



Natalie Wehner  
Manager, Finance  
Cowichan Valley Regional District  
175 Ingram Street, Duncan BC

January 14, 2021

**Re: Duncan Housing Society application to the Cowichan Housing Association's *Project Development Funding (PDF)* program for an allocation from the CVRD Housing Trust Fund.**

Dear Natalie,

Cowichan Housing Association has received an application to the *Project Development Funding (PDF)* program from Duncan Housing Society. The applicant is seeking a **\$25,000** contribution to offset the pre-construction soft costs associated with developing an additional 151 units of affordable housing for seniors in Duncan, BC.

In line with the process identified in the Regional Housing Service Guidelines, Duncan Housing Society submitted a Project Development Fund Application, which was reviewed by the Cowichan Housing Association's Housing Trust Fund Allocation Committee in early December of 2020.

The Allocation Committee recommended to the CHA Board of Directors that the request for Project Development Funding be supported, and on December 9, 2020, the Board of Directors of Cowichan Housing voted to adopt the committee's recommendation.

**As such, the Cowichan Housing Association Board of Directors recommends that \$25,000 be allocated from the CVRD Housing Trust Fund for the proposed Duncan Housing Society's affordable housing redevelopment project for seniors in Duncan.**

Our understanding of the contribution process is that if the recommendation is supported by the CVRD Board, the funds will be transferred to CHA, who will hold the money until the pre-construction soft costs are completed and invoices are submitted to CHA. At that point, the CVRD Project Development Funding will be provided to Duncan Housing Society to offset the costs associated with the project.

To assist in assessing the CHA recommendation please find the following information:

### The Proponent

Full legal name of the applicant:

Duncan Housing Society

Mailing Address: 280 1 Street, Duncan, BC, V9L 4T3

Contact: Christine Wright, Executive Director,

Ph: 250-715-5427 Email: duncanmanor@shaw.ca

### The Project

Project:

Duncan Manor Redevelopment, Duncan, BC

Unit count and composition:

Duncan Housing Society currently operates an existing housing complex of 122 bachelor and one-bedroom low-income units for seniors, in Duncan, in agreement with BC Housing. The existing facility is aging and the need for additional units is increasing. A phased redevelopment of the existing site is being explored to address the aging building and add 151 additional low-income seniors units.

### The Budget

Estimated Pre-Construction Budget: \$30,000

Estimated soft costs (geo-tech/environmental site review, consultation, and architect): \$25,000

In Kind Contribution (overhead, administration): \$5,000

Amount requested from CVRD Project Development Fund - **\$25,000**

### The Residents

The proposed tenant population:

- Low to moderate income seniors aged 55 years and over.

### Affordability

This project will pursue BC Housing funding under the Community Housing Fund (CHF) Request for Proposals expected to open this summer. Rental rates are structured according to the requirements of BC Housing's Community Housing Fund program:

- 20 percent of the units will be deep subsidy units,
- 50 percent will be Rent-Geared to Income and
- 30 percent will be moderate-income units.

### Project Status

CHA Project Development Funding will allow the Society to advance the project to complete an application for the anticipated CHF funding call by BC Housing this summer. PDF funds will be used to conduct pre-development activities including:

- Due diligence (geo-tech, environmental and civil works)
- Consultation with residents, City of Duncan, and community
- Conceptual design
- Operations development
- Feasibility analysis
- CHF proposal preparation

### The Application Evaluation

The proposed application meets the eligibility criteria identified in the Regional Housing Service's Project Development Funding program and the applicant (Duncan Housing Society) provided all the required information. The development meets the affordability criteria set out in the RHS guidelines.

The proposal was evaluated by the Housing Trust Fund Allocation Committee using the following criteria:

- Design, Capital Costs and Project Planning
- Contributions, Equity, Levels of Support
- Operations Planning, Capability and Capacity
- Sustainability
- Alignment with OCP, local area plans and the Cowichan Attainable Housing Strategy

It is the opinion of the Cowichan Housing Association's Housing Trust Fund Allocations Committee, Executive Director and Board of Directors that the applicant's request for Project Development Funding of \$25,000 meets the intent of the Regional Housing Service, *"to facilitate the provision of affordable housing for residents of the Cowichan Valley Regional District"*.

The Cowichan Housing Association thus recommends that \$25,000 be allocated from the CVRD Housing Trust Fund to the proposed development.

Regards,

John Horn  
Executive Director  
Cowichan Housing Association