358</b>	<b>489,021</b>	<b>33%</b>	<b>1,546,325</b>	<b>1,548,331</b>	<b>1,214,378</b>	<b>1,040,466</b>
<b>EXPENDITURES</b>											
Salaries & Benefits	803,380	588,615	(3) 214,765	27%	1,418,584	(8) 615,204	77%	1,176,650	1,210,723	1,245,764	974,921
CRD allocations	257,567	109,672	(4) 147,895	57%	317,860	(9) 60,292	23%	170,028	139,046	143,423	146,373
CRHC Admin allocation	44,316	-	(5) - 44,316	-100%	45,779	1,463	3%	-	-	-	-
Travel - local	3,000	600	2,400	80%	3,000	-	0%	3,060	3,120	3,180	3,240
Telephone	4,000	1,800	2,200	55%	4,000	-	0%	4,080	4,160	4,240	4,320
Miscellaneous Expense	29,770	8,700	(6) 21,070	71%	29,770	-	0%	30,370	30,970	31,590	32,210
Capital Equipment	24,000	4,000	(6) 20,000	83%	50,000	(10) 26,000	108%	-	-	-	-
Consultants	10,000	0	(6) 10,000	100%	10,000	-	0%	10,350	10,557	10,768	10,984
<b>TOTAL EXPENDITURES</b>	<b>1,176,033</b>	<b>713,387</b>	<b>374,014</b>	<b>32%</b>	<b>1,878,992</b>	<b>702,959</b>	<b>60%</b>	<b>1,394,538</b>	<b>1,398,576</b>	<b>1,438,965</b>	<b>1,172,048</b>
<b>TOTAL DEVELOPMENT SERVICES Surplus/(Deficit)</b>	<b>305,304</b>	<b>58,800</b>	<b>(335,136)</b>		<b>91,366</b>	<b>(213,938)</b>		<b>151,786</b>	<b>149,756</b>	<b>(224,587)</b>	<b>(131,582)</b>
<b>AUTHORIZED POSITIONS:</b>											
Salaried	2.0				2.0			2.0	2.0	2.0	2.0
Term	4.0				9.0			7.0	7.0	7.0	5.0
<b>Development Services Stabilization Reserve</b>											
Opening balance		(6,063)			52,737			144,102	295,889	445,644	221,057
Estimated operating surplus/(deficit)		58,800			91,366			151,786	149,756	(224,587)	(131,582)
Ending balance		52,737			144,102			295,889	445,644	221,057	89,476

**Notes:**

- (1) 2024 PM Fees variance due to deferral of Verdier and Pandora fees and partial deferral of VOG and Campus view fees to align with staff costs.
- (2) 2024 Other Revenue variance due to receipt of Hockley surplus from BC Housing.
- (3) 2024 Salaries & Benefits variance due to staff vacancies.
- (4) 2024 CRD Allocations variance due to reimbursement of 1.0 FTE to Land, Banking & Housing (Sr Project Coordinator).
- (5) 2024 CRHC Allocation variance due to reimbursement of 0.5 FTE (Rent-up Clerk)

- (6) 2024 Various expense variances due to staff vacancies.
- (7) 2025 PM fee increase to align with Development Services team expenses
- (8) 2025 Salary budget increase includes 5.0 FTEs at \$563K from IBC 5a-1.5 Capital Project
- (9) 2025 CRD Allocation increase due to increased staffing.
- (10) 2025 Capital equipment to support 5.0 new FTEs from IBC 5a-1.5 Capital Project Delivery.

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD  
MEETING OF WEDNESDAY, NOVEMBER 27, 2024**

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**SUBJECT Capital Region Housing Corporation 2025 Financial Plan**

**ISSUE SUMMARY**

To present to the Capital Region Housing Corporation (CRHC) Board the CRHC 2025 Financial Plan for review and approval.

**BACKGROUND**

The Capital Regional District's (CRD) annual budget process includes the development of detailed annual budgets and the updating of five-year financial plans for each of the CRD's legal entities, including the CRHC. Unlike the *Local Government Act* and *Community Charter* which requires regional districts and municipalities in British Columbia to annually approve five-year financial plans by bylaw, these multi-year financial plans are not required under CRHC enabling legislation. However, in alignment with CRD budget practice that adhere to long-term financial planning principles, the CRHC is advancing a five-year CRHC Financial Plan that seeks approval of budgeted expenditures for 2025 and presents projected revenue and expenditures for 2026 - 2029.

The CRHC is advancing two complementary budget staff reports with the first detailing a five-year Major Capital Plan (2025-2029) focusing on advancing growth of the corporation and speaking to the number of new homes under development. The second is the CRHC 2025 Financial Plan report which is focused on operational sustainability in supporting and enabling the growth as outlined in the Major Capital Plan (2025-2029) and has been developed based on a detailed budgeting process that begins in the first quarter of each year. It is required that the CRHC 2025 Financial Plan be approved on or before December 31, 2024.

The CRHC 2025 Financial Plan includes:

- Consolidated Operations Budget (Appendix A)
- Administration Budget (Appendix B)
- Budget Summaries for Each of the Six Operating Portfolios (Appendix C – H)
- Five-year Routine Capital Plan (Appendix I)
- Routine Capital Replacement Services Budget (Appendix J)
- Upcoming Mortgage Renewals/Expiries (Appendix K)

The six operating portfolios include the Umbrella Operating Agreement (UOA), Regional Housing First Program (RHFP), Community Housing Fund (CHF), No Operating Agreement (NOA), Investment in Housing Innovation (IHI), and the Independent Living BC (ILBC2).

**2025 CRHC Financial Plan Process**

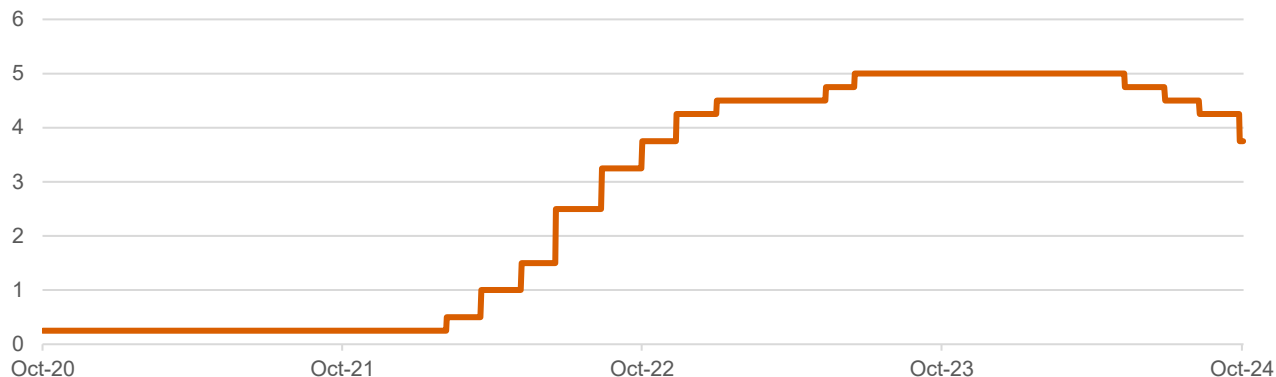
The CRHC 2025 Financial Plan has been developed based on a detailed assessment of expenditures at the end of Q3 2024 and forecast expenditures for the full year, predictions of anticipated cost escalation in 2025, revenue requirements to cover operating expenditures, and routine capital and debt servicing costs in 2025 and then modelled out over the next five years. This approach helps to ensure that the corporation remains operationally sustainable while experiencing considerable growth.



### External Trends and Observations Impacting CRHC 2025 Financial Plan

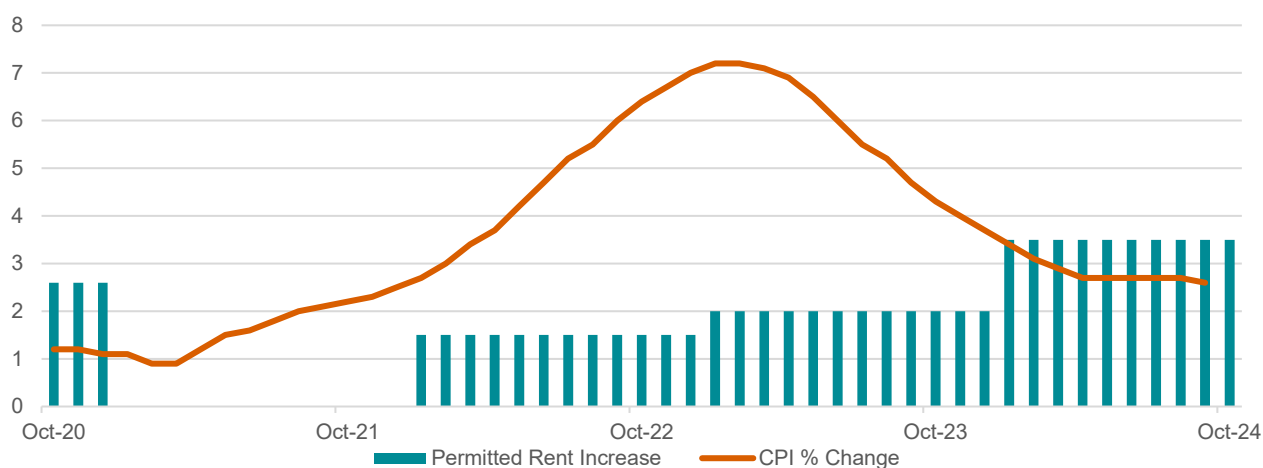
The CRHC, like any corporate entity, is impacted and influenced through fluctuating macro-economic conditions that are most evident in the change in interest rates and inflation over time.

Graph 1: Bank of Canada Overnight Policy Rate (%)<sup>1</sup>



The Bank of Canada began aggressively increasing the overnight rate in March 2022 from 0.25% up to a peak of 5.0% by July 2023. This rapid increase placed considerable pressure on the cost of debt that the CRHC incurred through new capital undertakings. It is noted that the Bank of Canada began an incremental approach to alleviating some of this pressure with 0.25% reductions in June, July, and September 2024. The Bank of Canada further announced a reduction of the policy rate by a further 50 basis points to 3.75% in October 2024. Interest rate changes impact both capital viability and operational margins.

Graph 2: Victoria CPI Percent Change and Permitted Rent Increase (%)<sup>2</sup>



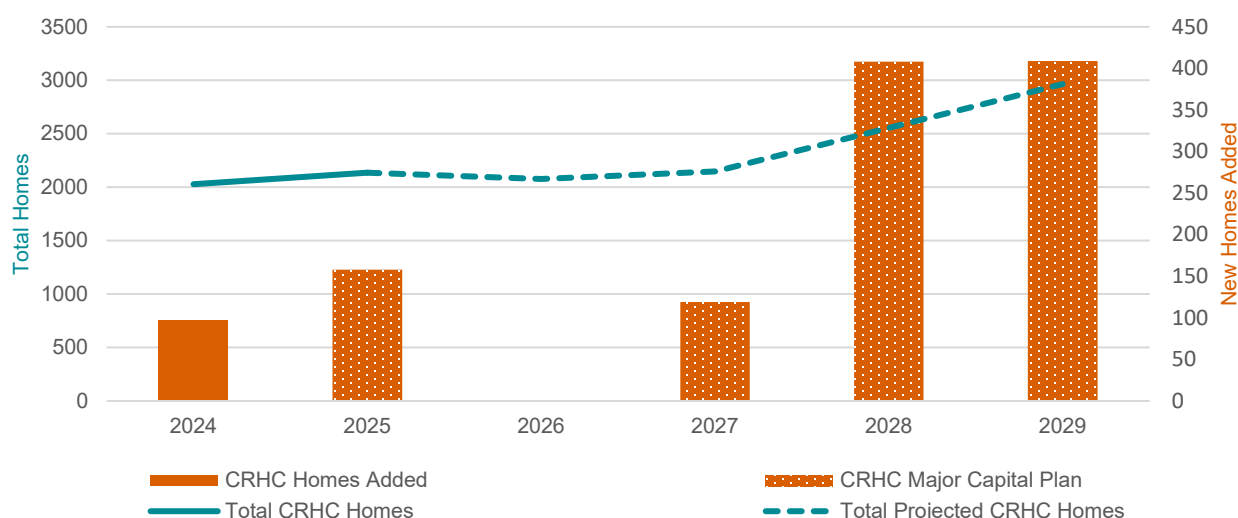
<sup>1</sup> Source: Bank of Canada. Accessed at: [Canadian interest rates and monetary policy variables: 10-year lookup - Bank of Canada](#)  
<sup>2</sup> Source: Government of BC. Accessed at: [Consumer Price Index \(CPI\) - Province of British Columbia](#); [Rent increases - Province of British Columbia](#)

The spring of 2021 saw inflation begin to move upward rapidly in Victoria from relatively flat monthly increases of around 1% peaking at 7.2% in January 2023 before softening again to 2.6% in September 2024. This rapid rate of change saw activities of the CRHC heavily impacted by inflationary pressures, which placed additional strain on operational margins. Though inflation appears to be trending downward, the impacts continue as the purchasing power of the CRHC remains significantly reduced compared to 2020 and this has been compounded through restrictions on legislatively permitted rent increases for existing tenants that were below inflation going back to the increase freeze in 2021 and lasting through to 2024. The Province has recently announced that the permitted rent increase for 2025 will be 3%, continuing to place pressure on operational margins.

### Internal Trends and Observations Impacting CRHC 2025 Financial Plan

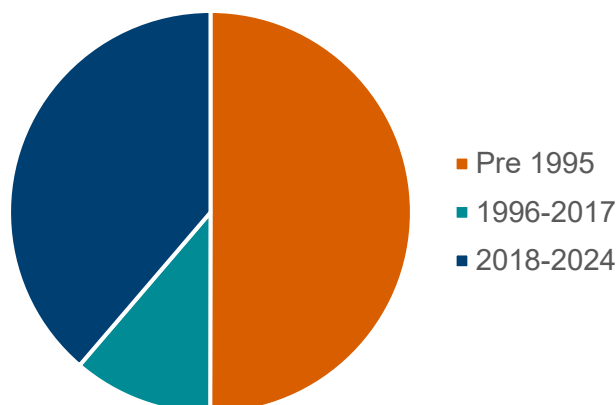
The CRHC 2025 Financial Plan has been informed through two key internal drivers including considerable growth in the number of homes in operation and the aging of existing assets.

Graph 3: CRHC Homes in Operation and New Homes Added (2024 – 2029)



The CRHC’s 2025-2029 Major Capital Plan contains an additional 180 homes under active construction and more than 1,000 homes in various phases of development and pre-construction. In total, the CRHC is expected to grow from just over 2,000 homes at the end of 2024 to approximately 3,000 homes in operation by the end of 2029.

Graph 4: CRHC Asset Age



Approximately 50% of the CRHC's current housing stock was built before 1995 and as a result, a significant proportion of the CRHC's current assets are between 30 and 40 years of age and are requiring increasingly costly repairs. The condition of the CRHC's assets and the housing corporation's ability to respond to repair and maintenance items are critical to support tenants feeling a sense of pride and belonging in their homes.

## **ALTERNATIVES**

### *Alternative 1*

1. That the Capital Region Housing Corporation 2025 Financial Plan be approved as presented;
2. That the Chief Administrative Officer or their duly authorized delegate be authorized to apply for, negotiate and accept the terms to receive funds for routine capital works through funding programs as necessary and as they become available; and
3. That any 2024 operating surplus/(deficits) to be transferred to/(from) the Corporate and/or Portfolio Stabilization Reserves as contained within the CRHC 2025 Financial Plan be approved.

### *Alternative 2*

1. That the Capital Region Housing Corporation 2025 Financial Plan be approved as amended;
2. That the Chief Administrative Officer or their duly authorized delegate be authorized to apply for, negotiate and accept the terms to receive funds for routine capital works through funding programs as necessary and as they become available; and
3. That any 2024 operating surplus/(deficits) to be transferred to/(from) the Corporate and/or Portfolio Stabilization Reserves as contained within the CRHC 2025 Financial Plan be approved as amended by the Capital Region Housing Corporation Board.

## **IMPLICATIONS**

### **Operations**

#### *2025 Consolidated Operations Budget (Appendix A)*

The 2025 consolidated operations budget contains the administration budget, all six individual portfolio budgets, and the routine capital replacement services budget, which are all essential elements of maintaining ongoing operational sustainability.

The CRHC is forecasted to end 2024 with a total surplus of \$2.5 million (M) which is primarily driven from underspending on salaries and benefits due to staff vacancy. Position vacancy has resulted in \$1.1M in underspending across the corporation. The other large expense driver of the forecast surplus is due to underspending on mortgage payments, which is resulting in a budget variance of \$721 thousand (k). This is due to Michigan Square opening later than was forecast. There is also a relatively small (2% or \$512k) positive variance on rent revenues due to staff's continued focus on shortening vacancies and supporting revenue growth where possible.

Table 1: Summary of 2024 Estimated Revenue/Expenditures and 2025 Proposed Budget (\$)

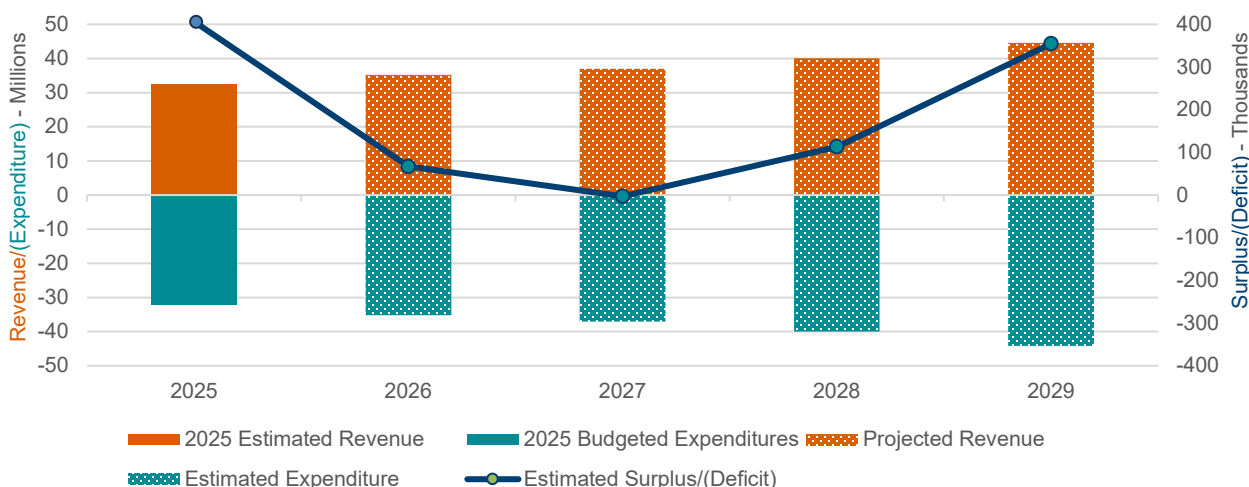
	2024 Budget	2024 Estimates	2024 Variance \$	2025 Proposed Budget	2024-2025 Budget Change \$
Total Revenue	28,615,289	28,881,672	266,383	32,609,850	3,994,561
Total Expenditures	(28,725,015)	(26,396,028)	2,328,987	(32,203,463)	(3,478,449)
<b>Operating Surplus/(Deficit)</b>	<b>(109,726)</b>	<b>2,485,644</b>	<b>2,595,370</b>	<b>406,387</b>	<b>516,112</b>

The CRHC is forecasting revenue growth of \$4.0M in 2025 and an increase of \$3.5M in estimated costs. The increase in costs is driven by two key factors with the first related to growth of the CRHC in supporting 158 new homes at the Caledonia redevelopment, which is expected to open in the summer of 2025, and the annualization of costs associated with Michigan Square, which opened in the summer of 2024. This growth increases expenditure estimates for items such as utilities, insurance, building maintenance, and mortgage payments.

The second driver is related to increases in salaries and benefits, which reflects the CRHC's intent to increase capacity under the Tenant Engagement Team and the Tenant Services Team. Both functional work groups provide support to maintain and protect tenancies, resolve issues where present as well as tenanting buildings, collecting rent and driving revenue performance.

As the graph below shows, the CRHC is projecting annual increases in revenue, which is needed to offset the increase in estimated expenditure. In support of the number of new homes under development, the CRHC is expecting to increase revenue to \$44.6M by 2029, which is to offset the more than \$44.2M in estimated expenditures. The CRHC is forecasting a surplus of \$406k in 2025, which decreases to \$0k in 2027 before increasing to a projected surplus of \$355k in 2029.

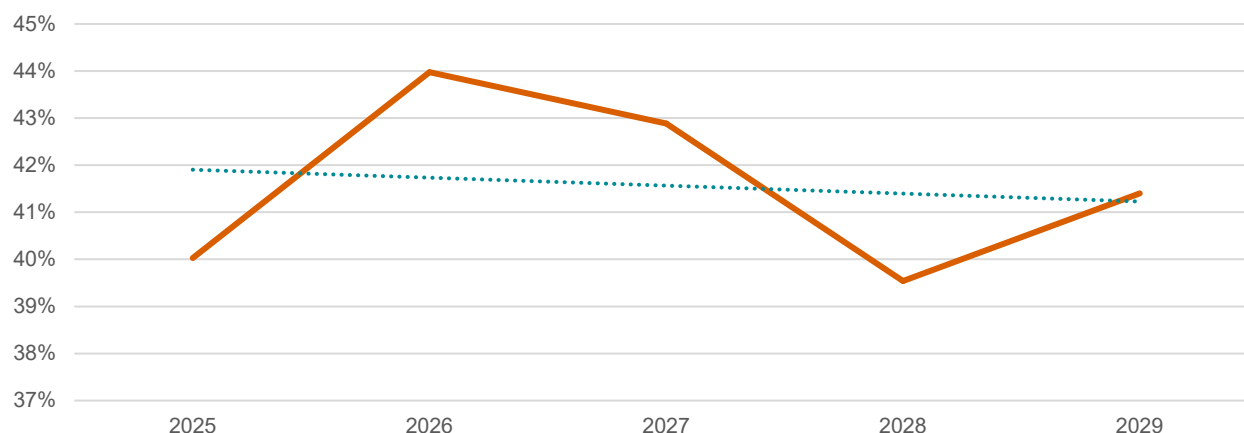
Graph 5: CRHC 2025-2029 Revenue/(Expenditure) & Surplus/(Deficit) (\$)



Overall, the CRHC is expected to maintain a positive or “breakeven” financial position, but additional attention will be required to ensure that actual revenue meets or exceeds projections going forward.

Given the importance of interest rates and the impact rates have on debt servicing costs, it is important to note the forecast performance of the CRHC is inclusive of debt servicing costs. As noted in the graph below, staff are forecasting a minor, but downward trend in the percentage that mortgage costs make up of overall expenditures.

Graph 6: Mortgage Payments as % of Total Expenditures



### Reserve Balances

Maintaining healthy reserve balances is a critical aspect of ensuring the CRHC can absorb additional or unforeseen one-time or short-term expenditure increases. As shown in Table 2, the CRHC maintains seven operational reserves including corporate stabilization, which is supported through surpluses from the administration budget and one reserve for each portfolio.

Table 2: CRHC Operating Reserve Balances (\$)

	2024 Beginning Balance	2024 Surplus/(Deficit) (Estimated)	2024 End Balance (Estimated)
Corporate Stabilization	1,855,850	304,392	2,160,242
UOA	2,903,312	902,176	3,805,488
RHFP	369,478	621,912	991,390
CHF	(35,557)	15,499	(20,058)
NOA	1,026,805	66,513	1,093,318
IHI	479,065	191,077	670,142
ILBC2	(333,578)	55,330	(278,248)
<b>TOTAL</b>	<b>6,265,375</b>	<b>2,156,899</b>	<b>8,422,274</b>

The CRHC began 2024 with \$6.3M in total reserve funds, and with the estimated \$2.2M in surplus available to be transferred into these accounts, staff estimate ending 2024 with a combined balance of \$8.4M. The CHF shows an estimated 2024 end deficit balance of (\$20k), which is due to losses from 2023. The CHF is a program that is subsidized by BC Housing and staff have submitted the 2023 financial statements to BC Housing along with a request for \$41k, which was the 2023 deficit. Staff anticipate that, subject to BC Housing’s review and approval, an adjustment may be made to cover the prior year operating loss. The ILBC2 portfolio consists of one building that has underperformed since it opened in 2008. However, through 2024 staff worked closely

with BC Housing to increase the subsidy available to support the building and this portfolio produced a small surplus of \$55k in 2024, which helped to reduce the cumulative negative balance in the reserve account.

### Asset Maintenance & Planning

Maintenance of the CRHC’s existing assets, including in-unit, common area, and exterior repairs or replacements, etc. is undertaken through the Routine Capital Expenditure Plan summary (Appendix I) and is supported by the 2025 Routine Capital Replacement Services Budget (Appendix J). Generally, these works are distinct from major capital works based on value, complexity, and funding source. For example, replacing a roof at a cost of \$300k falls under routine capital planning whereas a building envelope remediation valued at \$10.5M falls under major capital. In most, but not all, cases the routine capital works are funded from associated capital reserves. Major capital items are typically funded with a heavy reliance on external grants and mortgage debt, with a small or sometimes zero contribution from reserve.

The Routine Capital Expenditure Plan had a budget of \$4.8M in 2024, including \$4.1M allocated to the UOA portfolio. The existing UOA is set to expire on December 31, 2024, however there is a rollover clause within the UOA to carry over the existing agreement for another five-year term. Currently, staff are in active conversations with BC Housing to update the agreement terms to allow for improved operational flexibility and long-term portfolio wide viability and staff and BC Housing are in the process of drafting a comfort letter acknowledging the ongoing negotiations that may carry over into 2025.

#### 2024 Results and 2025 Plan

Significant routine capital projects that were undertaken in 2024 include repair and replacement of decks, fencing, appliances, floor covering, painting, and roof repair/replacements. Overall, the unspent variance through 2024 was 3.8% resulting in a surplus of \$182k, which was driven primarily through advancing less work in the NOA and ILBC portfolios than was forecast.

Table 3: 2024 Routine Capital Plan Expenditure Summary (\$) (Appendix I)

	2024 Budget	2024 Estimated	Variance	2025 Budget	Difference 2024-2025
UOA	4,095,689	4,095,689	0	3,054,810	(1,040,879)
RHFP	291,748	278,522	13,226	534,666	242,918
CHF	24,049	45,705	(21,656)	31,770	7,721
NOA	338,474	199,289	139,185	287,790	(50,684)
IHI	22,284	13,013	9,271	21,335	(949)
ILBC2	69,201	27,666	41,535	27,420	(41,781)
<b>TOTAL</b>	<b>4,841,445</b>	<b>4,659,884</b>	<b>181,561</b>	<b>3,957,791</b>	<b>(883,654)</b>

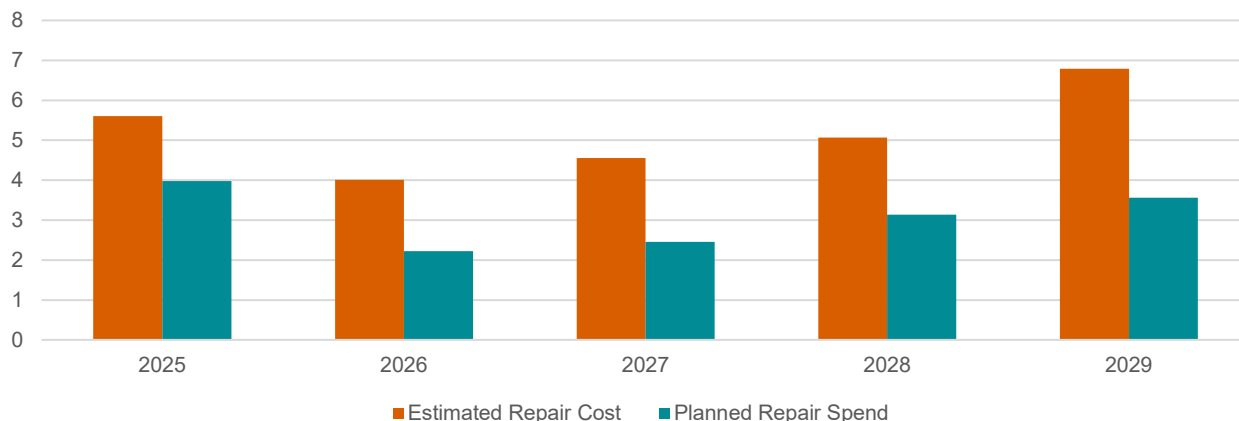
2025 sees a reduction in the overall budgeted spend by \$884k which is seeing a decrease of \$1.0M in the UOA, which is slightly offset by an increase in the RHFP portfolio. The lower spending in the UOA is primarily a function of tight margins and constrained revenue. As detailed in Appendix C, the UOA portfolio is anticipated to generate a surplus of \$80k in 2025, which is insufficient to fund additional routine capital works.

#### Long-Term Asset Planning

In accordance with CRD Initiative 5b-1 *Support continued investment into existing housing stock to preserve and enhance the quality of buildings and units*, staff continue to work to ensure sufficient investments are made and work is advanced to support the long-term health of the

CRHC’s assets. However, funds available to support the routine capital plan are drawn from the approved operating budgets as a transfer to the replacement reserve specific to each portfolio with annual contributions ranging from \$66 to \$180 per home per month in 2025.

Graph 7: Five-Year Routine Capital Needs and Budgeted Funds (\$M)



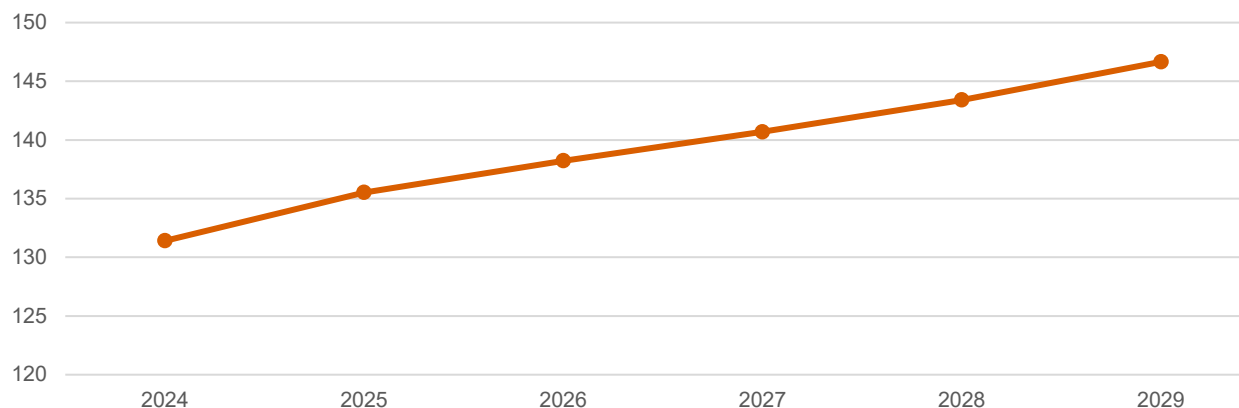
Staff estimate the total repair cost across the CRHC over the next five years to total \$26.0M with \$22.2M in costs being attributed to the UOA portfolio. Staff are currently budgeting for \$15.3M which results in an estimated gap of \$10.7M over the five-year plan.

*Routine Funding Strategies*

To address the anticipated routine capital funding gap projected over the next five years, staff are initiating several strategies designed to increase available funds through improving operating margins, sharpening cost estimates through undertaking Building Condition Assessments (BCAs) on more than 50 properties and seeking additional funding from external grant sources for routine maintenance work or full asset redevelopment where possible.

As funds to support the routine capital plan are drawn from operating budgets that rely primarily on rental revenue, staff are working to improve financial performance to accommodate planned increases in the routine maintenance contribution. As Graph 8 shows, the CRHC had a weighted average contribution of \$131 per home per month in 2024, which has been increased to \$136 in 2025. Staff further anticipate increasing this contribution to \$147 per home per month by 2029.

Graph 8: Per Home Per Month Routine Capital Contribution – Weighted Average (\$)



The increase is planned to be incremental and modest as the CRHC is balancing these expenditures against inflationary pressures that are impacting all aspects of CRHC operations and the legislative and/or operating agreement constraints that limit opportunities for revenue growth. However, even though this incremental increase over five-years results in an estimated funding gap of \$10.7M, it represents a first and foundational step towards addressing this challenge. Critically, the UOA, which accounts for just under 50% of the CRHC's homes and represents the most significant driver of cost under the routine capital plan will also see the largest increase in contributions to the routine reserve going from \$173 per home per month to \$180 in 2025 and then growing to \$195 by 2029. This is to help offset the considerable estimated costs for routine capital works within this portfolio.

In 2024, CRHC staff engaged a consultant to undertake BCAs on more than 50 CRHC properties with the final report expected to be delivered in the first half of 2025. This will enable staff to take a holistic approach to the medium and long-term asset requirements and can then look to establish clear benchmarks using a Facility Condition Index (FCI) methodology. Findings from this work will drive future budgeting efforts and will also help to inform corporate redevelopment strategies. The results of this work will be integrated into updates to the Routine Capital Expenditure Plan in the coming years.

The final strategy is two-pronged with the first being to identify and seek grant funds from senior orders of government to advance routine capital work. The second prong is to identify those specific properties where the cost of maintenance work required significantly exceeds the value of the asset and therefore presents considerable redevelopment potential. The CRHC has a successful history of seeking funds for redevelopment as shown in projects like Caledonia, Michigan and two newly awarded projects through the CHF call that was announced in early 2024. Staff are anticipating a new CHF call in early 2025 and will continue to identify and advance opportunities to seek senior order government support to undertake redevelopment where possible.

## **CONCLUSION**

The CRHC's 2025 Financial Plan considers a range of external and internal factors that focus on volatility in interest rates, lasting impacts of inflation, considerable growth in the number of homes in operation and the aging of existing assets. Looking ahead to 2025, the CRHC is forecasting revenue growth of \$4.0M, which will be needed to offset the increase of \$3.5M in estimated costs. The increase in costs is driven by two key factors including 158 new homes opening in mid-2025 and the annualization of 97 new homes that opened in mid-2024 along with strategic increases in staff capacity that are focused on improving the tenant experience and driving increased revenue to support estimated operational and routine capital costs.

Maintaining the condition of existing assets will continue to be a critical focus of the CRHC with multiple strategies being implemented by staff in the coming years. This will be specific to supporting the estimated funding gap on the Routine Capital Expenditure Plan which will be advanced through improving operating margins, sharpening cost estimates through undertaking BCAs on more than 50 properties and seeking additional funding from external grant sources for routine maintenance work or full asset redevelopment where possible.

Overall, the growth of the corporation remains sustainable, but a range of external and internal factors require ongoing monitoring and the CRHC is forecast to maintain small, but positive revenue/expenditure margins through to 2029.



**RECOMMENDATION**

1. That the Capital Region Housing Corporation 2025 Financial Plan be approved as presented;
2. That the Chief Administrative Officer or their duly authorized delegate be authorized to apply for, negotiate and accept the terms to receive funds for routine capital works through funding programs as necessary and as they become available; and
3. That any 2024 operating surplus/(deficits) to be transferred to/(from) the Corporate and/or Portfolio Stabilization Reserves as contained within the CRHC 2025 Financial Plan be approved.

Submitted by:	Don Elliott, MUP, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer, GM Finance & IT
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENTS:**

- Appendix A: 2025 Consolidated Operations Budget
- Appendix B: 2025 Administration Budget
- Appendix C: 2025 Umbrella Agreement Operating Budget Summary
- Appendix D: 2025 RHFP Agreement Budget Summary
- Appendix E: 2025 CHF Agreement Budget Summary
- Appendix F: 2025 No Operating Agreement Budget Summary
- Appendix G: 2025 IHI Agreement Budget Summary
- Appendix H: 2025 ILBC (2) Operating Budget Summary
- Appendix I: Five Year Routine Capital Expenditure Summary (2025-2029)
- Appendix J: 2025 Routine Capital Replacement Services Budget
- Appendix K: UOA Mortgage Renewal and Expiry

CAPITAL REGION HOUSING CORPORATION  
2025 CONSOLIDATED OPERATIONS BUDGET

APPENDIX A

	2024 Board Approved	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2025 Budget \$ Change	2025 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected		
<b>REVENUE</b>													
Tenant Rent Contribution	24,468,725	24,980,360	511,635	2%	26,696,881	2,228,156	9%	26,518,463	28,502,800	33,441,269	35,121,684		
BCHMC Subsidy	3,763,741	3,488,052	(275,689)	-7%	5,193,676	(3)	1,429,935	8,280,288	8,063,324	6,085,902	8,924,867		
Other revenue	382,823	413,259	30,437	8%	395,292	12,470	3%	401,589	439,140	515,489	517,561		
Transfer from Operating Reserve	-	-	-	-	324,000	324,000	-	-	-	-	-		
<b>TOTAL REVENUE</b>	<b>28,615,289</b>	<b>28,881,672</b>	<b>266,383</b>	<b>1%</b>	<b>32,609,850</b>	<b>3,994,561</b>	<b>14%</b>	<b>35,200,340</b>	<b>37,005,265</b>	<b>40,042,660</b>	<b>44,564,112</b>		
<b>EXPENDITURES</b>													
Salaries & Benefits	5,662,387	4,516,191	(1)	1,146,195	20%	6,557,065	(3)	894,678	16%	7,124,713	7,826,039	8,491,341	8,575,661
CRD Allocations	1,020,870	1,020,870	-	0%	1,262,249	(3)	241,379	24%	1,261,396	1,343,204	1,599,264	1,748,981	
Office expenses	448,747	361,014	(2)	87,734	20%	414,767	(33,981)	-8%	342,070	401,952	423,480	458,014	
Contracted Services	1,436,319	1,400,159	36,159	3%	1,519,424	83,105	6%	1,514,221	1,574,391	1,728,628	1,827,675		
Utilities	2,517,068	2,284,582	232,486	9%	2,855,104	(3)	338,036	13%	2,808,294	2,944,947	3,599,181	4,042,490	
Insurance Premium	1,696,603	1,602,643	93,960	6%	1,836,030	139,427	8%	1,821,464	1,962,946	2,359,716	2,533,261		
Building Maintenance	1,699,819	1,737,772	(37,953)	-2%	2,133,711	433,892	26%	2,126,716	2,256,878	2,727,188	3,055,395		
Mortgage Payments	11,678,695	10,957,412	721,283	6%	12,890,329	(3)	1,211,634	10%	15,450,050	15,870,987	15,788,144	18,303,094	
Property Taxes	4,735	4,500	235	5%	4,735	-	0%	4,246	4,331	4,418	4,506		
Transfer to Replacement Reserve	2,559,772	2,510,884	48,888	2%	2,730,051	170,279	7%	2,679,982	2,822,525	3,208,216	3,660,421		
<b>TOTAL EXPENDITURES</b>	<b>28,725,015</b>	<b>26,396,027</b>	<b>2,328,987</b>	<b>8%</b>	<b>32,203,463</b>	<b>3,478,448</b>	<b>12%</b>	<b>35,133,151</b>	<b>37,008,199</b>	<b>39,929,577</b>	<b>44,209,497</b>		
<b>TOTAL Surplus/(Deficit)</b>	<b>(109,726)</b>	<b>2,485,644</b>	<b>2,595,370</b>		<b>406,387</b>	<b>516,112</b>		<b>67,189</b>	<b>(2,934)</b>	<b>113,083</b>	<b>354,615</b>		

Notes (for variances +/- 10% and \$10,000)

- (1) 2024 Salary variance due to staff vacancies.
- (2) 2024 Consultancy decrease due to lower costs.
- (3) 2025 Various budget increases due to annualization of new Michigan buildings and addition of Caledonia

CAPITAL REGION HOUSING CORPORATION  
2025 ADMINISTRATION BUDGET

APPENDIX B

	2024 Board Approved	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2025 Budget \$ Change	2025 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected
<b>REVENUE</b>											
Property Management Fees	3,698,918	3,610,942	(87,976)	-2%	4,471,598 (3)	772,680	21%	5,299,356	5,926,653	6,326,899	6,640,411
Interest Income	75,000	75,000	-	0%	75,000	-	0%	75,000	75,000	75,000	75,000
Transfer from Stabilization Reserve	-	-	-	0%	324,000 (4)	324,000	100%	-	-	-	-
Allocation Recovery from Development Services	44,416	44,416	-	0%	44,416	-	100%	-	-	-	-
<b>TOTAL REVENUE</b>	<b>3,818,334</b>	<b>3,730,358</b>	<b>(87,976)</b>	<b>-2%</b>	<b>4,915,014</b>	<b>1,096,681</b>	<b>29%</b>	<b>5,374,356</b>	<b>6,001,653</b>	<b>6,401,899</b>	<b>6,715,411</b>
<b>EXPENDITURES</b>											
Salaries & Benefits - CRHC Administration Staff	2,542,590	2,162,324 (1)	380,266	15%	3,467,220 (5)	924,630	36%	3,991,183	4,481,464	4,611,168	4,744,556
Training (includes related travel costs)	31,000	31,000	-	0%	31,000	-	0%	30,897	33,064	40,001	44,024
CRD Allocations	927,384	927,384	-	0%	1,132,196 (6)	204,812	22%	1,128,425	1,207,573	1,460,921	1,607,871
Consultants/Legal/Audit	64,000	50,000 (2)	14,000	22%	52,000 (7)	(12,000)	-19%	51,827	55,462	67,098	73,847
Tenant Engagement Program	30,000	30,000	-	0%	30,000	-	0%	29,900	31,997	38,710	42,604
Office Operating Costs	99,360	101,259	(1,899)	-2%	127,599 (8)	28,239	28%	127,174	136,094	164,646	181,207
Transfer to Equipment Replacement Reserve	12,000	12,000	-	0%	15,000	3,000	25%	14,950	15,999	19,355	21,302
Capital Purchases - Office equipment	112,000	112,000	-	0%	60,000 (9)	(52,000)	-46%	-	40,000	-	-
<b>TOTAL EXPENDITURES</b>	<b>3,818,334</b>	<b>3,425,967</b>	<b>392,368</b>	<b>10%</b>	<b>4,915,014</b>	<b>1,096,680</b>	<b>29%</b>	<b>5,374,356</b>	<b>6,001,653</b>	<b>6,401,899</b>	<b>6,715,411</b>
<b>TOTAL ADMINISTRATION Surplus/(Deficit)</b>	<b>-</b>	<b>304,392</b>	<b>304,392</b>		<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>AUTHORIZED POSITIONS:</b>											
Salaried	30.0				33.0			36.0	40.0	40.0	40.0
Term	1.0				1.0			-	-	-	-
<b>Beginning Balance Corporation Stabilization Reserve</b>		1,855,850			2,160,242			2,160,242	2,160,242	2,160,242	2,160,242
Estimated Surplus/(Deficit)		304,392			-			-	-	-	-
<b>Ending Balance Corporation Stabilization Reserve</b>		<b>2,160,242</b>			<b>2,160,242</b>			<b>2,160,242</b>	<b>2,160,242</b>	<b>2,160,242</b>	<b>2,160,242</b>
<b>Total number of units in operation across all CRHC portfolios</b>	<b>2,028</b>				<b>2,186</b>			<b>2,136</b>	<b>2,241</b>	<b>2,658</b>	<b>2,868</b>

Notes (for variances +/- 10% and \$10,000)

- |   |   |
|---|---|
| <p>(1) 2024 Salary variance due to staff vacancies.</p> <p>(2) 2024 Consultancy decrease due to lower costs.</p> <p>(3) 2025 Property management fee increase due to new buildings</p> <p>(4) 2025 Transfer from reserve to support 3.0 FTE one-time auxiliary staff to support the digital transformation initiative</p> <p>(5) 2025 Salaries include new 4.0 FTE Tenant Engagement team, 1.0 FTE Tenant Services Team Leader,</p> | <p>(6) 2025 Allocation increase due to increased costs.</p> <p>(7) 2025 Consultant/Legal decreased to align with historical actuals.</p> <p>(8) 2025 Office costs include \$24,000 software license for new property management software.</p> <p>(9) 2025 Equipment include 6 new workstations for the 6 new office FTEs.</p> |
|---|---|

CAPITAL REGION HOUSING CORPORATION  
 2025 UMBRELLA AGREEMENT OPERATING BUDGET SUMMARY  
 - 37 Properties: 1,062 units mixed income family/seniors housing

APPENDIX C

	2024 Board Approved	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2025 Budget \$ Change	2025 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected
<b>Revenue</b>											
BCHMC Subsidy	2,392,878	2,408,492	15,614	1%	2,107,277 (4)	(285,601)	-12%	3,551,908	3,299,734	1,206,710	1,046,468
Tenant Rent Contribution	10,927,826	11,376,520	448,694	4%	11,216,623	288,796	3%	11,440,955	11,669,774	11,903,170	12,141,233
Misc Revenue - parking and laundry	58,207	55,990	(2,217)	-4%	55,914	(2,294)	-4%	56,473	57,038	57,608	58,184
<b>Total Revenue</b>	<b>13,378,911</b>	<b>13,841,002</b>	<b>462,090</b>	<b>3%</b>	<b>13,379,813</b>	<b>902</b>	<b>0%</b>	<b>15,049,336</b>	<b>15,026,545</b>	<b>13,167,488</b>	<b>13,245,885</b>
<b>Expenditures</b>											
Audit	19,440	19,639	(199)	-1%	19,600	160	1%	19,992	20,392	20,800	21,216
Caretaker	1,549,609	1,320,585 (1)	229,024	15%	1,402,928	(146,681)	-9%	1,430,987	1,459,607	1,488,799	1,518,575
Garbage	318,541	305,557	12,984	4%	320,344	1,803	1%	326,751	333,286	339,952	346,751
Gas	150,470	125,400 (2)	25,070	17%	150,470	-	0%	153,479	156,549	159,680	162,874
Hydro	290,110	239,620 (3)	50,490	17%	306,120	16,010	6%	312,242	318,487	324,857	331,354
Insurance Premium	930,062	879,811	50,251	5%	876,084	(53,978)	-6%	893,605	911,478	929,707	948,301
Landscape Maintenance	325,800	325,800	-	0%	326,979	1,179	0%	333,519	340,189	346,993	353,933
Land Lease	63,000	63,000	-	0%	63,000	-	0%	63,000	63,000	63,000	63,000
Leblond Strata	22,033	24,932	(2,899)	-13%	22,033	-	0%	22,474	22,923	23,382	23,849
Maintenance	966,454	918,755	47,699	5%	1,001,785	35,331	4%	1,021,821	1,042,257	1,063,102	1,084,364
Management Fee	1,967,605	1,967,605	-	0%	2,245,718 (5)	278,113	14%	2,634,792	2,808,615	2,527,903	2,458,897
Mortgage Payments	3,553,718	3,468,624	85,094	2%	3,011,604 (6)	(542,114)	-15%	4,169,896	3,896,700	1,940,398	1,735,057
Property Taxes	4,280	4,064	216	5%	3,160	(1,120)	-26%	3,223	3,288	3,353	3,420
Transfer to Replacement Reserve	2,200,000	2,200,000	-	0%	2,289,208	89,208	4%	2,334,992	2,381,692	2,429,326	2,477,912
Water	1,123,970	1,075,432	48,538	4%	1,261,010	137,040	12%	1,261,010	1,261,010	1,513,212	1,815,854
<b>Total Expenditures</b>	<b>13,485,092</b>	<b>12,938,825</b>	<b>546,266</b>	<b>4%</b>	<b>13,300,044</b>	<b>(185,048)</b>	<b>-1%</b>	<b>14,981,784</b>	<b>15,019,472</b>	<b>13,174,464</b>	<b>13,345,358</b>
<b>Total Umbrella Agreement Surplus/(Deficit)</b>	<b>(106,181)</b>	<b>902,176</b>	<b>1,008,357</b>		<b>79,769</b>	<b>185,950</b>		<b>67,552</b>	<b>7,074</b>	<b>(6,976)</b>	<b>(99,474)</b>
<b>Beginning Balance UOA Stabilization Reserve</b>		2,903,312			3,805,488			3,885,258	3,952,810	3,959,884	3,952,908
Operating Surplus/(Deficit)		902,176			79,769			67,552	7,074	(6,976)	(99,474)
Caledonia Operation		-			-						
<b>Ending Balance UOA Stabilization Reserve</b>		<b>3,805,488</b>			<b>3,885,258</b>			<b>3,952,810</b>	<b>3,959,884</b>	<b>3,952,908</b>	<b>3,853,434</b>
<b>Number of units in operation in portfolio</b>	<b>1,071</b>				<b>1,062</b>			<b>1,062</b>	<b>1,062</b>	<b>1,062</b>	<b>1,062</b>

Notes (for variances +/- 10% and \$10,000)

- (1) 2024 Caretaker variance due to staff vacancies.
- (2) 2024 Gas variance due to decreased usage.
- (3) 2024 Hydro variance due to decreased usage.

- (4) 2025 Subsidy decrease due to mortgages maturing.
- (5) 2025 Management fee increase to support increased office costs and support.
- (6) 2025 Mortgage decrease due to 6 mortgages maturing in 2025.

**CAPITAL REGION HOUSING CORPORATION  
2025 RHFP AGREEMENT BUDGET SUMMARY**

- 7 Properties: 638 units mixed income housing

APPENDIX D

	2024 Board Amended	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2025 Budget \$ Change	2025 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected	
<b>Revenue</b>												
Tenant Rent Contribution	9,719,556	9,847,790	128,234	1%	10,775,987	(3)	1,056,431	11%	10,991,506	12,668,986	16,480,973	16,810,592
Misc Revenue - parking	178,650	184,150	5,500	3%	189,530		10,880	6%	191,425	225,159	306,683	309,749
<b>Total Revenue</b>	<b>9,898,206</b>	<b>10,031,940</b>	<b>133,734</b>	<b>1%</b>	<b>10,965,517</b>	<b>1,067,311</b>	<b>11%</b>	<b>11,182,932</b>	<b>12,894,145</b>	<b>16,787,655</b>	<b>17,120,342</b>	
<b>Expenditures</b>												
Audit/Legal	11,190	10,606	(584)	-5%	11,780		590	5%	12,016	14,273	19,633	20,026
Caretaker	761,061	593,596	(1) (167,465)	-22%	842,814	(3)	81,752	11%	859,670	1,021,175	1,404,686	1,432,780
Garbage	120,056	107,711	(1) (12,345)	-10%	132,286	(3)	12,230	10%	134,932	160,281	220,476	224,886
Gas	127,290	116,540	(10,750)	-8%	133,790		6,500	5%	136,466	162,103	222,983	227,442
Landscape Maintenance	39,420	36,720	(2,700)	-7%	42,252		2,832	7%	43,097	51,194	70,420	71,828
Hydro	126,920	106,520	(1) (20,400)	-16%	150,130	(3)	23,210	18%	153,133	181,901	250,216	255,220
Insurance Premium	532,388	501,909	(30,479)	-6%	613,531	(3)	81,144	15%	625,802	743,370	1,022,550	1,043,001
Maintenance	403,832	493,183	(2) 89,351	22%	519,127	(3)	115,295	29%	529,510	628,988	865,209	882,513
Management Fee	1,131,544	1,074,744	(56,800)	-5%	1,349,124	(3)	217,580	19%	1,582,860	1,964,972	2,385,084	2,319,976
Mortgage Payments	5,858,747	5,524,770	(333,977)	-6%	6,062,456		203,709	3%	6,062,456	6,756,590	8,630,049	8,630,049
Transfer to Replacement Reserve	532,152	505,440	(26,712)	-5%	551,232		19,080	4%	562,257	667,887	918,717	937,092
Water	341,810	338,290	(3,520)	-1%	425,370	(3)	83,560	24%	425,370	495,376	668,058	668,058
<b>Total Expenditures</b>	<b>9,986,409</b>	<b>9,410,028</b>	<b>(576,381)</b>	<b>-6%</b>	<b>10,833,892</b>	<b>847,483</b>	<b>8%</b>	<b>11,127,567</b>	<b>12,848,111</b>	<b>16,678,081</b>	<b>16,712,871</b>	
<b>Total RHFP Agreement Surplus/(Deficit)</b>	<b>(88,203)</b>	<b>621,912</b>	<b>710,115</b>		<b>131,626</b>	<b>219,829</b>		<b>55,365</b>	<b>46,034</b>	<b>109,575</b>	<b>407,471</b>	
<b>Beginning Balance RHFP Stabilization Reserve</b>		369,478			991,390			1,123,016	1,178,380	1,224,414	1,333,989	
Operating Surplus/(Deficit)		621,912			131,626			55,365	46,034	109,575	407,471	
Transfer from Corporate Stabilization Reserve		-			-			-	-	-	-	
Transfer from capital project surpluses (estimate)		-			-			-	-	-	-	
<b>End Balance RHFP Stabilization Reserve</b>		<b>991,390</b>			<b>1,123,016</b>			<b>1,178,380</b>	<b>1,224,414</b>	<b>1,333,989</b>	<b>1,741,460</b>	
<b>Number of units in operation in portfolio</b>	<b>638</b>				<b>638</b>			<b>638</b>	<b>743</b>	<b>1002</b>	<b>1002</b>	

**Notes (for variances +/- 10% and \$10,000)**

- (1) 2024 Variances mainly due to Michigan opening 4 months later than budgeted.
- (2) 2024 Maintenance variance includes approx. \$60,000 in unbudgeted security patrols.
- (3) 2025 Various increases due to the annualization of Michigan.

**CAPITAL REGION HOUSING CORPORATION  
2025 CHF AGREEMENT BUDGET SUMMARY**

**APPENDIX E**

**- 3 Properties: 260 units - Mixed Income Housing**

	2024 Board Approved	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2024 Budget \$ Change	2024 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected		
<b>Revenue</b>													
Tenant Rent Contribution	872,663	745,710	(1)	(126,953)	-15%	1,596,830	(2)	724,167	83%	1,628,766	1,661,342	2,508,092	3,573,599
Misc Revenue - parking	7,280	1,500		(5,780)	-79%	34,200	(2)	26,920	370%	34,542	34,887	35,236	35,589
BC Housing Subsidy	819,585	466,018	(1)	(353,567)	-43%	2,529,068	(2)	1,709,483	209%	4,161,150	4,186,228	4,291,455	7,280,043
<b>Total Revenue</b>	<b>1,699,528</b>	<b>1,213,228</b>		<b>(486,300)</b>	<b>-29%</b>	<b>4,160,098</b>		<b>2,460,570</b>	<b>145%</b>	<b>5,824,459</b>	<b>5,882,457</b>	<b>6,834,783</b>	<b>10,889,230</b>
<b>Expenditures</b>													
Audit/Legal	1,520	1,052		468	-31%	2,340		820	54%	2,387	2,435	3,992	6,118
Caretaker	114,260	68,177	(1)	46,083	-40%	157,305	(2)	43,045	38%	160,451	163,660	268,378	411,273
Garbage	11,757	7,583		4,174	-36%	53,219	(2)	41,462	353%	54,283	55,369	90,797	139,141
Gas	6,400	7,250		(850)	13%	19,560	(2)	13,160	206%	19,951	20,350	33,371	51,139
Landscape Maintenance	8,625	10,329		(1,704)	20%	20,527	(2)	11,902	138%	20,937	21,356	35,021	53,667
Hydro	25,661	19,640		6,021	-23%	45,077	(2)	19,416	76%	45,979	46,898	76,906	117,853
Insurance Premium	57,787	55,348		2,439	-4%	144,521	(2)	86,733	150%	147,411	150,359	246,566	377,848
Maintenance	72,182	51,512	(1)	20,670	-29%	314,459	(2)	242,277	336%	320,748	327,163	536,497	822,150
Management Fee	169,018	106,538	(1)	62,480	-37%	397,261	(2)	228,242	135%	645,053	687,608	994,975	1,454,037
Mortgage Payments	1,104,487	803,339	(1)	301,148	-27%	2,773,768	(2)	1,669,283	151%	4,175,197	4,175,197	4,175,197	6,895,487
Transfer to Replacement Reserve	72,288	50,112	(1)	22,176	-31%	156,384	(2)	84,096	116%	156,384	156,384	251,417	377,728
Water	55,544	16,850	(1)	38,694	-70%	75,677	(2)	20,133	36%	75,677	75,677	121,665	182,789
<b>Total Expenditures</b>	<b>1,699,528</b>	<b>1,197,729</b>		<b>501,799</b>	<b>-30%</b>	<b>4,160,098</b>		<b>2,460,570</b>	<b>145%</b>	<b>5,824,459</b>	<b>5,882,457</b>	<b>6,834,783</b>	<b>10,889,230</b>
<b>Total Surplus/(Deficit)</b>	<b>-</b>	<b>15,499</b>		<b>15,499</b>		<b>-</b>		<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Number of units in operation in portfolio</b>	<b>102</b>					<b>260</b>		<b>260</b>		<b>260</b>	<b>260</b>	<b>418</b>	<b>628</b>
<b>Beginning Balance CHF Stabilization Reserve</b>		(35,557)				(20,058)		(20,058)		(20,058)	(20,058)	(20,058)	(20,058)
Operating Surplus/(Deficit)		15,499				-		-		-	-	-	-
<b>Ending Balance CHF Stabilization Reserve</b>		<b>(20,058)</b>				<b>(20,058)</b>		<b>(20,058)</b>		<b>(20,058)</b>	<b>(20,058)</b>	<b>(20,058)</b>	<b>(20,058)</b>

**Notes (for variances +/- 10% and \$10,000)**

(1) 2024 Variances mainly due to Michigan opening 4 months later than budgeted.

(2) 2025 Various budget increases due to annualization of Michigan plus 6 months of operations of 158 new units at Caledonia.

**CAPITAL REGION HOUSING CORPORATION**  
**2025 NO OPERATING AGREEMENT BUDGET SUMMARY**

**APPENDIX F**

- 6 Properties: 132 units affordable rental housing

	2024 Board Approved	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2025 Budget \$ Change	2025 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected
<b>Revenue</b>											
Tenant Rent Contribution	1,755,018	1,742,370	(12,648)	-1%	1,834,311	79,293	5%	1,162,286	1,185,532	1,209,243	1,233,428
Misc Revenue - parking and laundry	6,230	5,500	(730)	-12%	5,500	(730)	-12%	3,451	3,485	3,520	3,555
<b>Total Revenue</b>	<b>1,761,248</b>	<b>1,747,870</b>	<b>(13,378)</b>	<b>-1%</b>	<b>1,839,811</b>	<b>78,563</b>	<b>4%</b>	<b>1,165,737</b>	<b>1,189,017</b>	<b>1,212,763</b>	<b>1,236,983</b>
<b>Expenditures</b>											
Audit/Legal	2,240	2,233	7	0%	2,430	190	8%	1,540	1,571	1,602	1,634
Caretaker	178,154	143,914 (1)	34,240	19%	174,375	(3,779)	-2%	110,491	112,700	114,954	117,253
Garbage	36,251	31,962	4,289	12%	42,668	6,417	18%	27,036	27,577	28,128	28,691
Landscape Maintenance	45,000	45,000	-	0%	49,449	4,449	10%	31,333	31,959	32,599	33,250
Hydro	5,980	5,980	0	0%	9,580	3,600	60%	6,070	6,192	6,315	6,442
Insurance Premium	104,361	98,043	6,318	6%	132,741 (2)	28,380	27%	84,110	85,792	87,508	89,258
Maintenance	90,440	98,804	(8,364)	-9%	125,294 (3)	34,854	39%	79,391	80,979	82,598	84,250
Management Fee	225,971	225,971	-	0%	279,128 (4)	53,157	24%	203,440	216,861	195,187	189,858
Mortgage Payments	646,952	646,952	-	0%	520,393 (5)	(126,559)	-20%	520,393	520,393	520,393	520,393
Property Taxes	390	375	15	4%	1,510	1,120	287%	957	976	995	1,015
Transfer to Replacement Reserve	254,802	254,802	-	0%	285,120 (6)	30,318	12%	180,662	184,276	187,961	191,720
Water	140,400	127,320	13,080	9%	160,670 (7)	20,270	14%	99,810	99,810	99,810	99,810
<b>Total Expenditures</b>	<b>1,730,941</b>	<b>1,681,357</b>	<b>49,585</b>	<b>3%</b>	<b>1,783,359</b>	<b>52,418</b>	<b>3%</b>	<b>1,345,232</b>	<b>1,369,085</b>	<b>1,358,051</b>	<b>1,363,576</b>
<b>Total No Agreement Surplus/(Deficit)</b>	<b>30,306</b>	<b>66,513</b>	<b>36,207</b>		<b>56,452</b>	<b>26,146</b>		<b>(179,495)</b>	<b>(180,068)</b>	<b>(145,288)</b>	<b>(126,593)</b>
<b>Beginning Balance NOA Stabilization Reserve</b>		1,026,805			1,093,318			1,149,771	970,276	790,209	644,922
Operating Surplus/(Deficit)		66,513			56,452			(179,495)	(180,068)	(145,288)	(126,593)
<b>End Balance NOA Stabilization Reserve</b>		<b>1,093,318</b>			<b>1,149,771</b>			<b>970,276</b>	<b>790,209</b>	<b>644,922</b>	<b>518,331</b>
<b>Number of units in operation in portfolio</b>	<b>123</b>				<b>132</b>			<b>82</b>	<b>82</b>	<b>82</b>	<b>82</b>

**Notes (for variances +/- 10% and \$10,000)**

- (1) 2024 Caretaker variance due to staff vacancies.
- (2) 2025 Insurance premium includes \$32,175 for the addition of the Michigan heritage house to the NOA portfolio.
- (3) 2025 Maintenance includes \$16,418 for the addition of the Michigan heritage house to the NOA portfolio.
- (4) 2025 Management fee increase to support increased office costs and support.
- (5) 2025 Mortgage payment variance due to VOG mortgage being paid in full in 2024 to support redevelopment.
- (6) 2025 Transfers to RR include \$19,440 for the addition of the Michigan heritage house to the NOA portfolio.
- (7) 2025 Water includes \$7,320 for the addition of the Michigan heritage house to the NOA portfolio.

**CAPITAL REGION HOUSING CORPORATION**  
**2025 IHI AGREEMENT BUDGET SUMMARY - Westview**

**APPENDIX G**

- 1 Property: 73 Mixed Income Housing

	2024 Board Approved	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2024 Budget \$ Change	2025 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected		
<b>Revenue</b>													
Tenant Rent Contribution	828,173	917,890	(1)	89,717	11%	908,661	(3)	80,488	10%	926,834	945,371	964,278	983,564
Misc Revenue - parking	19,820	22,180	2,360	12%	22,180	2,360	12%	22,402	22,626	22,852	23,081		
<b>Total Revenue</b>	<b>847,993</b>	<b>940,070</b>	<b>92,077</b>	<b>11%</b>	<b>930,841</b>	<b>82,848</b>	<b>10%</b>	<b>949,236</b>	<b>967,997</b>	<b>987,130</b>	<b>1,006,644</b>		
<b>Expenditures</b>													
Audit/Legal	1,330	1,324	6	0%	1,350	20	2%	1,377	1,405	1,433	1,461		
Caretaker	123,820	87,300	(2)	36,520	-29%	96,435	(4)	(27,385)	-22%	98,364	100,331	102,337	104,384
Garbage	15,444	15,297	147	-1%	15,907	463	3%	16,225	16,550	16,881	17,219		
Gas	15,560	14,137	1,423	-9%	15,560	0	0%	15,871	16,189	16,512	16,843		
Landscape Maintenance	8,400	8,400	-	0%	8,652	252	3%	8,825	9,002	9,182	9,365		
Hydro	15,710	12,973	2,737	-17%	16,180	470	3%	16,504	16,834	17,170	17,514		
Insurance Premium	56,279	52,785	3,494	-6%	54,054	(2,225)	-4%	55,135	56,238	57,362	58,510		
Maintenance	45,472	47,631	(2,159)	5%	50,013	4,541	10%	51,013	52,033	53,074	54,135		
Management Fee	134,113	134,113	-	0%	154,367	(5)	20,254	15%	181,111	193,059	173,764	169,020	
Mortgage Payments	280,401	280,401	-	0%	280,401	-	0%	280,401	280,401	280,401	280,401		
Transfer to Replacement Reserve	63,072	63,072	-	0%	63,072	-	0%	64,333	65,620	66,933	68,271		
Water	34,040	31,560	2,480	-7%	36,310	2,270	7%	36,310	36,310	36,310	36,310		
<b>Total Expenditures</b>	<b>793,641</b>	<b>748,993</b>	<b>44,648</b>	<b>-6%</b>	<b>792,301</b>	<b>(1,340)</b>	<b>0%</b>	<b>825,469</b>	<b>843,970</b>	<b>831,359</b>	<b>833,433</b>		
<b>Total Surplus/(Deficit)</b>	<b>54,352</b>	<b>191,077</b>	<b>136,725</b>		<b>138,540</b>	<b>84,188</b>		<b>123,767</b>	<b>124,026</b>	<b>155,772</b>	<b>173,212</b>		
<b>Beginning Balance IHI Stabilization Reserve</b>		479,065			670,142			808,682	932,449	1,056,475	1,212,247		
Operating Surplus/(Deficit)		191,077			138,540			123,767	124,026	155,772	173,212		
<b>End Balance IHI Stabilization Reserve</b>		<b>670,142</b>			<b>808,682</b>			<b>932,449</b>	<b>1,056,475</b>	<b>1,212,247</b>	<b>1,385,459</b>		
<b>Number of units in operation in portfolio</b>	<b>73</b>				<b>73</b>			<b>73</b>	<b>73</b>	<b>73</b>	<b>73</b>		

**Notes (for variances +/- 10% and \$10,000)**

- (1) 2024 Rent revenue variance due to increased rents at turnovers.
- (2) 2024 Caretaker variance due to staff vacancies.
- (3) 2025 Rent increase due to increased rent levels.
- (4) 2025 Caretaker decrease due to new Caretaker cost allocation model (PUPM.)
- (5) 2025 Management fee increase to support increased office costs and support.



**CAPITAL REGION HOUSING CORPORATION**  
**2025 ILBC(2) AGREEMENT OPERATING BUDGET SUMMARY**

APPENDIX H

- 1 Property: 21 units senior's Independent Living Housing

	2024 BCHMC Mandated	2024 Estimated Actuals	2024 Estimated Variance-\$	2024 Estimated Variance-%	2025 CRHC Proposed	2025 Budget \$ Change	2025 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected
<b>Revenue</b>											
BCHMC Subsidy	551,278	613,543 (1)	62,265	11%	557,331	6,053	1%	567,229	577,363	587,737	598,357
Tenant Rent Contribution	365,490	350,080	(15,410)	-4%	364,470	(1,020)	0%	368,115	371,796	375,514	379,269
Misc Revenue - parking & cable	11,090	11,090	-	0%	11,090	-	0%	11,201	11,313	11,426	11,540
<b>Total Revenue</b>	<b>927,858</b>	<b>974,713</b>	<b>46,855</b>	<b>5%</b>	<b>932,891</b>	<b>5,033</b>	<b>1%</b>	<b>946,545</b>	<b>960,472</b>	<b>974,677</b>	<b>989,166</b>
<b>Expenditures</b>											
<b>General Costs</b>											
Audit	500	500	-	0%	500	-	0%	510	520	531	541
Cable Offset	11,090	11,090	0	0%	11,090	-	0%	11,312	11,538	11,769	12,004
Garbage	5,725	4,500	1,225	21%	5,840	115	2%	5,956	6,075	6,197	6,321
Hydro	36,664	27,480	9,184	25%	30,000	(6,664)	-18%	30,600	31,212	31,836	32,473
Insurance Premium	15,726	14,747	979	6%	15,099	(627)	-4%	15,400	15,708	16,023	16,343
Memberships	518	150	368	71%	518	1	0%	528	539	550	561
Mortgage Payments	234,391	233,327	1,064	0%	241,706	7,315	3%	241,706	241,706	241,706	241,706
Property Taxes	65	61	4	7%	65	-	0%	66	68	69	70
Transfer to Replacement Reserve	16,600	16,600	-	0%	16,600	-	0%	16,932	17,271	17,616	17,968
Water	9,450	8,500	950	10%	8,510	(940)	-10%	8,510	8,510	8,510	8,510
	330,728	316,955	13,774	4%	329,927	(801)	0%	331,522	333,148	334,806	336,498
<b>Manageable Costs</b>											
Caretaker	15,301	17,051	-	0%	19,542	4,240	28%	19,932	20,331	20,738	21,152
Contract for Services - Hospitality	496,800	496,800	-	0%	496,800	-	0%	506,736	516,871	527,208	537,752
Landscape Maintenance	4,500	4,500	-	0%	4,500	-	0%	4,590	4,682	4,775	4,871
Maintenance	36,406	39,955	(3,549)	-10%	38,000	1,594	4%	38,760	39,535	40,326	41,132
Management Fee	44,123	44,123	-	0%	44,123	-	0%	45,005	45,905	46,823	47,760
	597,130	602,429	(3,549)	-1%	602,964	5,834	1%	615,023	627,324	639,870	652,668
<b>Total Expenditures</b>	<b>927,858</b>	<b>919,383</b>	<b>10,225</b>	<b>1%</b>	<b>932,891</b>	<b>5,033</b>	<b>0%</b>	<b>946,545</b>	<b>960,472</b>	<b>974,677</b>	<b>989,166</b>
<b>Total ILBC(2) Surplus/(Deficit)</b>	<b>-</b>	<b>55,330</b>	<b>57,079</b>		<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Beginning Balance ILBC(2) Stabilization Reserve</b>		(333,578)			(278,248)			(278,248)	(278,248)	(278,248)	(278,248)
BCHMC prior year adjustments		-			-			-	-	-	-
Operating Surplus/(Deficit)		55,330			-			-	-	-	-
<b>End Balance ILBC(2) Stabilization Reserve</b>		<b>(278,248)</b>			<b>(278,248)</b>			<b>(278,248)</b>	<b>(278,248)</b>	<b>(278,248)</b>	<b>(278,248)</b>
<b>Number of units in operation in portfolio</b>	<b>21</b>				<b>21</b>			<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>

Notes (for variances +/- 10% and \$10,000)

(1) 2024 Subsidy variance forecasted due to BC Housing adjustment.

CAPITAL REGION HOUSING CORPORATION

APPENDIX I

FIVE YEAR ROUTINE CAPITAL EXPENDITURE PLAN SUMMARY - 2025 to 2029

		2024	2024	2025	2026	2027	2028	2029	2025 - 2029
		Amended	Estimated	Plan	Plan	Plan	Plan	Plan	TOTAL
		Plan	Actuals						
<b>EXPENDITURE</b>									
UOA Routine Capital Replacement	Building	4,095,689	4,095,689	3,054,810	1,641,395	1,895,245	2,496,120	2,826,695	11,914,265
ILBC(2) Routine Capital Replacement	Building	69,201	27,666	27,420	28,240	29,070	29,940	30,820	145,490
NOA Routine Capital Replacement	Building	338,474	199,289	287,790	215,570	232,030	303,700	235,530	1,274,620
IHI Routine Capital Replacement	Building	22,284	13,013	21,335	17,980	18,510	19,070	19,630	96,525
RHFP Routine Capital Replacement	Building	291,748	278,522	534,666	277,780	237,090	244,160	396,470	1,690,166
CHF Routine Capital Replacement	Building	24,049	45,705	31,770	29,290	30,170	31,060	31,960	154,250
Vehicle Replacement - 2022 Carryforward	Equipment	-	5,000	-	-	-	-	-	-
Computer Equipment Replacements	Equipment	16,000	16,000	16,000	14,000	12,000	14,000	18,000	74,000
		<b>4,857,445</b>	<b>4,680,883</b>	<b>3,973,789</b>	<b>2,224,255</b>	<b>2,454,115</b>	<b>3,138,050</b>	<b>3,559,105</b>	<b>15,349,314</b>
<b>SOURCE OF FUNDS</b>									
UOA Capital Replacement	Reserve	(4,095,689)	(4,095,689)	(3,054,810)	(1,641,395)	(1,895,245)	(2,496,120)	(2,826,695)	(11,914,265)
ILBC(2) Capital Replacement	Reserve	(69,201)	(27,666)	(27,420)	(28,240)	(29,070)	(29,940)	(30,820)	(145,490)
NOA Capital Replacement	Reserve	(338,474)	(199,289)	(287,790)	(215,570)	(232,030)	(303,700)	(235,530)	(1,274,620)
IHI Capital Replacement	Reserve	(22,284)	(13,013)	(21,335)	(17,980)	(18,510)	(19,070)	(19,630)	(96,525)
RHFP Capital Replacement	Reserve	(291,748)	(278,522)	(534,666)	(277,780)	(237,090)	(244,160)	(396,470)	(1,690,166)
CHF Routine Capital Replacement	Reserve	(24,049)	(45,705)	(31,770)	(29,290)	(30,170)	(31,060)	(31,960)	(154,250)
Vehicle Replacement Reserve	Equipment	-	(5,000)	-	-	-	-	-	-
Computer Equipment Replacements	Equipment	(16,000)	(16,000)	(16,000)	(14,000)	(12,000)	(14,000)	(18,000)	(74,000)
		<b>(4,857,445)</b>	<b>(4,680,883)</b>	<b>(3,973,789)</b>	<b>(2,224,255)</b>	<b>(2,454,115)</b>	<b>(3,138,050)</b>	<b>(3,559,105)</b>	<b>(15,349,314)</b>

## Capital Replacement Reserve Details

	2024 Amended Plan	2024 Estimated Actuals	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2025 - 2029 TOTAL
<b>UOA Replacement Reserve</b>								
Beginning Balance	6,155,936	6,155,936	4,383,366	3,705,431	4,473,137	5,049,046	5,083,233	4,383,366
Annual Operating Transfer	2,200,000	2,200,000	2,289,208	2,334,992	2,381,692	2,429,326	2,477,912	11,913,130
Annual Interest Income	123,119	123,119	87,667	74,109	89,463	100,981	101,665	453,884
Annual Capital Replacement Exp	<b>(4,095,689)</b>	<b>(4,095,689)</b>	<b>(3,054,810)</b>	<b>(1,641,395)</b>	<b>(1,895,245)</b>	<b>(2,496,120)</b>	<b>(2,826,695)</b>	<b>(11,914,265)</b>
	4,383,365	4,383,366	3,705,431	4,473,137	5,049,046	5,083,233	4,836,115	4,836,115
<b>ILBC(2) Replacement Reserve</b>								
Beginning Balance	127,579	173,118	165,515	158,005	149,857	141,055	131,552	165,515
Annual Operating Transfer	16,600	16,600	16,600	16,932	17,271	17,616	17,968	86,387
Annual Interest Income	2,552	3,462	3,310	3,160	2,997	2,821	2,631	14,920
Annual Capital Replacement Exp	<b>(69,201)</b>	<b>(27,666)</b>	<b>(27,420)</b>	<b>(28,240)</b>	<b>(29,070)</b>	<b>(29,940)</b>	<b>(30,820)</b>	<b>(145,490)</b>
	77,529	165,515	158,005	149,857	141,055	131,552	121,332	121,332
<b>NOA Replacement Reserve</b>								
Beginning Balance	594,044	596,991	664,445	675,064	653,658	618,977	515,617	664,445
Annual Operating Transfer	254,802	254,802	285,120	180,662	184,276	187,961	191,720	1,029,740
Annual Interest Income	11,881	11,940	13,289	13,501	13,073	12,380	10,312	62,555
Annual Capital Replacement Exp	<b>(338,474)</b>	<b>(199,289)</b>	<b>(287,790)</b>	<b>(215,570)</b>	<b>(232,030)</b>	<b>(303,700)</b>	<b>(235,530)</b>	<b>(1,274,620)</b>
	522,254	664,445	675,064	653,658	618,977	515,617	482,120	482,120
<b>IHI Replacement Reserve</b>								
Beginning Balance	169,264	151,141	204,223	250,045	301,400	354,539	409,494	204,223
Annual Operating Transfer	63,072	63,072	63,072	64,333	65,620	66,933	68,271	328,229
Annual Interest Income	3,385	3,023	4,084	5,001	6,028	7,091	8,190	30,394
Annual Capital Replacement Exp	<b>(22,284)</b>	<b>(13,013)</b>	<b>(21,335)</b>	<b>(17,980)</b>	<b>(18,510)</b>	<b>(19,070)</b>	<b>(19,630)</b>	<b>(96,525)</b>
	213,437	204,223	250,045	301,400	354,539	409,494	466,328	466,328
<b>RHFP Replacement Reserve</b>								
Beginning Balance	1,409,819	1,417,800	1,673,075	1,723,102	2,042,041	2,513,679	3,238,510	1,673,075
Annual Operating Transfer	532,152	505,440	551,232	562,257	667,887	918,717	937,092	3,637,185
Annual Interest Income	28,196	28,356	33,461	34,462	40,841	50,274	64,770	223,808
Annual Capital Replacement Exp	<b>(291,748)</b>	<b>(278,522)</b>	<b>(534,666)</b>	<b>(277,780)</b>	<b>(237,090)</b>	<b>(244,160)</b>	<b>(396,470)</b>	<b>(1,690,166)</b>
	1,678,419	1,673,075	1,723,102	2,042,041	2,513,679	3,238,510	3,843,902	3,843,902
<b>CHF Replacement Reserve</b>								
Beginning Balance	49,551	48,198	53,569	179,255	309,934	442,346	671,551	53,569
Annual Operating Transfer	72,288	50,112	156,384	156,384	156,384	251,417	377,728	1,098,297
Annual Interest Income	991	964	1,071	3,585	6,199	8,847	13,431	33,133
Annual Capital Replacement Exp	<b>(24,049)</b>	<b>(45,705)</b>	<b>(31,770)</b>	<b>(29,290)</b>	<b>(30,170)</b>	<b>(31,060)</b>	<b>(31,960)</b>	<b>(154,250)</b>
	98,781	53,569	179,255	309,934	442,346	671,551	1,030,749	1,030,749

**Capital Replacement Reserve Details Continued**

	<b>2024 Amended Plan</b>	<b>2024 Estimated Actuals</b>	<b>2025 Plan</b>	<b>2026 Plan</b>	<b>2027 Plan</b>	<b>2028 Plan</b>	<b>2029 Plan</b>	<b>2025 - 2029 TOTAL</b>
<b>Vehicle Replacement Reserve</b>								
Beginning Balance	32,937	17,863	13,221	13,485	13,755	14,030	14,310	13,221
Annual Interest Income	659	357	264	270	275	281	286	1,376
Annual Capital Replacement Exp	-	<b>(5,000)</b>	-	-	-	-	-	-
	<u>33,596</u>	<u>13,221</u>	<u>13,485</u>	<u>13,755</u>	<u>14,030</u>	<u>14,310</u>	<u>14,597</u>	<u>14,597</u>
<b>Equipment Replacement Reserve</b>								
Beginning Balance	18,165	20,057	16,458	12,787	11,043	11,264	9,489	16,458
Annual Operating Transfer	12,000	12,000	12,000	12,000	12,000	12,000	12,000	60,000
Annual Interest Income	363	401	329	256	221	225	190	1,221
Annual Capital Replacement Exp	<b>(16,000)</b>	<b>(16,000)</b>	<b>(16,000)</b>	<b>(14,000)</b>	<b>(12,000)</b>	<b>(14,000)</b>	<b>(18,000)</b>	<b>(74,000)</b>
	<u>14,528</u>	<u>16,458</u>	<u>12,787</u>	<u>11,043</u>	<u>11,264</u>	<u>9,489</u>	<u>3,679</u>	<u>3,679</u>

**CAPITAL REGION HOUSING CORPORATION  
2025 ROUTINE CAPITAL REPLACEMENT SERVICES BUDGET**

APPENDIX J

	2024 Board Approved	2024 Estimated Actuals	2024 Budget \$ Variance	2024 Budget % Variance	2025 CRHC Proposed	2025 Budget \$ Change	2025 Budget % Change	2026 Projected	2027 Projected	2028 Projected	2029 Projected		
<b>REVENUE</b>													
Transfer from Routine Replacement Reserve	591,142	591,142	-	0%	646,565	55,423	9%	650,529	666,603	683,109	431,573		
Transfer from Corporation Stabilization Reserve	-	-	-	0%	-	-	0%	-	-	-	-		
<b>TOTAL REVENUE</b>	<b>591,142</b>	<b>591,142</b>	<b>-</b>	<b>0%</b>	<b>646,565</b>	<b>55,423</b>	<b>9%</b>	<b>650,529</b>	<b>666,603</b>	<b>683,109</b>	<b>431,573</b>		
<b>EXPENDITURES</b>													
Salaries & Benefits	422,006	167,660	(1)	284,593	67%	440,862	18,856	4%	453,635	466,771	480,281	225,688	
CRD allocations	93,486	93,486	-	-	0%	130,053	(5)	36,567	39%	132,971	135,630	138,343	141,110
Travel - local	500	50	450	90%	500	-	0%	510	520	531	541		
Telephone	2,000	-	2,000	100%	2,000	-	0%	2,040	2,081	2,122	2,165		
Staff Development & Training	6,000	-	6,000	100%	6,000	-	0%	6,120	6,242	6,367	6,495		
Meeting expenses	500	-	500	100%	500	-	0%	510	520	531	541		
Printing	250	100	150	60%	250	-	0%	255	260	265	271		
Software licenses	4,000	1,000	3,000	75%	4,000	-	0%	4,080	4,162	4,245	4,330		
Office supplies	400	100	300	75%	400	-	0%	408	416	424	433		
Capital Equipment	12,000	-	(2)	12,000	100%	12,000	-	0%	-	-	-	-	
Consultants	50,000	-	(3)	50,000	100%	50,000	-	0%	50,000	50,000	50,000	50,000	
<b>TOTAL EXPENDITURES</b>	<b>591,142</b>	<b>262,396</b>	<b>358,993</b>	<b>61%</b>	<b>646,565</b>	<b>55,423</b>	<b>9%</b>	<b>650,529</b>	<b>666,603</b>	<b>683,109</b>	<b>431,573</b>		
<b>TOTAL ROUTINE REPLACEMENT SERVICES Surplus/(Deficit)</b>	<b>-</b>	<b>328,746</b>	<b>(4)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>AUTHORIZED POSITIONS:</b>													
Salaried	2.0				2.0			2.0	2.0	2.0	2.0		
Term	2.0				2.0			2.0	2.0	2.0	0		

**Notes:**

- (1) 2024 Salaries & Benefits variance due to staff vacancies.
- (2) 2024 Capital Equipment variance due to staff vacancies.
- (3) 2024 Consultant variance due to some consultants being charged directly to the Replacement Reserves.
- (4) 2024 Surplus will be returned to the Routine Replacement Reserve
- (5) 2025 CRD allocations increase mainly driven by \$24K increase in Standard Overhead based on the prior year budget.

**Umbrella Operating Agreement Properties with Upcoming Mortgage Expiries**

<b>Property Name</b>	<b>Mortgage Expiration Date</b>
Greenlea	March 1, 2025
Springtide	May 1, 2025
Amberlea	May 1, 2025
Cloverhurst	May 1, 2025
Arbutus View	July 1, 2025
Hamlet	October 1, 2025
Viewmont	August 1, 2026