



2019/20 Affordable Housing Investment Plan Report – First Quarterly Update

DESCRIPTION:

Attached is the 2019/20 Affordable Housing Investment Plan Report – First Quarterly Update.

2019/20

AFFORDABLE HOUSING INVESTMENT PLAN REPORT

FIRST QUARTERLY
UPDATE



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STRATEGIC CONTEXT

BC Housing's 2019/20 Affordable Housing Investment Plan Report – First Quarterly Update features an update on the overall progress against targets presented in the 2019/20 Mandate Letter, Homes for BC: A 30-Point Plan for Housing Affordability in British Columbia, and the 2019/20 Annual Capital Plan.

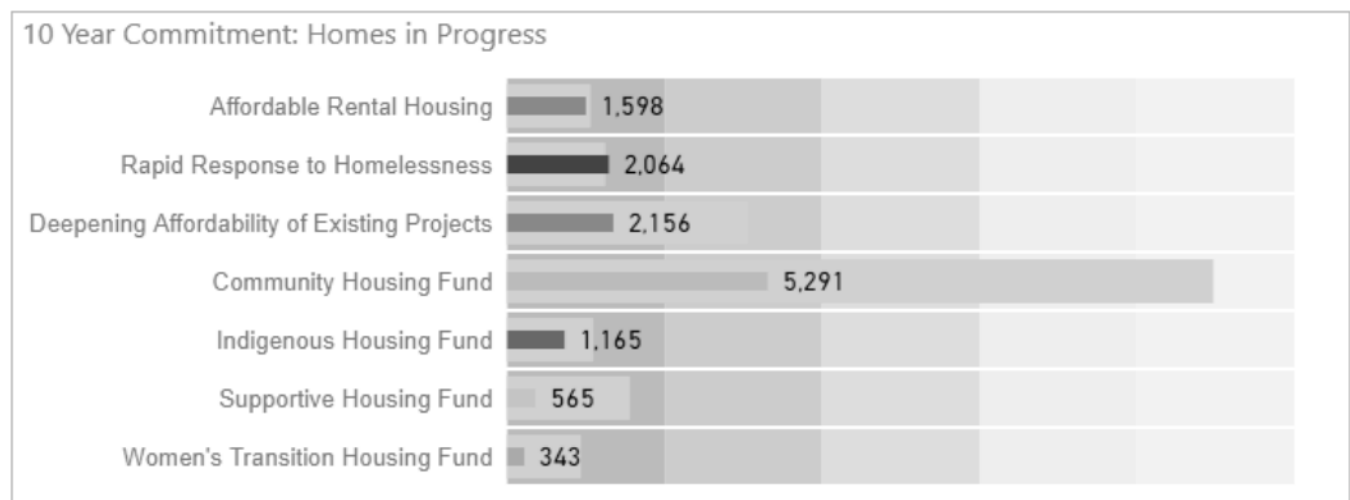
Through *Budget 2017 Update* and *Budget 2018*, the province committed more than \$6.8 billion over 11-years (2017/18 to 2028/29) to facilitate and operate 28,700 new homes through Building BC against the government's goal to build 114,000 affordable homes, and to maintain the condition of the province's existing social housing stock. Building BC includes: Rapid Response to Homelessness, Affordable Rental Housing program, Deepening Affordability of projects experiencing cost pressures, Community Housing Fund, Indigenous Housing Fund, Supportive Housing Fund and the Women's Transition Housing Fund. The Development and Asset Strategies branch will complete 9 strategies within the 30-Point Plan to fill current housing gaps in the market, including homes for growing families and seniors, and housing options for women and children fleeing violence, individuals experiencing or at risk of homelessness and housing for Indigenous Peoples.

BC Housing is working with all levels of government, Indigenous Peoples, non-profits, and the private sector to streamline the creation of new affordable homes in every region of the province. With sustained action, proactive partnering and smart streamlining, BC Housing can provide critical leadership on the supply-side.

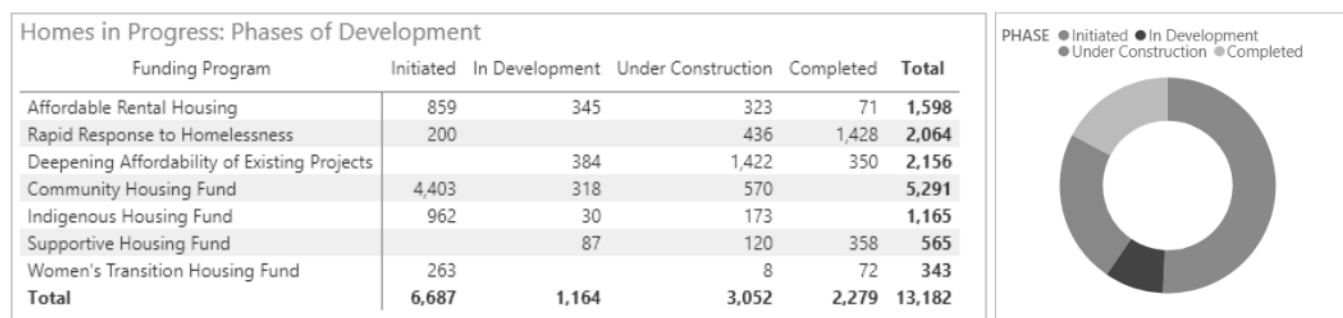
BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT IN PROGRESS

Over the next 10 years, BC Housing is expected to facilitate 28,700 homes through the Building BC programs and Deepening Affordability enhancements to projects under the Investment in Housing Innovation (IHI) and Provincial Investment in Affordable Housing (PIAH) programs that are experiencing cost pressures.



As of June 30, 2019, BC Housing has 13,182 homes in various stages of development, with roughly half in initiation phase, and the other half in development, under construction, or newly completed.



Projects in initiation phase have been announced but no commitment has been made towards them, while projects in development, under construction, and complete have gone through the necessary requirements through Executive Committee for provisional or final approval.

BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT FUNDING ALLOCATIONS

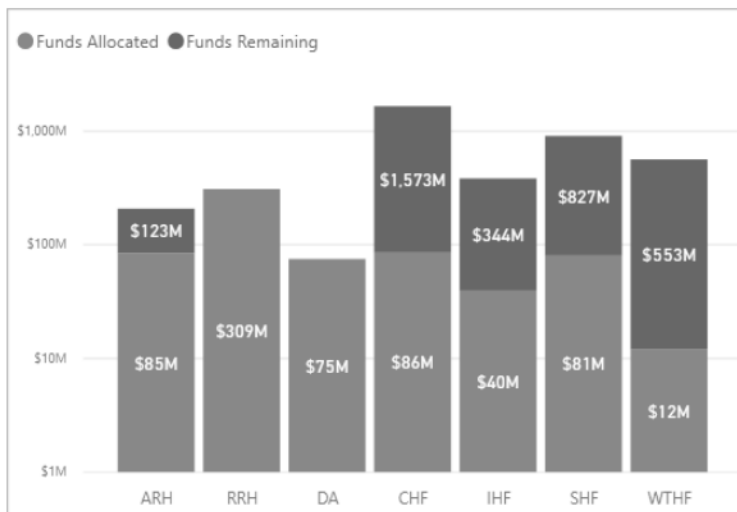


The Building BC Programs have a combined total of \$4.09 billion in which BC Housing has allocated \$687 million to housing projects across the province to date. This reflects 150 projects in various stages of development, construction, and completion. Deepening Affordability of Existing Projects was fully committed in 2018/19.

Out of the \$687 million allocated, 45% was approved from the Rapid Response to Homelessness program. RRH was the first program initiated under Building BC so that this housing was made available for the province's most vulnerable populations first.

Deepening Affordability was applied to development projects that were already underway but whose affordability was being threatened by rising construction costs and interest rates. Deepening Affordability was a way to address these issues to ensure the units remain affordable.

Funding Program Category	Program Allocation	Funds Allocated
Affordable Rental Housing	\$207,900,000	\$84,600,841
Rapid Response to Homelessness	\$291,000,000	\$309,351,831
Deepening Affordability of Existing Projects	\$75,000,000	\$75,000,000
Community Housing Fund	\$1,659,000,000	\$85,700,000
Indigenous Housing Fund	\$383,700,000	\$39,500,000
Supportive Housing Fund	\$907,963,000	\$80,786,116
Women's Transition Housing Fund	\$564,756,000	\$12,104,436
Total	\$4,089,319,000	\$687,043,224

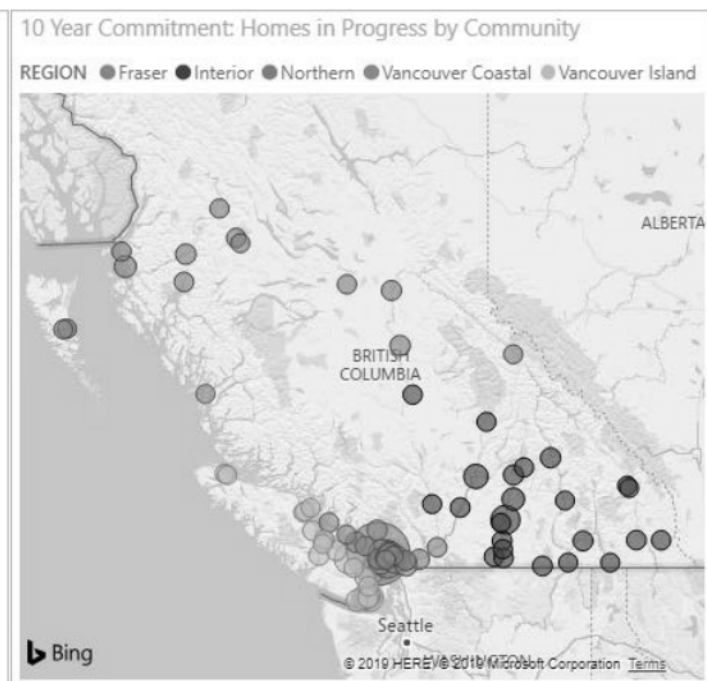
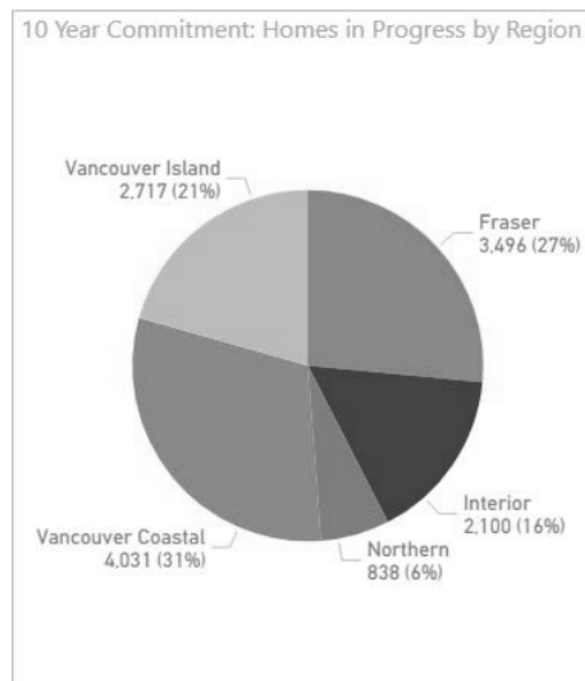


BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT REGIONAL BREAKDOWN

As of June 30, 2019, BC Housing has 13,182 homes that span across all 5 regions. The highest number of homes are being developed in the Vancouver Coastal region, with 4,031 homes, accounting for 31% of homes in progress. Not far behind is the Fraser region, with 3,496 homes in progress, or 27%.

Funding Program	Fraser	Interior	Northern	Vancouver Coastal	Vancouver Island	Total
Affordable Rental Housing	348	171	40	782	257	1,598
Rapid Response to Homelessness	685	365	131	726	157	2,064
Deepening Affordability of Existing Projects	627	316	163	511	539	2,156
Community Housing Fund	1,522	758	78	1,585	1,348	5,291
Indigenous Housing Fund	246	168	288	269	194	1,165
Supportive Housing Fund	26	223	32	120	164	565
Women's Transition Housing Fund	42	99	106	38	58	343
Total	3,496	2,100	838	4,031	2,717	13,182



BUILDING PARTNERSHIPS FOR AFFORDABILITY

HOUSINGHUB

2,045

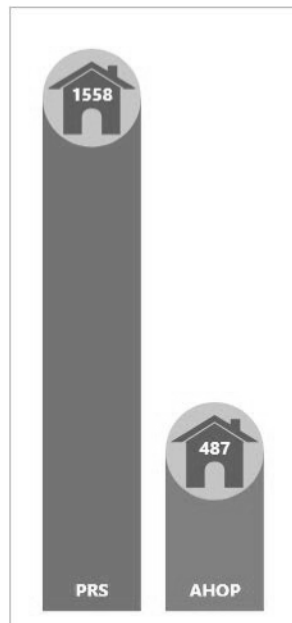
HousingHub
Units in Progress

The HousingHub was created to build partnerships and affordable homes where British Columbians are currently seeing a gap. The HousingHub works with community, government, non-profit and private-sector stakeholders to facilitate the creation of new affordable rental housing and homeownership options for middle-income British Columbians.

The HousingHub works collaboratively with an array of industry groups to facilitate the partnership of suitable land, equity, low-cost financing and development expertise to create affordable rental housing and homeownership options.

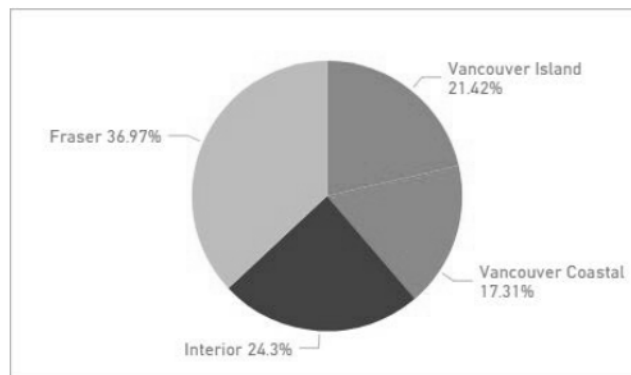
BC Housing, through the HousingHub is delivering Provincial Rental Supply and Affordable Home Ownership programs to support the development of new, affordable homes for eligible middle-income families and individuals.

There are currently 2,045 homes in various stages of development through 16 projects across 4 regions and 11 communities.



HousingHub Homes in Progress: Phases of Development

Funding Program	Initiated	In Development	Under Construction	Completed	Total
Provincial Rental Supply		1,159	242	157	1,558
Affordable Home Ownership Program	429	58			487
Total	429	1,217	242	157	2,045



PHASE ● Initiated ● In Development ● Under Construction ● Completed

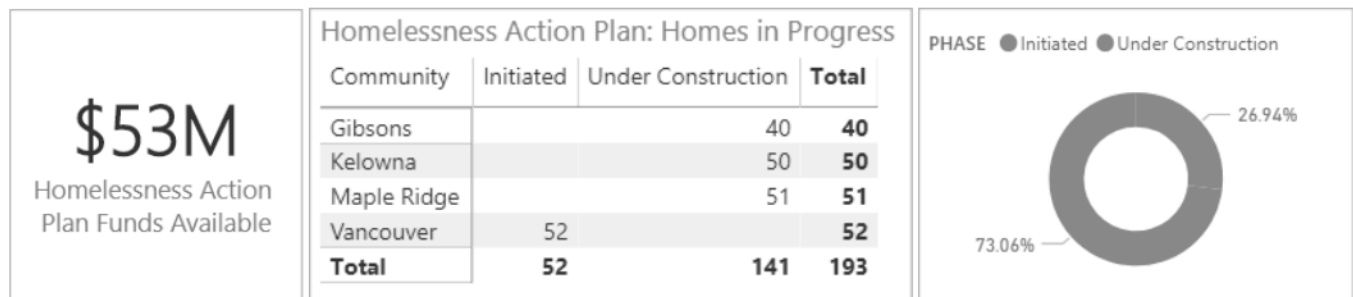


REDUCE HOMELESSNESS THROUGH HOUSING AND SERVICES

HOMELESSNESS ACTION PLAN

In 2019, the Province of British Columbia announced the Homelessness Action Plan (HAP) to build on the success of the Rapid Response to Homelessness (RRH) program initiated 2 years prior. As the Province continues to decrease the homelessness across the province, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units, and to purchase land for one alternative shelter structure. Additionally, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

Through extensive need and demand analyses, strategic partnerships and community collaboration, four projects have been identified to be delivered through the Homelessness Action Plan program.

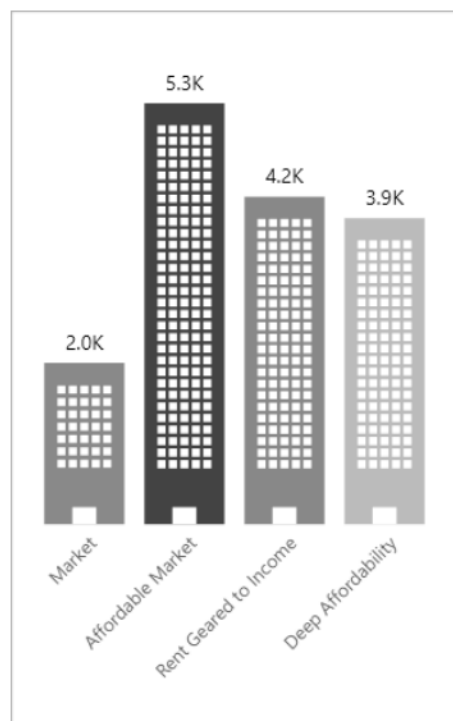


PROJECT	Supportive Housing, Gibsons	MacIntosh, Kelowna	Garibaldi Ridge, Maple Ridge	Vanness, Vancouver
OCCUPANCY	Mar 31, 2020	Dec 31, 2019	Sept 30, 2019	Mar 31, 2020
DETAILS	The proposed project is a 40-unit permanent modular supportive housing building to be operated by RainCity Housing and Support Society. The federal government transferred the land to the Town of Gibsons which they will nominally lease the land to PRHC for the development.	There is an immediate need to find housing with supports to ensure approximately 210 residents of 2 closing shelters do not end up on the streets. BC Housing is building 50 units of permanent supportive housing including amenity spaces and meal services to be operated by the John Howard Society to alleviate some of the pressure.	Maple Ridge has been dealing with a homeless camp situation. Recognizing the immediate need, BC Housing pursued Provincial Paramountcy to expediate the delivery of purpose-built modular housing for 51 individuals, including support programs and amenity space which will be operated by Coast Mental Health.	Continuing the Rapid Response to Homelessness partnership with the City of Vancouver, the Vanness site was identified to be suitable for 50 to 60 units of temporary modular housing with support services. Community engagement will commence in July 2019 and continue through September 2019. The operator is still to be identified.

THE RIGHT SUPPLY OF HOMES

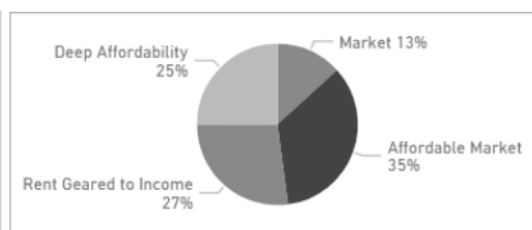
ADDRESSING HOUSING AFFORDABILITY

The right supply of homes is key to addressing housing affordability in British Columbia. BC Housing's mandate crosses through the entire housing continuum, facilitated by programs and funding through Building BC and HousingHub. Building BC will provide the deepest affordability to the province's most vulnerable, create supportive housing with rent geared to income, and deliver affordable rental housing for households with low to moderate incomes. HousingHub meets the needs of middle-income families by increasing the supply of market rental homes and creating the opportunity for households to access market ownership housing.



Out of the 15,420 homes currently in progress, 13,375 homes are for households with annual incomes below \$50,000. This means that almost 87% of the homes BC Housing is developing are for people that need deep affordability, rent geared to income, and rents below the average market rates.

Total Homes in Progress	
Initiative	Units
Building BC	13,182
HousingHub	2,045
Homelessness Action Plan	193
Total	15,420



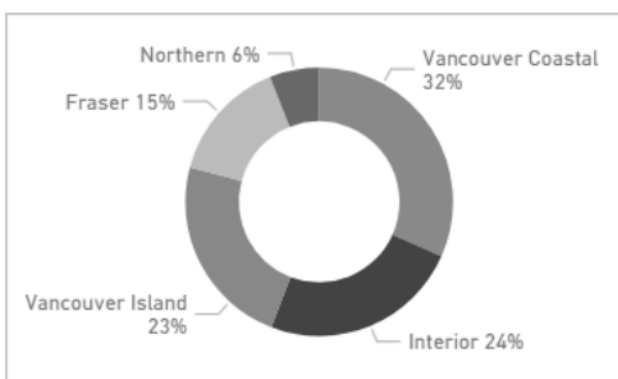
Middle-income families are being recognized as a target client as well, with the HousingHub bringing forth over 13% of BC Housing projects for those that need market rental and market ownership housing.

HOMES READY IN 2019/20

ANNUAL SERVICE PLAN UNIT COMPLETION

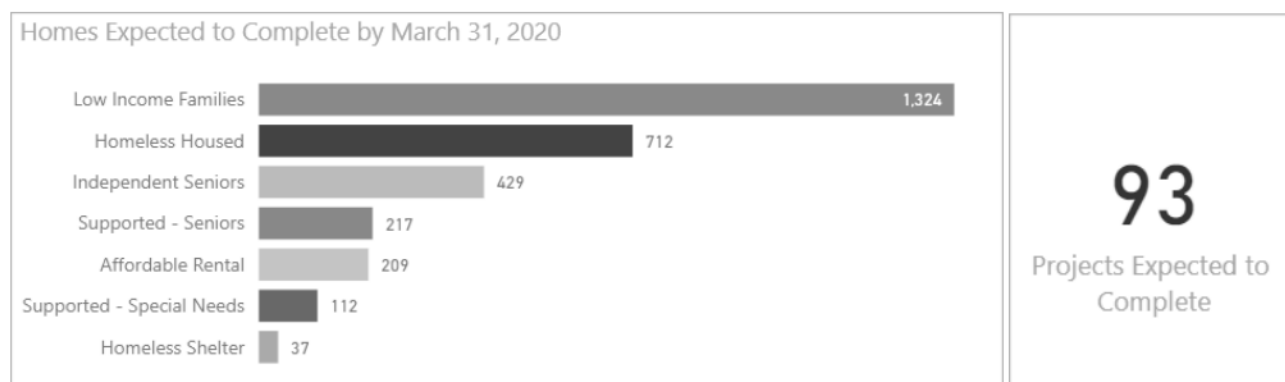
BC Housing's performance to deliver on provincial investment and increase the supply of affordable, social, and supportive housing is measured by the number of housing units completed. The 2019/20 annual unit completion target is set for 3,035 homes.

Funding Program	Q1	Q2	Q3	Q4	Total
Affordable Rental Housing			38		38
Rapid Response to Homelessness	52	209	136	21	418
Community Housing Fund				88	88
Indigenous Housing Fund			12	74	86
Supportive Housing Fund			8	55	63
Women's Transition Housing Fund		8		10	18
Homelessness Action Plan		51	50	92	193
Other Programs		68			68
Provincial Rental Supply	157			31	188
Other Programs	185	768	526	401	1,880
Total	394	1,104	770	772	3,040



394 homes have already been completed in the first quarter. It is expected that an additional 2,646 homes will complete by March 31, 2019. With 3,040 homes for 2019/20, this will exceed the annual target by 5 homes.

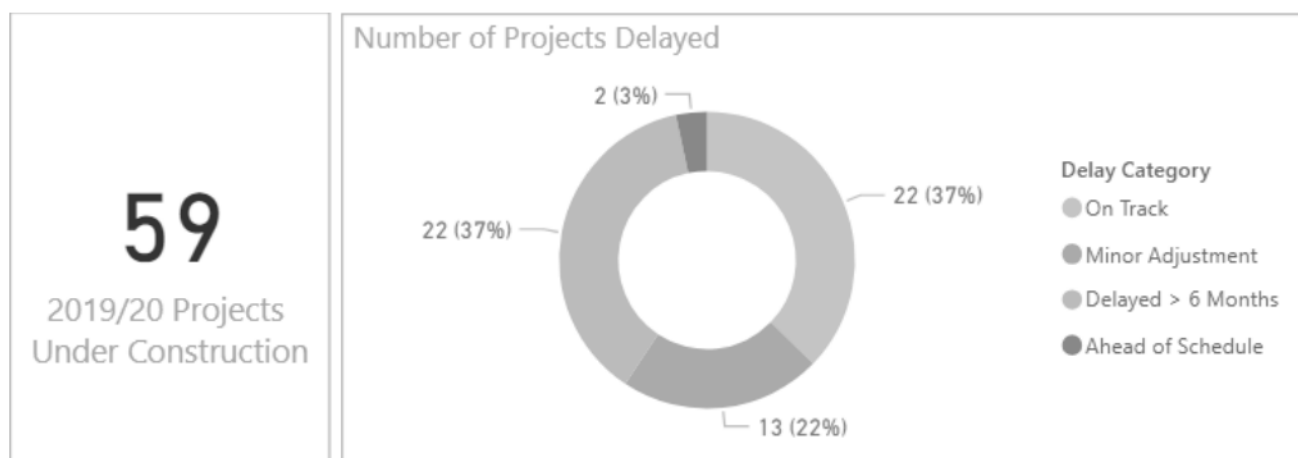
Most of the homes completing in 2019/20 will be for low income families, representing 44% of homes and those at risk of homelessness, representing 23% of homes.



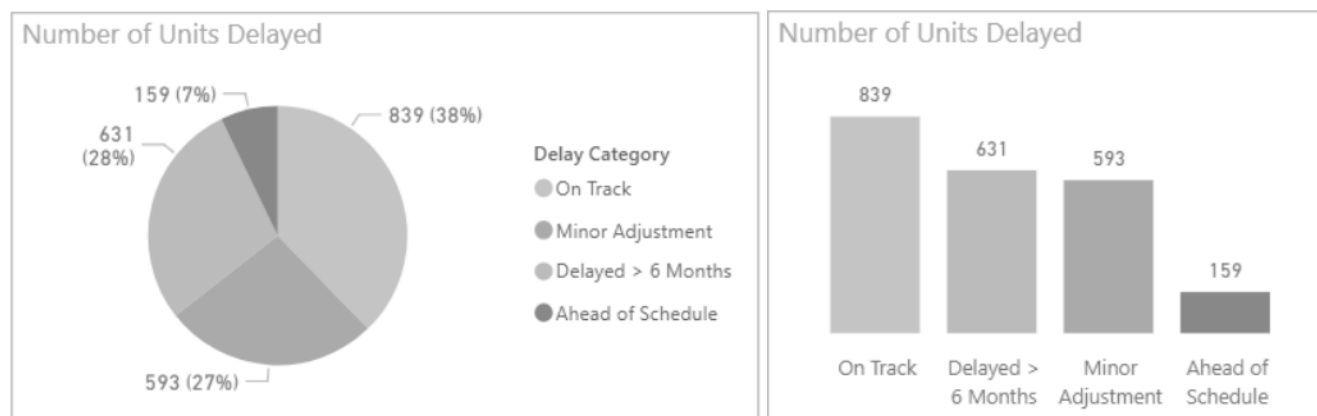
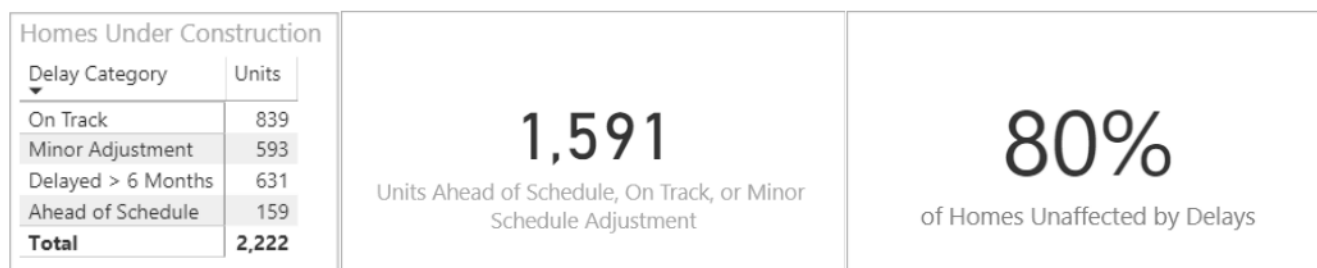
HOMES READY IN 2019/20

SCHEDULE PERFORMANCE

Projects strive to be ahead a schedule but more often than not, there will be a schedule change. Within the 59 projects under construction expected to be ready prior to fiscal year end, 2 projects (3%) are ahead of schedule and 22 projects (37%) are on track. 13 (22%) projects are experiencing a minor adjustment in schedule, while 22 projects (37%) are delayed.



Although 37% projects have become delayed since they were given Final Project Approval, this only represents 28% of homes in construction. Out of the 3,052 homes expected to complete this fiscal, delays only affect 20% of homes. The other 1,591 units under construction are ahead of schedule, on track, or exhibiting minor schedule adjustments.



EXTENDING THE LIFE AND QUALITY OF EXISTING SOCIAL HOUSING MAINTENANCE AND REHABILITATION IN PROGRESS

As part of *Budget 2018*, the province invested \$1.1 billion to maintain the condition of existing provincially owned and non-profit owned social housing. This investment is in addition to BC Housing's ongoing budget of \$32 million per year for repairs and improvements to existing stock.

The Capital Renewal Fund program embodies the Province's commitment to protecting existing affordable homes. It represents a much-needed investment into building rehabilitation and repair, to increase building safety against a major fire or earthquake, and to improve energy performance for existing affordable housing.

10 Year Commitment: Capital Renewal Fund Progress

Capital Renewal Fund – Non-Profit Owned

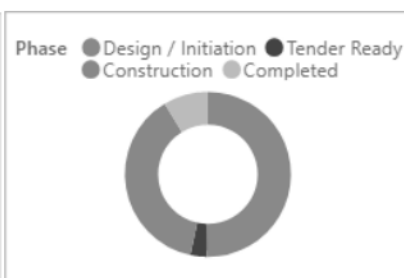
\$56.23M

Capital Renewal Fund – Provincially Owned

\$56.86M

As of June 30, 2019, \$56.23 million has been committed for non-profit owned projects and \$56.86 million has been spent for provincially owned projects. In 2019/20, it is expected that Asset Strategies will commit \$94.37 million in grants for non-profit owned projects and spend \$43.11 million on provincially owned projects.

Region	Design / Initiation	Tender Ready	Construction	Completed	Total
Fraser	86	3	39	13	141
Interior	14	6	24	4	48
Northern	7	2	23	2	34
Vancouver Coastal	108	2	58	20	188
Vancouver Island	21	2	34	2	59
Total	236	15	178	41	470



As of the end of the first quarter, Asset Strategies has 469 projects in various development stages in all parts of British Columbia. Although the largest concentration is situated in the metropolitan area, projects are in construction as far north as Dease Lake, British Columbia. Roughly half of the current projects are in Design / Initiation stage, accounting for 236 projects, and 38% are in Construction stage, accounting for 178 projects. 40 projects have completed construction since the fiscal year began.

Due to accounting principles, reporting on non-profit owned projects differ from provincially owned projects. Non-profit owned projects are held accountable to the full amount of its grant allocation on the date of its approval at Executive Committee, while provincially owned projects are considered committed as funds are spent throughout the project.

FIRST QUARTER PROGRESS

NON-PROFIT OWNED PROJECTS

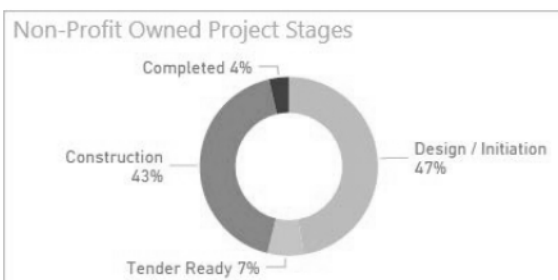
Non-profit projects are eligible for Capital Renewal Funding if it maintains or benefits the Facility Condition Index or improves the building's seismic, fire safety, or energy performance. All other scopes fall into the routine capital category, which could include building envelope repair, mechanical upgrades, structural upgrades, etc.

Out of the 167 non-profit projects in progress, 166 include components of routine capital, or 99% of projects. When looking at just scope categories in isolation, routine capital accounts for 71% of all scope categories, as one project may contain several scopes of work.



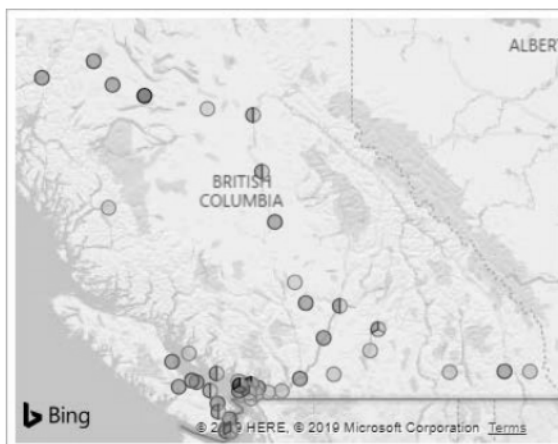
For the first quarter of 2019/20, \$4.82 million in grants have been approved toward non-profit projects with \$89.55 million still expected to be committed in the next three quarters.

Region	Q1	Q2	Q3	Q4	Total
Interior	0	6,963,010	2,739,630	2,397	9,705,037
Northern	80,000	237,968	0	0	317,968
Fraser	0	31,657,209	11,261,231	3,299,959	46,218,400
Vancouver Coastal	0	13,265,985	9,041,017	5,799,087	28,106,088
Vancouver Island	4,736,882	5,254,951	0	30,673	10,022,506
Total	4,816,882	57,379,123	23,041,879	9,132,116	94,370,000



The second quarter is where it is expected that most grants will be committed for non-profit owned projects. It is estimated that \$57 million will be committed next quarter. This means that projects are moving quickly out of Design / Initiation stage and into Construction stage.

Most projects are in Design / Initiation (47%) and Construction (43%) stages. A large cluster of projects are in the metropolitan areas, but construction is happening all throughout the Interior and Vancouver Island regions of British Columbia.

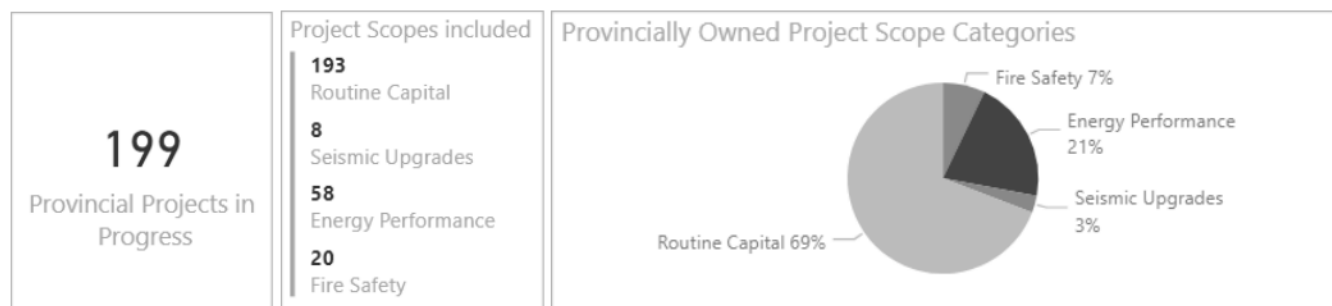


FIRST QUARTER PROGRESS

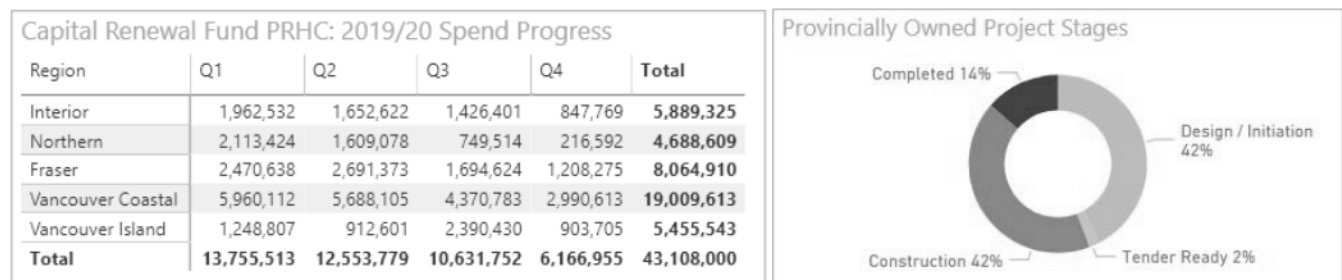
PROVINCIALY OWNED PROJECTS

For provincially owned sites, projects must benefit the Facility Condition Index through completing essential building renewals, repairs, and maintenance. The funding will be spent towards increasing the service potential of the building by providing critical life-safety improvements, including seismic and fire-safety upgrades, as well as energy performance upgrades.

Out of the 199 provincially owned projects in progress, 193 include components of routine capital, or 97% of projects. When looking at just scope categories in isolation, routine capital accounts for 69% of all scope categories, as one project may contain several scopes of work.

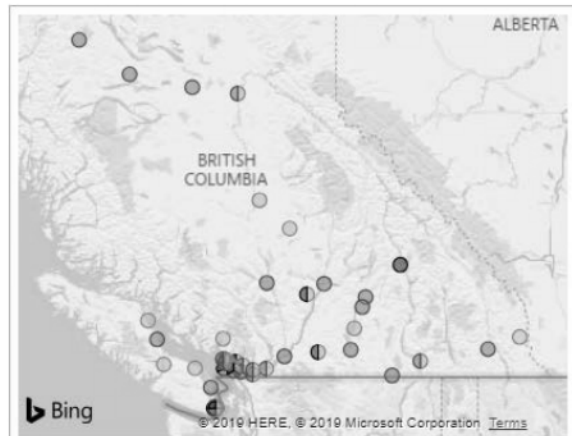


For the first quarter of 2019/20, \$13.76 million has been spent towards PRHC projects with \$29.35 million still expected to be spent in the next three quarters.

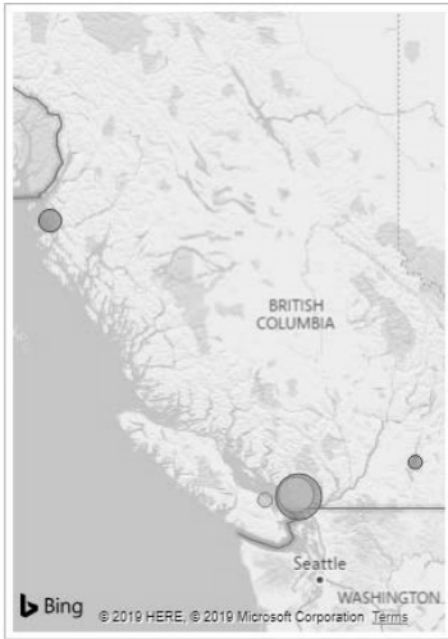


Spending is expected to be continuous for provincially owned projects. It is forecasted that spending will reach \$12 million in the second quarter, decrease to \$10 million in the third quarter, and follow through to \$6 million in the fourth quarter.

With the majority of projects in construction, this steady decline of spending represents projects moving out of Construction stage, completing the defined scope of work as the project comes to a close.



REVITALIZING SPACES THAT NO LONGER WORK REDEVELOPMENT



The Redevelopment Team has been tasked with reviewing the potential of revitalizing some of the aging BC Housing assets with the intention of modernizing sites to meet current housing demands and bringing forward best practices in sustainable design, engineering & construction. Most projects are at the early stages of redevelopment planning, with major sites currently underway in every region. BC Housing will maintain the leadership and facilitation role for the other partners in conducting the feasibility study and exploring the planning options for the lands.

It is anticipated that the planning for most sites will be phased to accommodate BC Housing's Redevelopment Principles, that will see a minimum of one to one replacement and cross subsidy modeling to ensure the greatest affordability. Working in conjunction with municipalities and industry, BC Housing will aim to unlock the inherent density in these redevelopments to ensure that this vital stock is revitalized and increased.

HARBOURVIEW, PRINCE RUPERT

QUICK FACTS: HARBOURVIEW

Site Size	37,474 m ² (9.23 acres)
Owner	Provincial Rental Housing Corporation
Operator	BC Housing, M'akola Housing Society, Prince Rupert Indigenous Housing Society
Existing Units	100 low income family & 10 independent seniors units
Partners	M'akola Housing Society, City of Prince Rupert
Current Stage	Planning

Harbourview is a PRHC-owned site approximately 9.26 acres in size in the City of Prince Rupert. There are currently 100 low income family units and 10 modular seniors units on the site managed by M'akola Housing Society. The 100 low income units were built in 1976 and are nearing the end of their economic life. A subdivision application has been submitted to the City. A portion of the site will be leased to Prince Rupert Indigenous Housing Society who will develop that property using program funding. Preliminary due diligence studies have been completed, including, land surveying, environmental and geotechnical assessment. A Lead Consultant has been hired to plan the remainder of the site. The Lead Consultant has a project team of subconsultants, including planning/architecture, geotechnical, environmental, civil engineering and traffic/transportation.

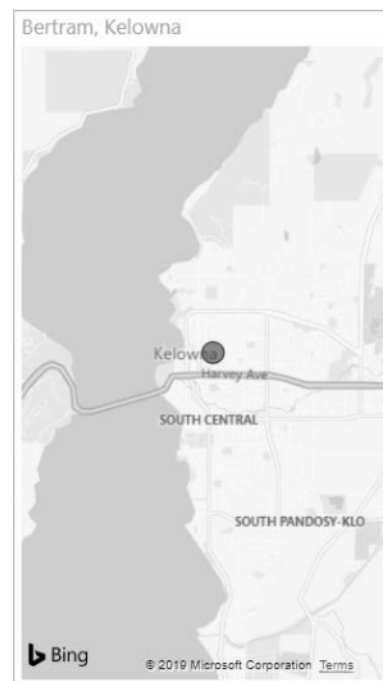


BERTRAM, KELOWNA

QUICK FACTS: BERTRAM

Site Size	4046 m ² (1.0 acre)
Owner	Provincial Rental Housing Corporation
Operator	BC Housing
Existing Units	26 low income family units
Project Team	Architect, Planner, QS
Current Stage	Design and Site Work

Bertram is a PRHC-owned site of approximately 1.0 acre in size, located in Kelowna's downtown core. PRHC purchased the site in 2018, consisting of two 1950s market rental apartments (Gibraltar Apartments) and one single family home, for a total of 26 units. Working with the Regional Operations team, a Relocation Plan was proposed in Spring 2018 and successfully completed in Spring 2019. An RFP was issued in Fall 2018 for Consultants to lead the redevelopment planning. As of June 2019, the Gibraltar Apartments were almost fully demolished. Meanwhile, the redevelopment team has continued to refine built form options appropriate for the site. BC Housing anticipates community consultations will begin in Fall 2019.



HALL TOWERS, BURNABY

QUICK FACTS: HALL TOWERS

Site Size	18,211 m ² (4.5 acres)
Owner	Provincial Rental Housing Corporation, City of Burnaby
Operator	BC Housing
Existing Units	331 low income family units
Partners	City of Burnaby
Current Stage	Feasibility / Design

Hall Towers is a directly managed PRHC-owned site approximately 1.78 acres in size in the Edmonds area of Burnaby. There are two towers on the site: Hall Tower (1972) with 213 units and Hall Tower Extension (1977) with 118 units, totalling 331 units. The site abuts 3 vacant properties owned by the City. BC Housing and the City entered into a Memorandum of Understanding in January 2018 for comprehensive development planning of the 4 contiguous properties, a total of 4.5 acres. The BC Housing and City of Burnaby partnership will lead a feasibility/design development planning process to further the development process and reduce project uncertainty. The partnership will then release a public RFP to seek a development partner to develop the site.



2019/20

AFFORDABLE HOUSING INVESTMENT PLAN REPORT

**THIRD QUARTERLY
UPDATE**



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INTRODUCTION

STRATEGIC CONTEXT

BC Housing's 2019/20 Affordable Housing Investment Plan Report – Third Quarterly Update is a report prepared for the Board of Commissioners that features an update on the overall progress for Q3 (October 1 to December 31, 2019) against targets presented in the 2019/20 Mandate Letter, *Homes for BC: A 30-Point Plan for Housing Affordability in British Columbia*, and the 2019/20 Annual Capital Plan.

The Province has made significant progress on its housing plan, *Homes for B.C.: A 30-Point Plan for Housing Affordability in British Columbia*, which represents a \$7 billion investment in housing over 10 years. Of the total target of 114,000 units, 36,900 units of publicly funded affordable housing have been formally committed or announced, of which BC Housing is directly responsible for 28,900, with additional units to be created through HousingHub.

Many of the new homes being delivered by BC Housing under the 30-Point Plan are funded through the \$4.09 billion *Building BC* capital programs, which includes: Rapid Response to Homelessness, Affordable Rental Housing program, Deepening Affordability of projects experiencing cost pressures, Community Housing Fund, Indigenous Housing Fund, Supportive Housing Fund, and Women's Transition Housing Fund. In addition, \$1.64 billion in operating funds are being provided to these *Building BC* programs.

This report also includes analysis of HousingHub, which was created by the Province to bring together partners from all levels of government, non-profit organizations, and the private sector, with the goal of building capacity and becoming a catalyst for new affordable housing development.

The report also captures the Capital Renewal Fund, a \$1.1 billion investment announced in 2018 to maintain the condition of existing provincially owned and non-profit owned social housing.

In addition, \$440 million over 10 years is being provided through enhancements to the Rental Assistance Program and Shelter Aid for Elderly Renters program. This funding is not captured in this report.

BC Housing is working with all levels of government, Indigenous Peoples, non-profits, and the private sector to streamline the creation of new affordable homes in every region of the province.

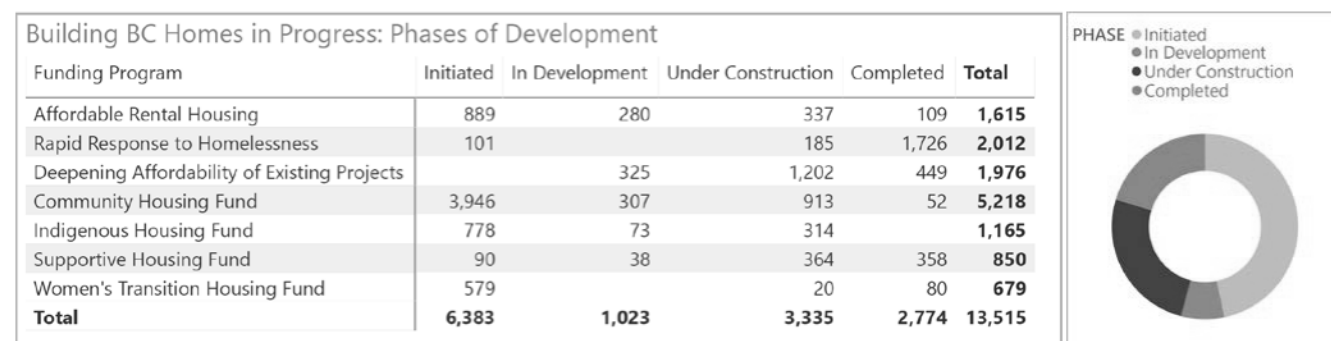
BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT IN PROGRESS

Over the next 10 years, BC Housing is expected to facilitate 28,700 homes through the Building BC programs and Deepening Affordability enhancements, with additional homes to come through the HousingHub, Homelessness Action Plan (200 units), and partnership agreements like the Regional Housing First Program.



As of December 31, 2019, BC Housing has 16,527 homes in various stages of development, with 13,515 of them through the Building BC programs listed above. Of those, 47% are in initiation phase and 53% in development, under construction, or newly completed. It should be noted that the programs above do not include all BC Housing programs. Supportive housing units delivered under Homelessness Action Plan funding are reported separately in this report.



Projects in initiation phase are public knowledge, such as through announcements or municipal process, but have not yet received their final BC Housing approval as they are in early stages of planning and final unit counts or timelines may change. Projects in development, under construction, and complete have gone through the necessary requirements through Executive Committee or Board of Commissioners as per the Capital Review Committee Terms of Reference for approval.

BUILDING THE HOMES PEOPLE NEED

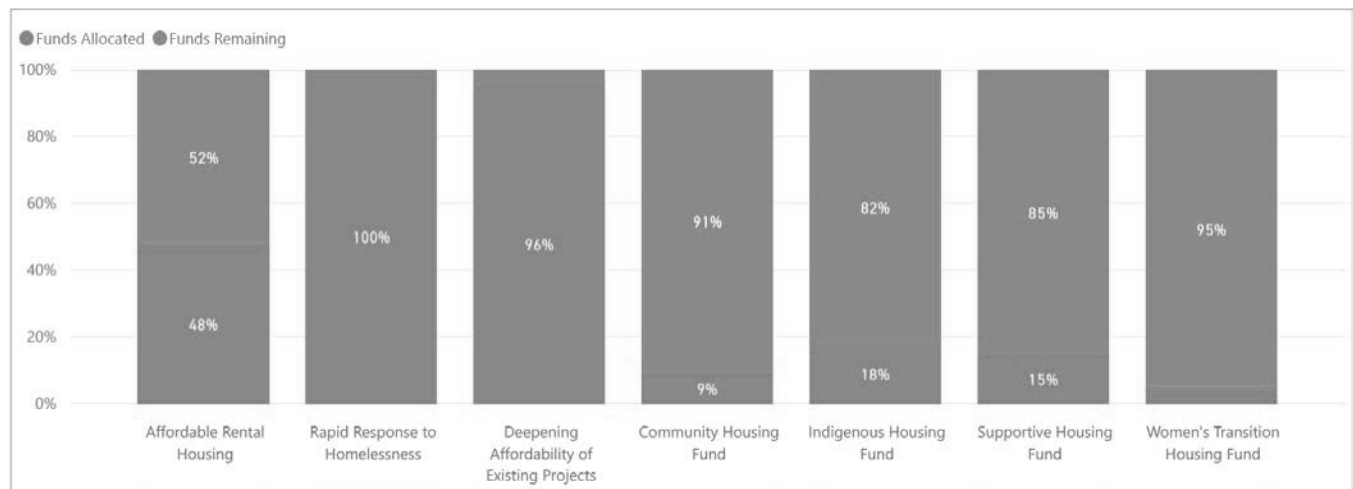
NEW DEVELOPMENT FUNDING ALLOCATIONS

The Building BC Programs have a combined capital total of \$4.09 billion. BC Housing has allocated more than \$874 million to housing projects across the province to date. This reflects 247 projects in various stages of development, construction, and completion.



Out of the \$874 million allocated, 37% was approved from the Rapid Response to Homelessness program. RRH was the first program initiated under Building BC so that this housing was made available for the province's most vulnerable populations first.

Deepening Affordability was applied to development projects that were already underway but whose affordability was being threatened by rising construction costs and interest rates. Deepening Affordability was a way to address these issues to ensure the units remain affordable.



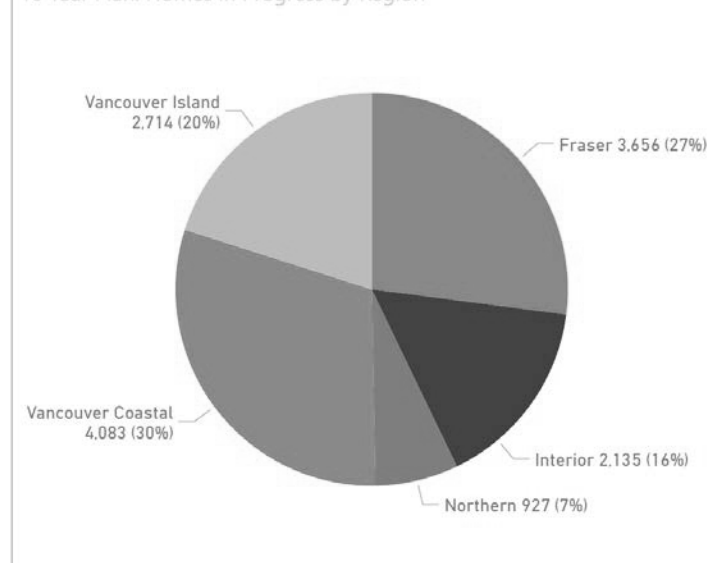
BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT REGIONAL BREAKDOWN

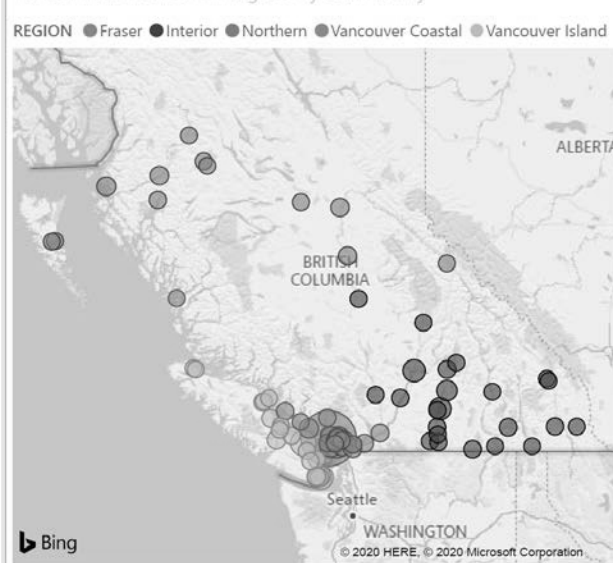
As of December 31, 2019, BC Housing has 13,515 homes in progress spanning across all 5 regions under *Building BC* and *Deepening Affordability*. The highest number of homes are being developed in the Vancouver Coastal region, with 4,083 homes, accounting for 30% of homes in progress. Not far behind is the Fraser region, with 3,656 homes in progress, or 27%.

Initiative	Fraser	Interior	Northern	Vancouver Coastal	Vancouver Island	Total
Building BC						
Affordable Rental Housing	291	170	40	870	244	1,615
Rapid Response to Homelessness	586	415	131	726	154	2,012
Deepening Affordability of Existing Projects	627	316	163	499	371	1,976
Community Housing Fund	1,618	722	78	1,430	1,370	5,218
Indigenous Housing Fund	246	162	300	233	224	1,165
Supportive Housing Fund	234	175	82	155	204	850
Women's Transition Housing Fund	54	175	133	170	147	679
Total	3,656	2,135	927	4,083	2,714	13,515

10 Year Plan: Homes in Progress by Region



10 Year Plan: Homes in Progress by Community



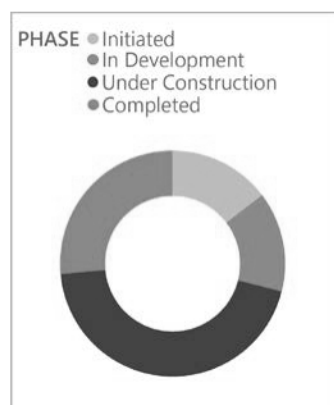
BUILDING PARTNERSHIPS FOR AFFORDABILITY

HOUSINGHUB

The HousingHub was created to build partnerships and affordable homes where British Columbians are currently seeing a gap. The HousingHub works with community, government, non-profit and private-sector stakeholders to facilitate the creation of new affordable rental housing and homeownership options for middle-income British Columbians. The HousingHub works collaboratively with an array of partners to facilitate the partnership of suitable land, equity, low-cost financing and development expertise to create affordable rental housing and homeownership options.

BC Housing, through the HousingHub, is delivering Provincial Rental Supply and Affordable Home Ownership programs to support the development of new, affordable homes for eligible middle-income families and individuals.

There are currently 2,802 homes in various stages of development through 31 projects across 5 regions and 20 communities.

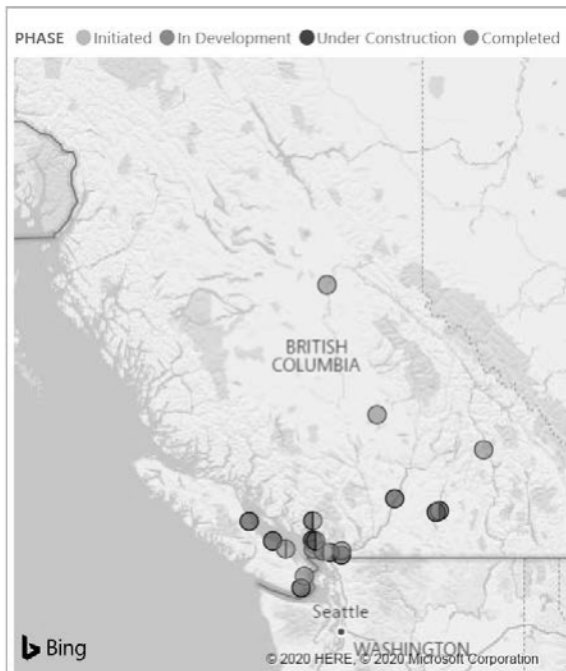


HousingHub Homes in Progress: Phases of Development

Funding Program	Initiated	In Development	Under Construction	Completed	Total
Provincial Rental Supply		343	1,250	741	2,334
Affordable Home Ownership	410	58			468
Total	410	401	1,250	741	2,802

HousingHub Homes in Progress: Community Breakdown

Community	Initiated	In Development	Under Construction	Completed	Total
100 Mile House				33	33
Abbotsford			161		161
Colwood			48		48
Courtenay			56		56
Kelowna			194	186	380
Langley			98		98
Merritt			75		75
Mission				68	68
Nanaimo		120		150	270
North Vancouver		58	85		143
Parksville			74		74
Prince George				6	6
Revelstoke				117	117
Richmond				15	15
Sidney		73			73
Squamish		67	40		107
Surrey	410			166	576
Vancouver		83			83
West Kelowna			186		186
West Vancouver			233		233
Total	410	401	1,250	741	2,802

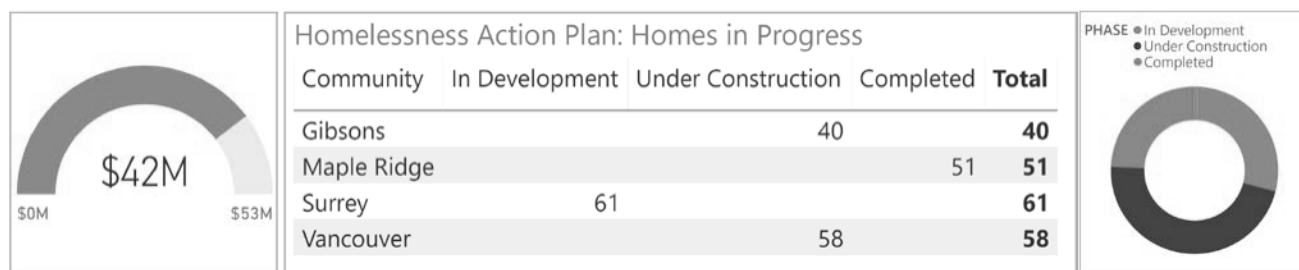


REDUCE HOMELESSNESS THROUGH HOUSING AND SERVICES

HOMELESSNESS ACTION PLAN

In 2019, the Province of British Columbia announced the Homelessness Action Plan (HAP) to build on the success of the Rapid Response to Homelessness (RRH) program initiated in September 2017. Through this program, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units, and to purchase land for one alternative shelter structure. Additionally, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

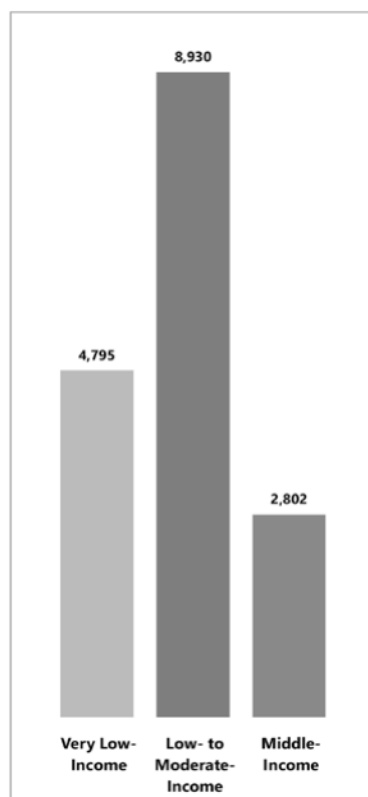
Through extensive need and demand analyses, strategic partnerships and community collaboration, four projects have been identified to be delivered through the Homelessness Action Plan program.



PROJECT	Supportive Housing, Gibsons	Garibaldi Ridge, Maple Ridge	Guildford, Surrey	Vanness, Vancouver
STATUS	Under Construction	Completed	In Development	Under Construction
DETAILS	The project is a 40-unit permanent modular supportive housing building to be operated by RainCity Housing and Support Society. The federal government transferred the land to the Town of Gibsons which will nominally lease the land to PRHC for the development.	Maple Ridge has been dealing with a homeless camp situation. Recognizing the immediate need, BC Housing pursued Provincial Paramountcy to expedite the delivery of purpose-built temporary modular housing for 51 individuals, including support programs and amenity space which is operated by Coast Foundation Society.	Under the province's 2017 Homelessness Initiative, the City of Surrey and BC Housing identified a need for supportive housing. The development will consist of 61 modular residential units for those at risk of homelessness, which will be operated by Lookout Housing and Health Society.	Continuing the Rapid Response to Homelessness partnership with the City of Vancouver, the Vanness site was identified to be suitable for 58 units of temporary modular housing with support services, operated by Community Builders Benevolence Group.

INCREASING THE SUPPLY OF HOMES ADDRESSING HOUSING AFFORDABILITY

Increasing the supply of homes is key to addressing housing affordability in British Columbia. BC Housing's mandate crosses through the housing continuum, facilitated by programs and funding through Building BC and HousingHub. Building BC will provide the deepest affordability to the province's most vulnerable, create supportive housing with rent geared to income, and deliver affordable rental housing for households with low to moderate incomes. HousingHub meets the needs of middle-income families by increasing the supply of market rental homes and creating the opportunity for households to access market ownership housing.

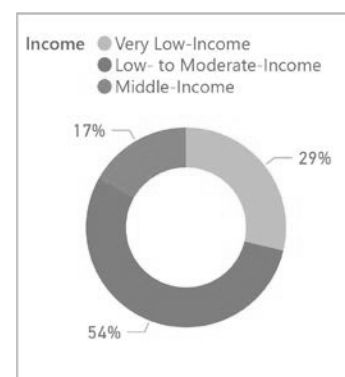


Out of the 16,527 homes currently in progress, 8,930 homes are designed for low- to moderate-income earners: households with annual incomes up to \$74,000. This means that 54% of the homes BC Housing is developing are for people that need social housing or subsidized rents or affordable market accommodation. Examples of programs that deliver these types of homes are Community Housing Fund, Affordable Rental Housing, and Indigenous Housing Fund. Income limits for these programs are based on the Statistics Canada Annual Household Income Survey.

Homes for very low-income earners, including supportive and shelter rate housing, represent 28% of homes in progress, or 4,795 homes. Typical monthly rents for these units range from \$375 to \$660 per month depending on unit size.

Around 17%, or 2,802 homes are for middle-income earners.

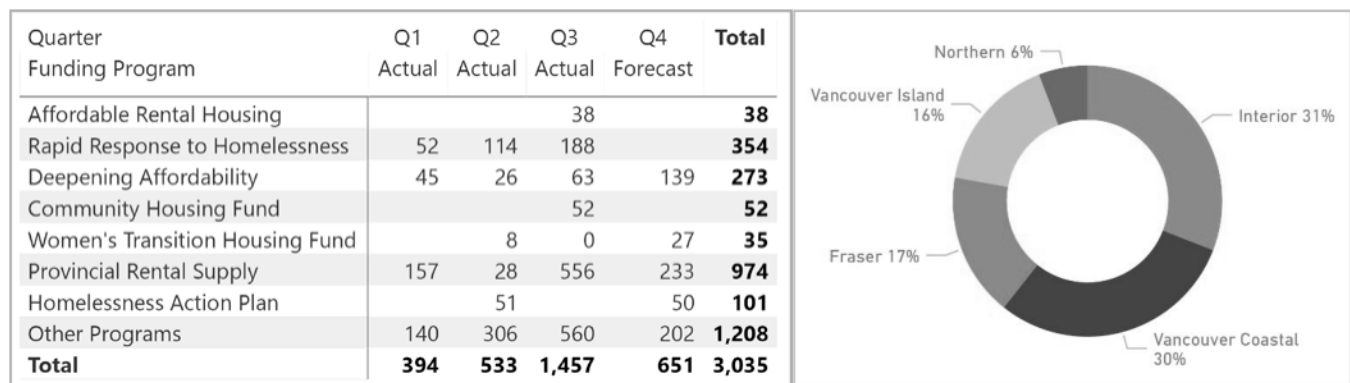
Initiative	Units
Building BC	13,515
HousingHub	2,802
Homelessness Action Plan	210
Total	16,527



HOMES READY IN 2019/20

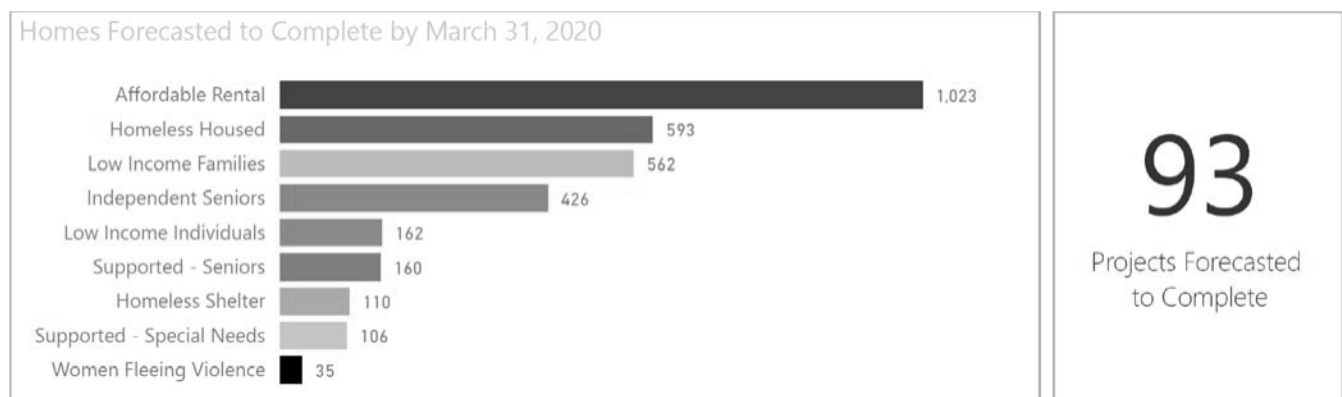
ANNUAL SERVICE PLAN UNIT COMPLETION

BC Housing's performance to deliver on provincial investment and increase the supply of affordable, social, and supportive housing is measured by the number of housing units completed. The 2019/20 annual unit completion target is set for 3,035 homes.



BC Housing is on track to meet its annual completion target. During the third quarter, 1,457 homes were completed. Combined with the results from the first and second quarter, 2,384 homes have been created since April 1, 2019. As of December 31, 2019, it is forecasted that an additional 651 homes will complete by March 31, 2020.

BC Housing tracks homes delivered by service allocation groups, as reflected in the table below. Most of the homes completing in 2019/20 will be affordable rental options for middle-income families, representing 34% of homes. The next are deep subsidy and social housing subsidized rental options for those at risk of homelessness, representing almost 20% of homes.

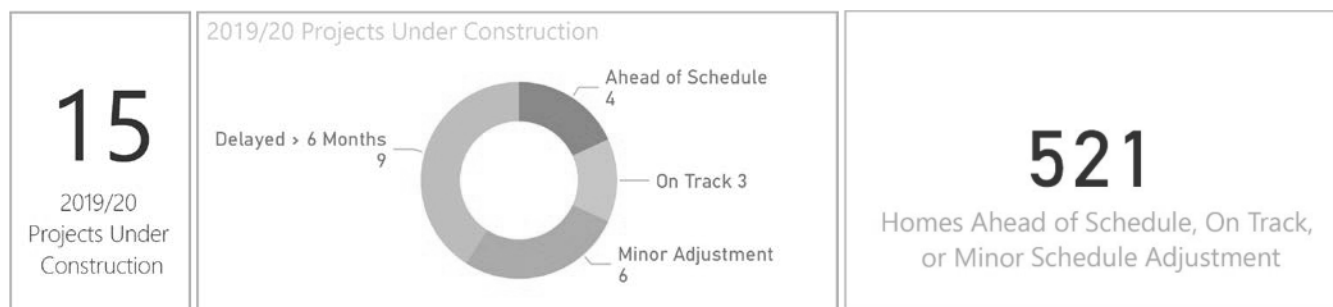


HOMES READY IN 2019/20

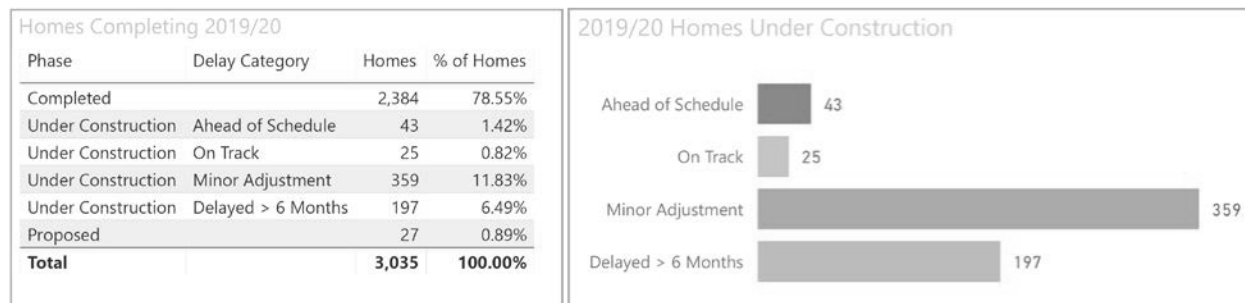
SCHEDULE PERFORMANCE

BC Housing strives to ensure projects are ahead of schedule, but recognizes that in residential construction, schedules must often be adjusted.

In addition to the 63 projects (2,384 homes) completed so far this year, 15 projects, totalling 624 homes, are under construction and expected to be ready prior to fiscal year end. Of the 15 projects under construction, 9 projects (197 homes) have become delayed since receiving Final Project Approval. The other 6 projects (521 homes) are ahead of schedule, on track, or exhibiting minor schedule adjustments.



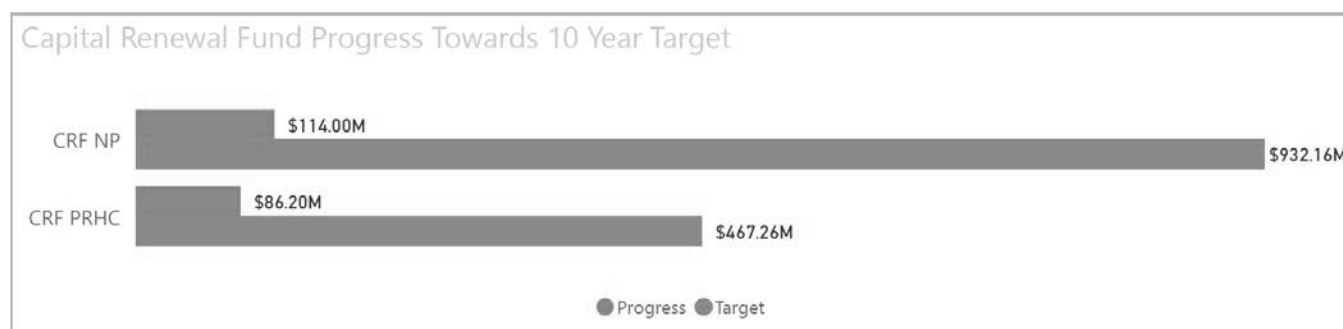
Compared to the annual fiscal delivery of 3,035 homes which are set to complete by March 31, 2020, delays have only affected 6.49% of homes.



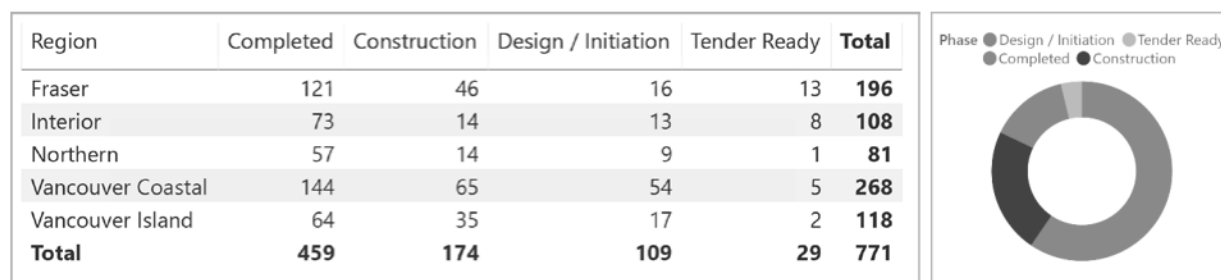
EXTENDING THE LIFE AND QUALITY OF EXISTING SOCIAL HOUSING MAINTENANCE AND REHABILITATION IN PROGRESS

As part of *Budget 2018*, the Province is investing \$1.1 billion to maintain the condition of existing provincially owned and non-profit owned social housing. This investment is in addition to BC Housing's ongoing budget of \$32 million per year for repairs and improvements to existing stock.

The Capital Renewal Fund program reflects the Province's commitment to protecting existing affordable homes. It represents a much-needed investment into building rehabilitation and repair, to increase building safety against a major fire or earthquake, and to improve energy performance for existing affordable housing.



From the inception of Capital Renewal Fund to December 31, 2019, \$114 million has been committed for non-profit owned projects and \$86.2 million has been spent for provincially owned projects.



As at the end of the third quarter, Asset Strategies has 771 projects in various development stages in all parts of British Columbia, across all programs and initiatives. This includes projects outside Capital Renewal Fund, such as Ministry-funded Group Homes and Social Infrastructure Funding programs.

Almost 60% of the current projects are newly completed, accounting for 459 projects. 174 projects (23%) are in construction stage and 109 projects (14%) are in design/initiation phase.

Due to accounting principles, reporting on non-profit owned projects differ from provincially owned projects. Non-profit owned projects are held accountable to the full amount of its grant allocation on the date of its approval at Executive Committee, while provincially owned projects are considered committed as funds are spent throughout the project.

THIRD QUARTER PROGRESS

NON-PROFIT OWNED PROJECTS

Non-profit projects are eligible for Capital Renewal Funding if it maintains or benefits the Facility Condition Index or improves the building's seismic, fire safety, or energy performance. All other scopes fall into the routine capital category, which could include building envelope repair, mechanical upgrades, structural upgrades, etc.

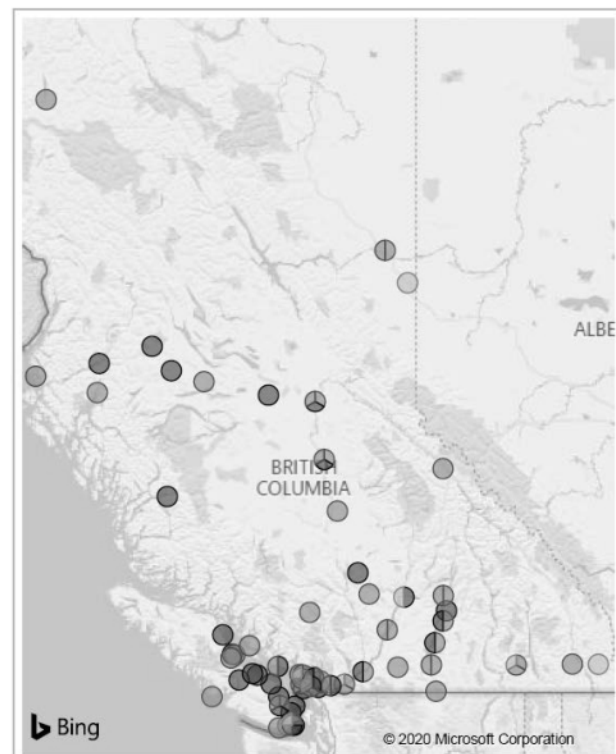
Out of the 234 non-profit projects in progress, 171 include components of routine capital.



Quarter Region	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Forecast	Total
Northern	76,650	795,919	60,000	331,973	1,264,542
Interior	0	14,558,399	423,995	5,333,387	20,315,781
Fraser	0	1,725,967	28,548,198	10,776,905	41,051,071
Vancouver Coastal	0	5,009,374	3,938,667	3,185,296	12,133,337
Vancouver Island	4,533,801	2,439,811	475,090	2,651,566	10,100,269
Total	4,610,451	24,529,471	33,445,951	22,279,128	84,865,000

It is forecasted that Asset Strategies will commit \$85.37 million in grants for non-profit owned projects in 2019/20. In the third quarter of 2019/20, \$33.45 million in grants were approved toward non-profit projects, an increase of \$8.9 million increase from last quarter. \$22.8 million is forecasted to be committed in the last quarter.

Most projects are in Construction stage (38%) and newly completed (32%). A large cluster of projects are in the metropolitan areas, but construction is happening all throughout the Interior and Vancouver Island regions of British Columbia.

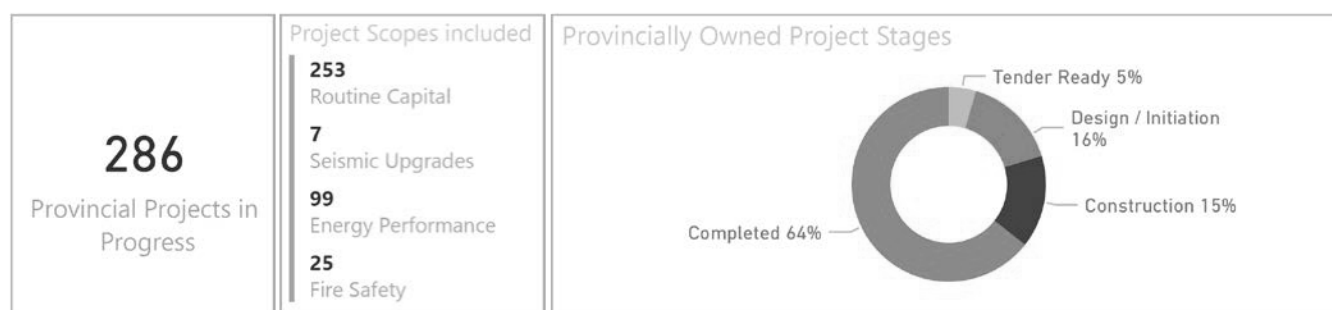


THIRD QUARTER PROGRESS

PROVINCIALY OWNED PROJECTS

For provincially owned sites, projects must benefit the Facility Condition Index through completing essential building renewals, repairs, and maintenance. The funding will be spent towards increasing the service potential of the building by providing critical life-safety improvements, including seismic and fire-safety upgrades, as well as energy performance upgrades.

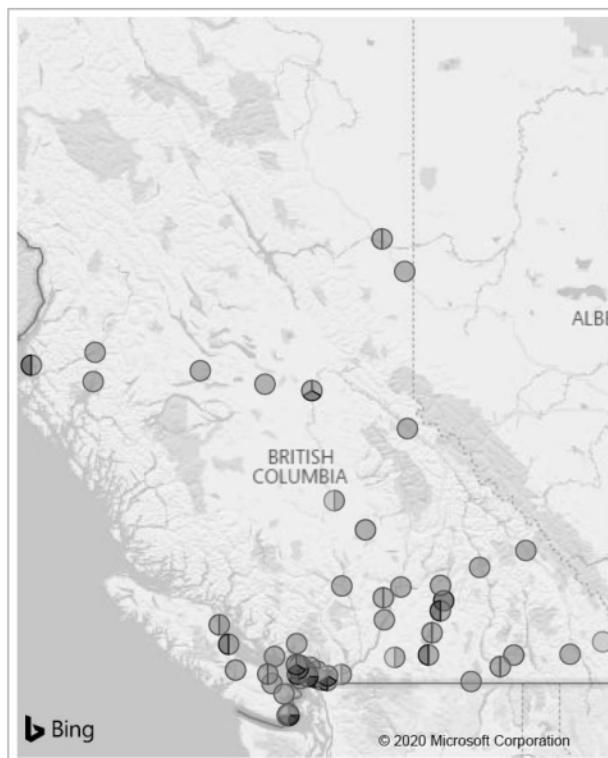
Out of the 286 provincially owned projects in progress, 253 include components of routine capital.



Quarter	Q1	Q2	Q3	Q4	Total
Region	Actual	Actual	Actual	Forecast	
Northern	2,055,220	2,141,921	1,825,713	1,374	6,024,228
Interior	1,922,692	2,170,861	854,308	1,129	4,948,990
Fraser	2,545,743	2,668,585	2,042,258	1,656	7,258,241
Vancouver Coastal	5,925,672	7,480,440	6,382,404	4,515	19,793,030
Vancouver Island	1,306,187	2,866,263	909,902	1,160	5,083,511
Total	13,755,513	17,328,068	12,014,585	9,833	43,108,000

It is forecasted that Asset Strategies will spend \$43.1 million on provincially owned projects in 2019/20. In the third quarter of 2019/20, \$12 million was spent towards PRHC projects with \$9,833 forecasted to be spent in the last quarter.

Spending is forecasted to slow down for provincially owned projects. This decline of spending represents projects moving out of Construction stage, completing the defined scope of work as the project comes to a close.



TOOLS TO FACILITATE THE CREATION OF NEW HOMES

CAPITAL PROJECT FUNDING AND PROGRAMS

FUNDING TOOLS

BC Housing supports the creation of new housing through a range of programs. Different funding tools are used depending on the project specifics and funding availability. Funding tools include:

- **Interim construction financing and take-out mortgages**
Interim construction financing may be provided during the construction phase of the project. At construction completion, BC Housing, as a lender under the National Housing Act, may also facilitate a take-out mortgage for the non-profit housing provider.
- **Capital grant initiatives**
A grant for the full project cost, or a partial capital contribution may be provided.
- **Operating subsidies**
BC Housing may provide housing providers with operating subsidies to offset their cost of assuming a mortgage. The subsidy is provided to bridge the difference between project revenues, e.g. tenant rents, and approved operational expenditures.
- **Partnerships**
By leveraging the expertise of BC Housing staff, HousingHub provides a centre for community partners and private industry to collaborate on developing new construction or redeveloping existing sites for affordable housing. Through these partnerships, HousingHub provides low-cost financing, access to land, and no or low capital equity.

PROGRAMS FOR NEW DEVELOPMENT

There are currently 15 programs to facilitate the development of new social housing.

PROGRAMS INITIATED THROUGH BUDGET 2019, BUILDING BC:

- **Homelessness Action Plan (HAP)** – HAP was built on the success of the Rapid Response to Homelessness (RRH) program initiated in September 2017. As the Province continues to decrease homelessness across the province, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units. Further, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

PROGRAMS INITIATED THROUGH HOUSINGHUB:

- **Provincial Rental Supply (PRS)** – PRS aims to increase the supply and range of affordable and appropriate rental housing options for middle-income households across BC. This program will allow opportunities for partnerships with non-profits, private developers, faith groups, property owners, and federal and local governments to locate, use, develop, or develop land in

communities where affordability is an issue. Partner contributions may include capital funding, land, or other equity contributions.

- **Affordable Home Ownership Program (AHOP)** – AHOP supports the development of new, affordable homes for eligible home buyers. This program will provide an opportunity for households to access market ownership housing by providing interim construction financing at reduced rates and leveraging land and other contributions from project partners. This allows units to be made available at 5-20% below market value for eligible home buyers, with the difference secured by an AHOP mortgage registered on title.

PROGRAMS INITIATED THROUGH BUDGET 2018, BUILDING BC:

- **Community Housing Fund (CHF)** – CHF facilitates the development of mixed income, affordable rental housing projects for independent families and seniors. Through this 10-year program, 14,350 new units at \$100,000 per unit will be created across British Columbia to address gaps in the market, creating homes for growing families and seniors.
- **Indigenous Housing Fund (IHF)** – IHF aims to create 1,750 new units of affordable rental housing for Indigenous persons on and off-reserve over a 10-year span for a total capital investment of \$350 million at \$200,000 per unit. This program will be in partnership with the Aboriginal Housing Management Association (AHMA), First Nations, Indigenous non-profit housing providers, and non-profit housing providers with an indigenous client focus.
- **Supportive Housing Fund (SHF)** – SHF will create 2,500 new units of PRHC-owned housing over 10 years for a total capital investment of \$907.9 million. Successful projects will be operated by non-profit providers servicing individuals experiencing or at risk of homelessness.
- **Women's Transition Housing Fund (WTHF)** – WTHF will create 1,500 new units of PRHC-owned housing with appropriate supports over 10 years for a total capital investment of \$564.8 million. Successful projects through this program will be operated by non-profit providers serving women and children experiencing or at risk of violence. This program addresses the gaps in service along the spectrum of safe homes, transition house, and independent rental accommodation for women and children.

PROGRAMS INITIATED THROUGH BUDGET 2017 UPDATE:

- **Rapid Response to Homelessness (RRH)** – RRH commits \$291 million to create 2,000 modular housing units for those experiencing homelessness, 600 of which is in the City of Vancouver. The program will have a duration of 2 years (2017/18 to 2019/20) and will include the provision of support services of \$170 million over 3 years.
- **Affordable Rental Housing (ARH)** – ARH commits \$208 million over 4 years (2017/18 through 2021/22) to create approximately 1,700 new affordable rental housing units. Through the ARH program, individuals with low to moderate incomes will have access to additional affordable housing options across the province.
- **Deepening Affordability** – Deepening Affordability provides \$75 million to PIAH and IHI projects that are in provisional project approval or final project approval status as at April 1, 2018. The full \$75 million was committed in 2018/19 to ensure 4,900 homes remained affordable.

PRIOR HOUSING PROGRAMS:

- **Investment in Housing Innovation (IHI)** – IHI commits \$500 million to create 2,900 rental units in partnership with non profit societies, local governments, government agencies, community organizations and the private sector under the Investment in Housing Innovation Program. The program will develop housing to meet the needs of a variety of people, including low-to-moderate income renters, adults with developmental disabilities, rural and non-rural seniors, youth, students, Indigenous Peoples, and women and children fleeing abuse. Eligible projects under this program will be funded through the government's Housing Priority Initiatives Special Account and must be identified and committed by March 2017.
- **Provincial Investment in Affordable Housing (PIAH)** – PIAH commits \$355 million over five years (2016/17 through 2021/22) to create approximately 2,000 new affordable housing units. This funding will be available from the cash proceeds generated under the Non-Profit Asset Transfer program. Through the PIAH, individuals with low to moderate incomes will have access to additional affordable housing options across the province.
- **Mental Health Housing (MHH)** – MHH commits \$65 million from the Housing Priority Initiatives Special Account for the acquisition and renovation of affordable and appropriate rental housing under the Mental Health Housing Program, in partnership with non-profit societies, local governments, government agencies, community organizations, and the private sector. Housing will be acquired under the program to meet the needs of low and moderate income individuals with mental health and substance abuse issues.
- **Social Infrastructure Fund (SIF)** – In April 2016, the Province of British Columbia and the Government of Canada signed the SIF Agreement, will provide \$150 million in federal funding over 2 years. As part of this, the federal government will increase the annual commitment for 2016/17 and 2019/20 under the 2014 – 2019 IAH Agreement Extension as well as provide \$25.1 million in new funding for seniors. The \$63 million of additional funding to the IAH Agreement extension must be matched by the Province. The provincial matching will be invested in PRHC-owned affordable housing.
- **Regional Housing First Program (RHFP)** – The Regional Housing First Program (RHFP) will invest a total of up to \$90 million (\$30 million per partner) towards affordable housing projects that meet a variety of needs including addressing the needs of people experiencing homelessness in Greater Victoria. The program was announced in May 2016 and is the result of a partnering agreement between the Capital Regional District (CRD), BC Housing and Canada Mortgage and Housing Corporation (CMHC).
- **Investment in Affordable Housing (IAH) Agreement Extension** – In March 2014, the Province of British Columbia and the Government of Canada signed this \$300 million extension to the IAH Agreement. Both levels of Government will provide matching contributions of \$150 million from 2014/15 to 2021/22. The provincial matching will be invested in PRHC owned affordable housing, improving and increasing housing options for British Columbians.
- **Group Homes** – BC Housing provides administration and property management support for group homes owned by the PRHC. The PRHC purchases and/or constructs group homes – in its own right or on behalf of a sponsoring agency – to provide housing for special needs residents. The ongoing operation of the program is delivered and funded by the sponsoring agency.

PROGRAMS FOR MAINTENANCE AND REHABILITATION

BC Housing has ongoing capital asset responsibilities for over 66,670 units of social housing across the province, with the average age being approximately 34 years. This portion of the social housing stock is broadly categorized as follows:

- **Directly Managed** – BC Housing directly owns, operates, manages and maintains over 5,547 units of subsidized housing. This portfolio is the oldest in the province and was developed under programs dating back to the 1950s.
- **Non-Profit Housing** – the largest share of social housing in the province, nearly 61,123 units, is operated and/or owned by non-profit housing providers. This portfolio was developed under housing programs commencing in the 1980s.

Maintenance and rehabilitation projects involve completing essential building renewals, repairs, and maintenance that must benefit the building Facility Condition Index, and can also improve critical life-safety, and upgrade seismic, fire-safety, and energy performance. These projects may change the design, layout, materials or systems of an existing building but do not involve a change of use or building occupancy.

There are currently 3 programs to maintain and rehabilitate existing social housing:

PROGRAM INITIATED THROUGH BUDGET 2018:

- **Capital Renewal Funding (CRF)** – CRF is provided to protect existing social housing that is provincially owned or owned by non-profit housing societies and housing co-operatives. This program commits \$461 million towards PRHC-owned buildings and \$936 million towards non-profit-owned buildings, for a total investment of almost \$1.4 billion over the next 10 years.

PRIOR HOUSING PROGRAMS:

- **Social Infrastructure Fund (SIF)** – Included in the \$150 million from the SIF Agreement is \$50.9 million for energy retrofits and renovations to existing social housing and \$10.8 million to victims of family violence. The \$50.9 million of renovation funding will be targeted to the non-profit portfolio and was fully allocated by March 31, 2017.
- **Housing Provider Capital Improvements (HPCI)** – The HPCI program is targeted to the non-profit portfolio and is available through BC Housing's debt financing capacity. Under this program, BC Housing provides construction financing and also provides the non-profit society with a subsidy to offset the cost of the cost repaying the mortgage when the project is complete. This program is fully allocated to projects under construction.

2019/20

AFFORDABLE HOUSING INVESTMENT PLAN REPORT

SECOND QUARTERLY
UPDATE



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INTRODUCTION

STRATEGIC CONTEXT

BC Housing's 2019/20 Affordable Housing Investment Plan Report – Second Quarterly Update features an update on the overall progress against targets presented in the 2019/20 Mandate Letter, Homes for BC: A 30-Point Plan for Housing Affordability in British Columbia, and the 2019/20 Annual Capital Plan.

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s.13 Building BC includes: Rapid Response to Homelessness, Affordable Rental Housing program, Deepening Affordability of projects experiencing cost pressures, Community Housing Fund, Indigenous Housing Fund, Supportive Housing Fund and the Women's Transition Housing Fund. The Province also created HousingHub to bring together partners from all levels of government, non-profit organizations, and the private sector, with the goal of building capacity and becoming a catalyst for new affordable housing development.

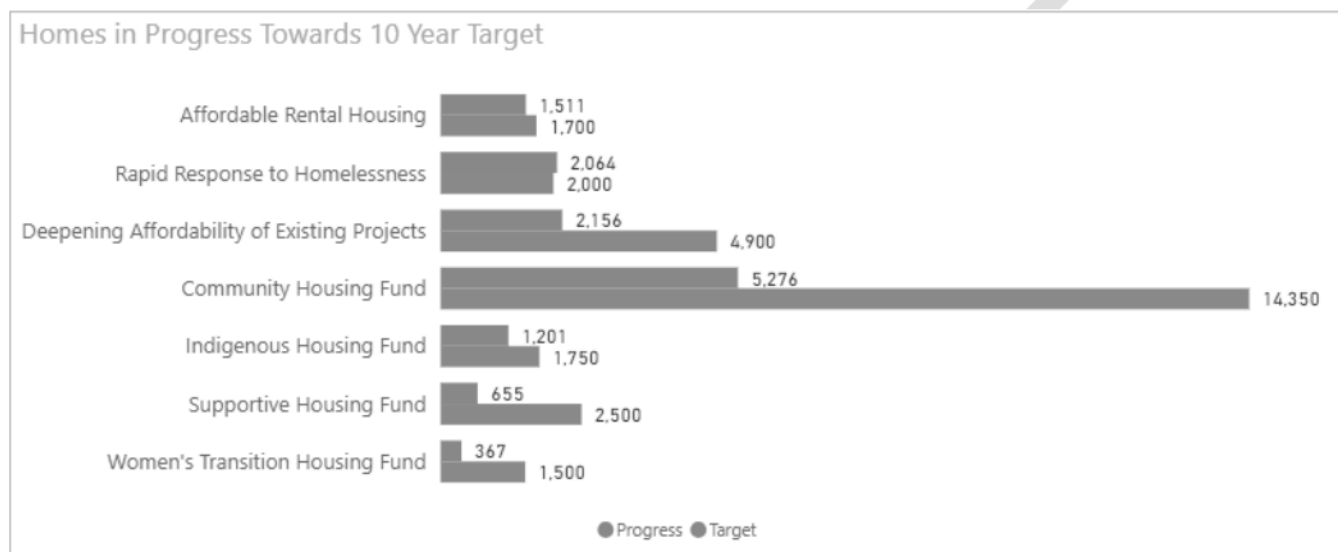
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BC Housing is working with all levels of government, Indigenous Peoples, non-profits, and the private sector to streamline the creation of new affordable homes in every region of the province. s.13

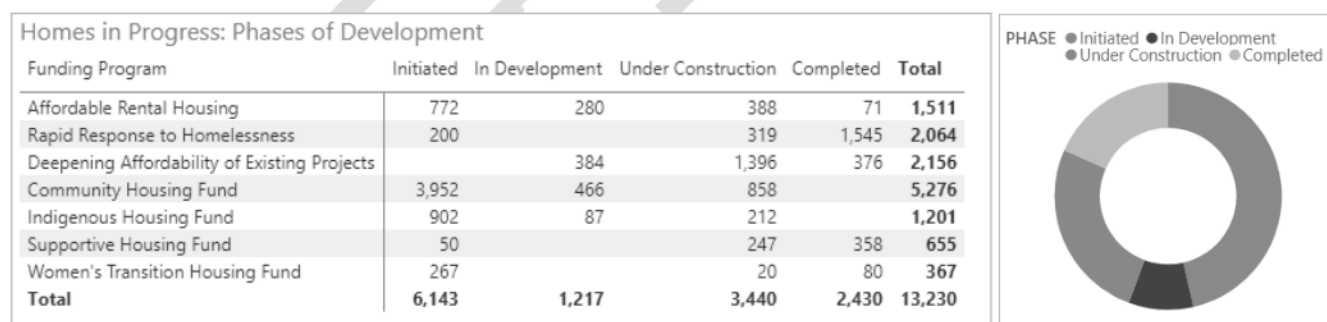
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BUILDING THE HOMES PEOPLE NEED NEW DEVELOPMENT IN PROGRESS

Over the next 10 years, BC Housing is expected to facilitate ^{s.13} homes through the Building BC programs and Deepening Affordability enhancements to projects ^{s.13}



As of September 30, 2019, BC Housing has ^{s.13} homes in various stages of development, with roughly half in initiation phase, and the other half in development, under construction, or newly completed.

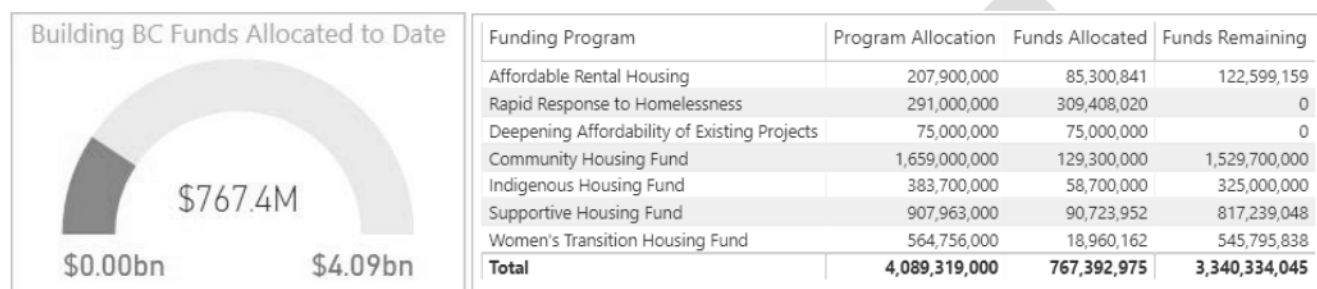


Projects in initiation phase are public knowledge, such as through announcements or municipal process, but ^{s.13} Projects in development, under construction, and complete have gone through the necessary requirements through Executive Committee or Board of Commissioners as per the Capital Review Committee Terms of Reference for approval.

BUILDING THE HOMES PEOPLE NEED

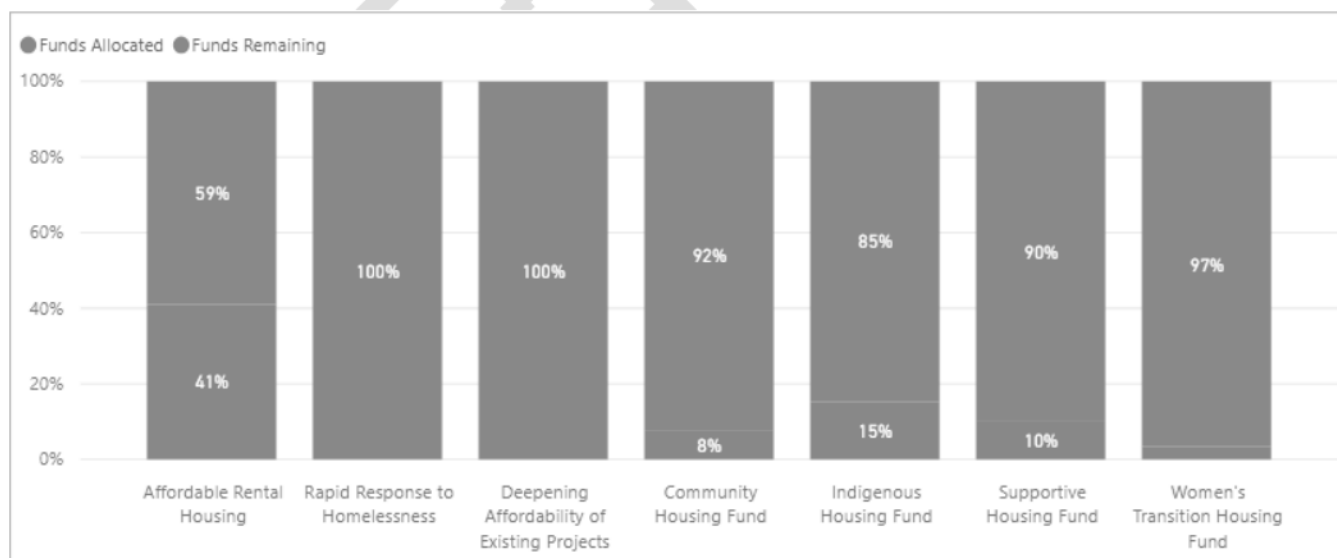
NEW DEVELOPMENT FUNDING ALLOCATIONS

The Building BC Programs have a combined total of \$4.09 billion in which BC Housing has allocated more than \$767 million to housing projects across the province to date. This reflects 177 projects in various stages of development, construction, and completion. Deepening Affordability of Existing Projects was fully committed in 2018/19.



Out of the \$767 million allocated, 40% was approved from the Rapid Response to Homelessness program. RRH was the first program initiated under Building BC so that this housing was made available for the province's most vulnerable populations first.

Deepening Affordability was applied to development projects that were already underway but whose affordability was being threatened by rising construction costs and interest rates. Deepening Affordability was a way to address these issues to ensure the units remain affordable.

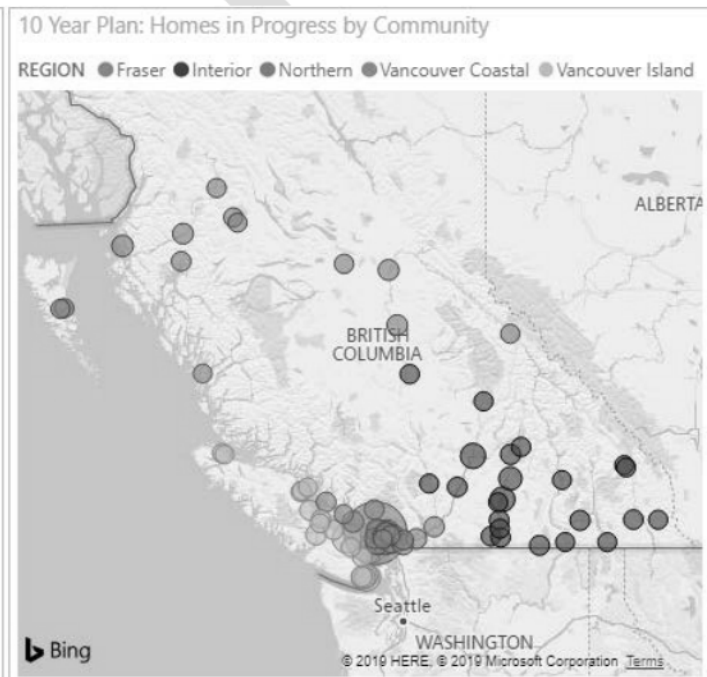
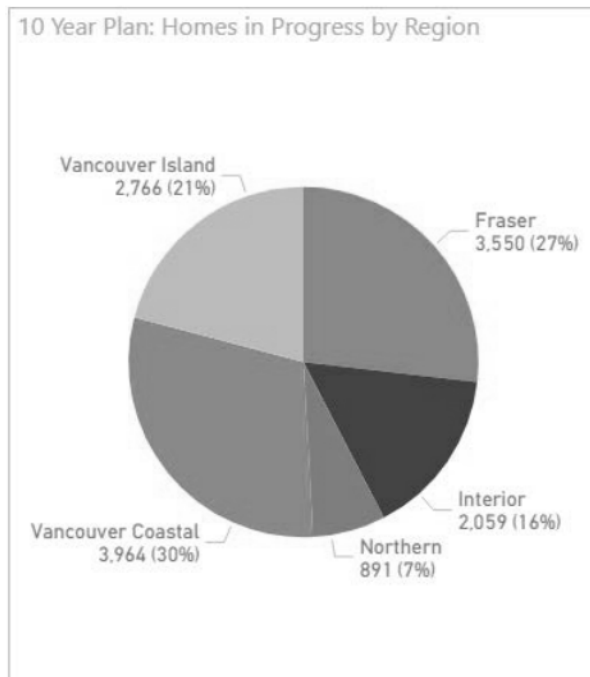


BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT REGIONAL BREAKDOWN

As of September 30, 2019, BC Housing has 13,320 homes that span across all 5 regions. The highest number of homes are being developed in the Vancouver Coastal region, with 3,964 homes, accounting for 30% of homes in progress. Not far behind is the Fraser region, with 3,550 homes in progress, or 27%.

Funding Program	Fraser	Interior	Northern	Vancouver Coastal	Vancouver Island	Total
Affordable Rental Housing	261	170	40	783	257	1,511
Rapid Response to Homelessness	685	365	131	726	157	2,064
Deepening Affordability of Existing Projects	627	316	163	511	539	2,156
Community Housing Fund	1,611	722	78	1,517	1,348	5,276
Indigenous Housing Fund	246	162	300	269	224	1,201
Supportive Housing Fund	66	223	82	120	164	655
Women's Transition Housing Fund	54	101	97	38	77	367
Total	3,550	2,059	891	3,964	2,766	13,320



BUILDING PARTNERSHIPS FOR AFFORDABILITY

HOUSINGHUB

2,635

HousingHub
Homes in Progress

The HousingHub was created to build partnerships and affordable homes where British Columbians are currently seeing a gap. The HousingHub works with community, government, non-profit and private-sector stakeholders to facilitate the creation of new affordable rental housing and homeownership options for middle-income British Columbians.

The HousingHub works collaboratively with an array of industry groups to facilitate the partnership of suitable land, equity, low-cost financing and development expertise to create affordable rental housing and homeownership options.

BC Housing, through the HousingHub, is delivering Provincial Rental Supply and Affordable Home Ownership programs to support the development of new, affordable homes for eligible middle-income families and individuals.

There are currently 2,635 homes in various stages of development through 30 projects across 5 regions and 19 communities.



PRS

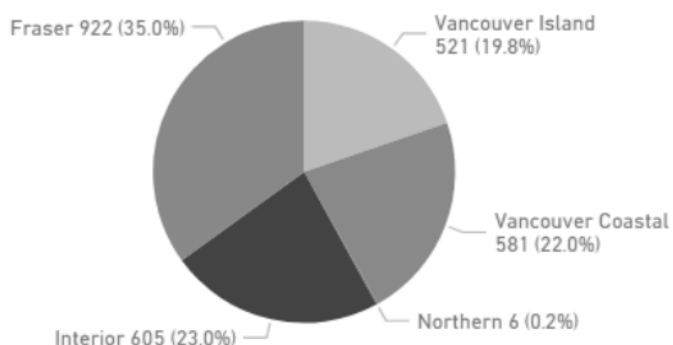


AHOP

HousingHub Homes in Progress: Phases of Development

Funding Program	Initiated	In Development	Under Construction	Completed	Total
Provincial Rental Supply		559	1,404	185	2,148
Affordable Home Ownership Program	429	58			487
Total	429	617	1,404	185	2,635

HousingHub: Homes in Progress by Region



PHASE ● Initiated ● In Development
● Under Construction ● Completed

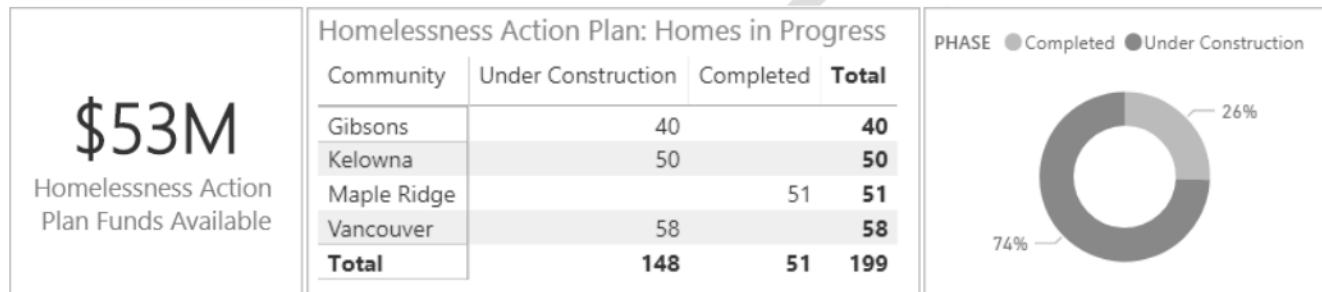


REDUCE HOMELESSNESS THROUGH HOUSING AND SERVICES

HOMELESSNESS ACTION PLAN

In 2019, the Province of British Columbia announced the Homelessness Action Plan (HAP) to build on the success of the Rapid Response to Homelessness (RRH) program initiated 2 years prior. As the Province continues to decrease the homelessness across the province, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units, and to purchase land for one alternative shelter structure. Additionally, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

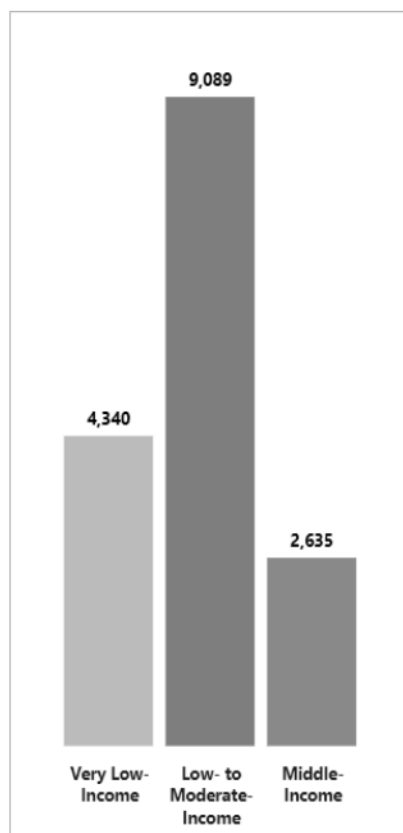
Through extensive need and demand analyses, strategic partnerships and community collaboration, four projects have been identified to be delivered through the Homelessness Action Plan program.



PROJECT	Supportive Housing, Gibsons	McIntosh, Kelowna	Garibaldi Ridge, Maple Ridge	Vanness, Vancouver
STATUS	Under Construction	Under Construction	COMPLETED	Under Construction
DETAILS	The proposed project is a 40-unit permanent modular supportive housing building to be operated by RainCity Housing and Support Society. The federal government transferred the land to the Town of Gibsons which they will nominally lease the land to PRHC for the development.	There is an immediate need to find housing with supports to ensure approximately 210 residents of 2 closing shelters do not end up on the streets. BC Housing is building 50 units of permanent supportive housing including amenity spaces and meal services to be operated by John Howard Society to alleviate some of the pressure.	Maple Ridge has been dealing with a homeless camp situation. Recognizing the immediate need, BC Housing pursued Provincial Paramountcy to expediate the delivery of purpose-built modular housing for 51 individuals, including support programs and amenity space which will be operated by Coast Foundation Society.	Continuing the Rapid Response to Homelessness partnership with the City of Vancouver, the Vanness site was identified to be suitable for 58 units of temporary modular housing with support services, operated by Community Builders Benevolence Group.

INCREASING THE SUPPLY OF HOMES ADDRESSING HOUSING AFFORDABILITY

Increasing the supply of homes is key to addressing housing affordability in British Columbia. BC Housing's mandate crosses through the housing continuum, facilitated by programs and funding through Building BC and HousingHub. Building BC will provide the deepest affordability to the province's most vulnerable, create supportive housing with rent geared to income, and deliver affordable rental housing for households with low to moderate incomes. HousingHub meets the needs of middle-income families by increasing the supply of market rental homes and creating the opportunity for households to access market ownership housing.

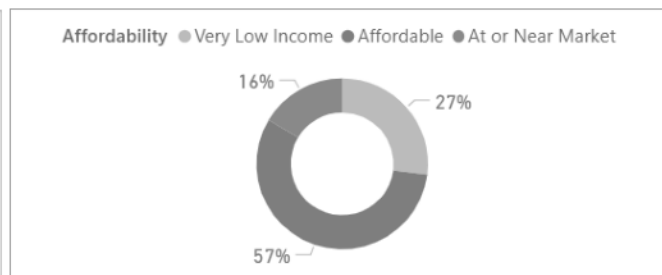


Out of the 16,064 homes currently in progress, 9,089 homes are designed for low- to moderate-income earners: households with annual incomes below \$74,000. This means that 57% of the homes BC Housing is developing are for people that need social housing or subsidized rents or affordable market rents. Examples of programs that deliver these types of homes are Community Housing Fund, Affordable Rental Housing, and Indigenous Housing Fund.

Homes for very low-income earners, including supportive and shelter rate housing, represent 27% of homes in progress, or 4,340 homes. Typical monthly rents for these units range from \$375 to \$660 per month depending on unit size.

Around 16%, or 2,635 homes are for middle-income earners.

Homes in Progress	
Initiative	Units
Building BC	13,230
HousingHub	2,635
Homelessness Action Plan	199
Total	16,064

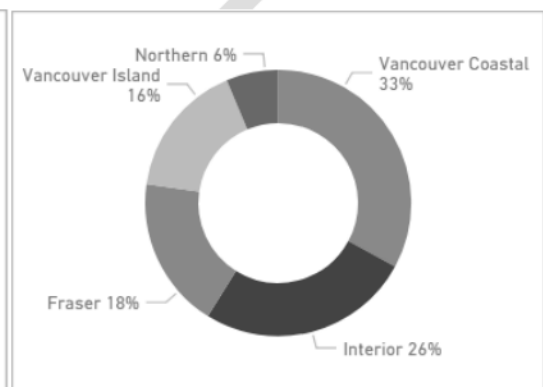


HOMES READY IN 2019/20

ANNUAL SERVICE PLAN UNIT COMPLETION

BC Housing's performance to deliver on provincial investment and increase the supply of affordable, social, and supportive housing is measured by the number of housing units completed. The 2019/20 annual unit completion target is set for 3,035 homes.

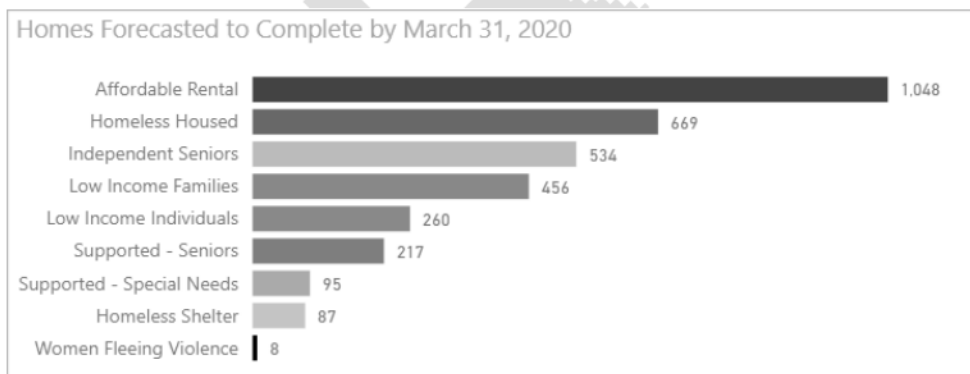
Funding Program	Q1	Q2	Q3	Q4	Total
Affordable Rental Housing			38		38
Rapid Response to Homelessness	52	114	142	149	457
Community Housing Fund			52	9	61
Women's Transition Housing Fund		8	0		8
Provincial Rental Supply	157	28	799	15	999
Homelessness Action Plan		51		108	159
Other Programs	185	332	635	500	1,652
Total	394	533	1,666	781	3,374



533 homes were completed in the second quarter. Combined with the first quarter's results, 927 homes have been created since April 1, 2019. It is expected that an additional 2,447 homes will complete by March 31, 2020.

s.13

Most of the homes completing in 2019/20 will be affordable rental options for middle-income families, representing 31% of homes. The next are deep subsidy and social housing subsidized rental options for those at risk of homelessness, representing almost 20% of homes.



84

Projects Forecasted
to Complete

HOMES READY IN 2019/20

SCHEDULE PERFORMANCE

BC Housing strives to ensure projects are ahead of schedule, but recognizing that in residential construction, schedules must often be adjusted.

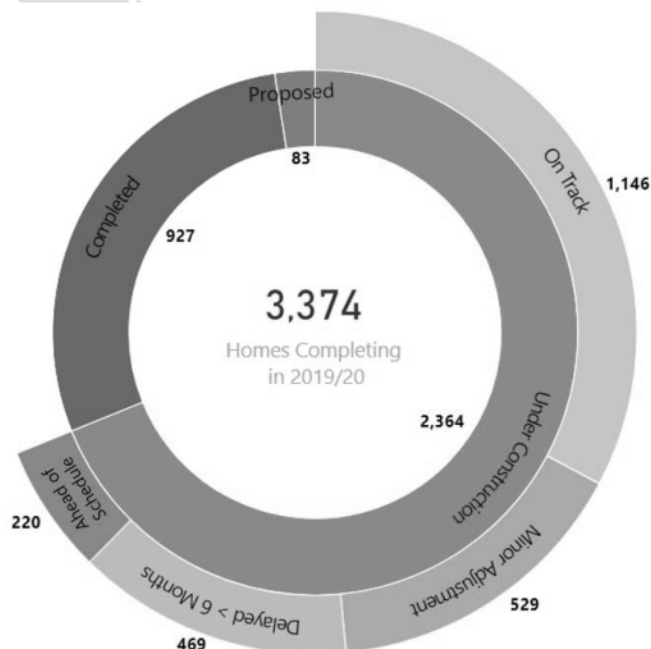
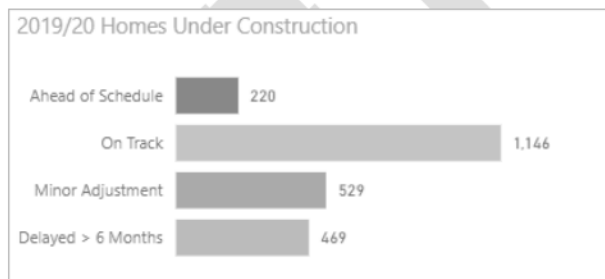
50 projects, totalling 2,364 homes, are under construction and expected to be ready prior to fiscal year end. 15 projects have become delayed since receiving Final Project Approval, representing 469 homes at 19.84%. The other 1,895 homes under construction are ahead of schedule, on track, or exhibiting minor schedule adjustments.



Compared to the annual fiscal delivery of 3,374 homes which are set to complete by March 31, 2020, delays have only affected 13.9% of homes.

Homes Completing 2019/20

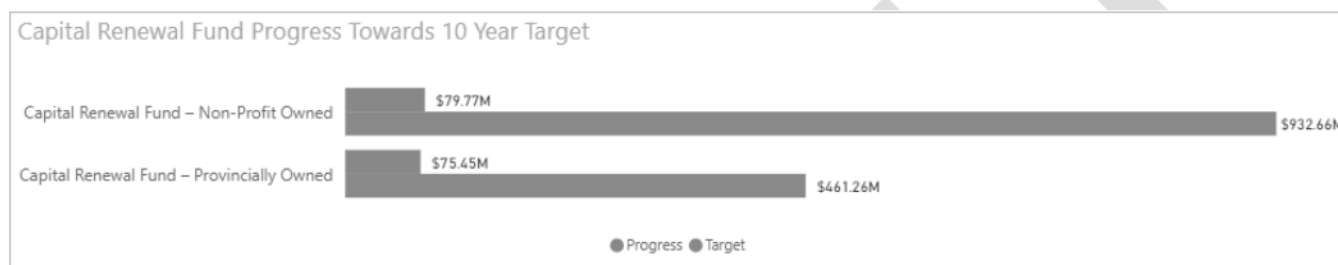
Phase	Delay Category	Homes	% of Homes
Completed		927	27.47%
Under Construction	Ahead of Schedule	220	6.52%
Under Construction	On Track	1,146	33.97%
Under Construction	Minor Adjustment	529	15.68%
Under Construction	Delayed > 6 Months	469	13.90%
Proposed		83	2.46%
Total		3,374	100.00%



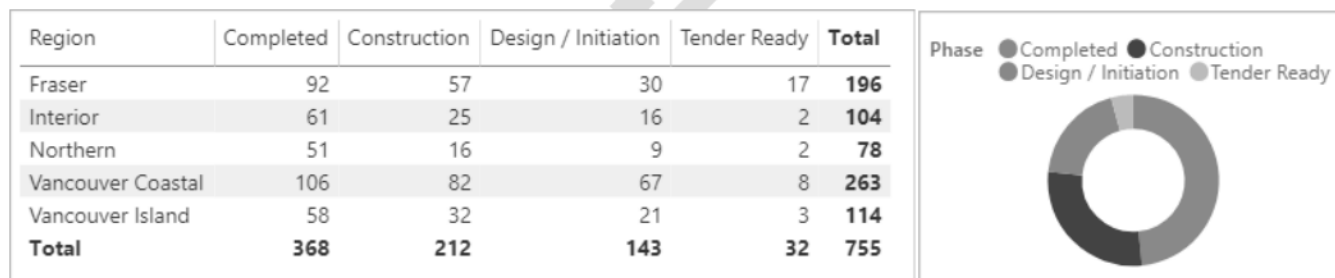
EXTENDING THE LIFE AND QUALITY OF EXISTING SOCIAL HOUSING MAINTENANCE AND REHABILITATION IN PROGRESS

As part of *Budget 2018*, the province invested \$1.1 billion to maintain the condition of existing provincially owned and non-profit owned social housing. This investment is in addition to BC Housing's ongoing budget of \$32 million per year for repairs and improvements to existing stock.

The Capital Renewal Fund program embodies the Province's commitment to protecting existing affordable homes. It represents a much-needed investment into building rehabilitation and repair, to increase building safety against a major fire or earthquake, and to improve energy performance for existing affordable housing.



From the inception of Capital Renewal Fund to September 30, 2019, \$79.77 million has been committed for non-profit owned projects and \$75.45 million has been spent for provincially owned projects.



As at the end of the second quarter, Asset Strategies has 755 projects in various development stages in all parts of British Columbia. Although the largest concentration is situated in the metropolitan area, projects are in construction as far north as Dease Lake, British Columbia. Roughly half of the current projects have newly completed, accounting for 368 projects. 212 projects (28%) are in construction stage and 143 projects (19%) are in design/initiation phase.

Due to accounting principles, reporting on non-profit owned projects differ from provincially owned projects. Non-profit owned projects are held accountable to the full amount of its grant allocation on the date of its approval at Executive Committee, while provincially owned projects are considered committed as funds are spent throughout the project.

SECOND QUARTER PROGRESS

NON-PROFIT OWNED PROJECTS

Non-profit projects are eligible for Capital Renewal Funding if it maintains or benefits the Facility Condition Index or improves the building's seismic, fire safety, or energy performance. All other scopes fall into the routine capital category, which could include building envelope repair, mechanical upgrades, structural upgrades, etc.

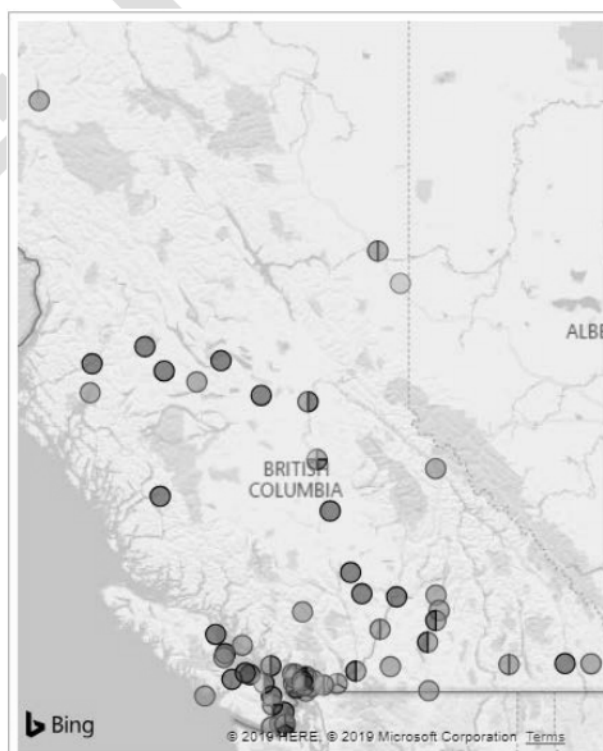
Out of the 223 non-profit projects in progress, 214 include components of routine capital.



Region	Q1	Q2	Q3	Q4	Total
Interior	0	14,064,180	426,176	-20,613	14,469,743
Northern	80,000	751,719	161,785	126,641	1,120,145
Fraser	0	1,530,859	35,115,244	91,276	36,737,379
Vancouver Coastal	0	4,825,724	5,990,851	8,924,273	19,740,849
Vancouver Island	4,736,882	2,369,723	6,156,722	38,557	13,301,884
Total	4,816,882	23,542,206	47,850,777	9,160,135	85,370,000

It is forecasted that Asset Strategies will commit \$85.37 million in grants for non-profit owned projects in 2019/20. In the second quarter of 2019/20, \$23.54 million in grants were approved toward non-profit projects, an increase of \$18.73 million increase from last quarter. \$57 million is forecasted to be committed in the next two quarters.

Most projects are in Design / Initiation (47%) and Construction (43%) stages. A large cluster of projects are in the metropolitan areas, but construction is happening all throughout the Interior and Vancouver Island regions of British Columbia.

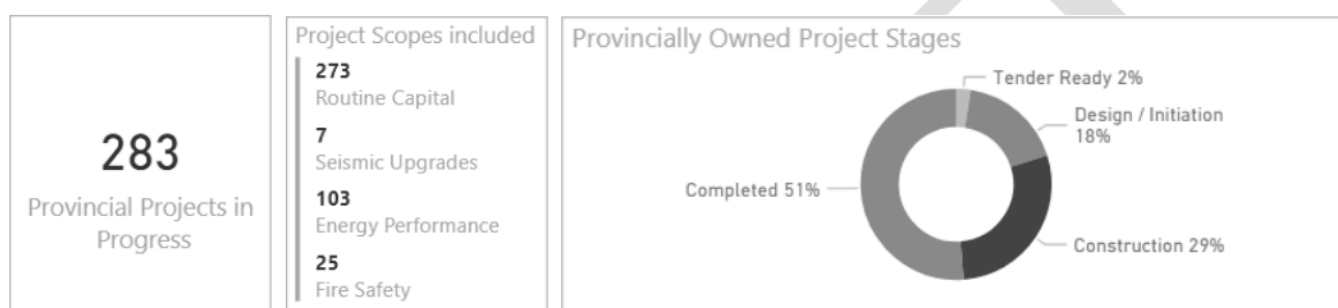


SECOND QUARTER PROGRESS

PROVINCIALY OWNED PROJECTS

For provincially owned sites, projects must benefit the Facility Condition Index through completing essential building renewals, repairs, and maintenance. The funding will be spent towards increasing the service potential of the building by providing critical life-safety improvements, including seismic and fire-safety upgrades, as well as energy performance upgrades.

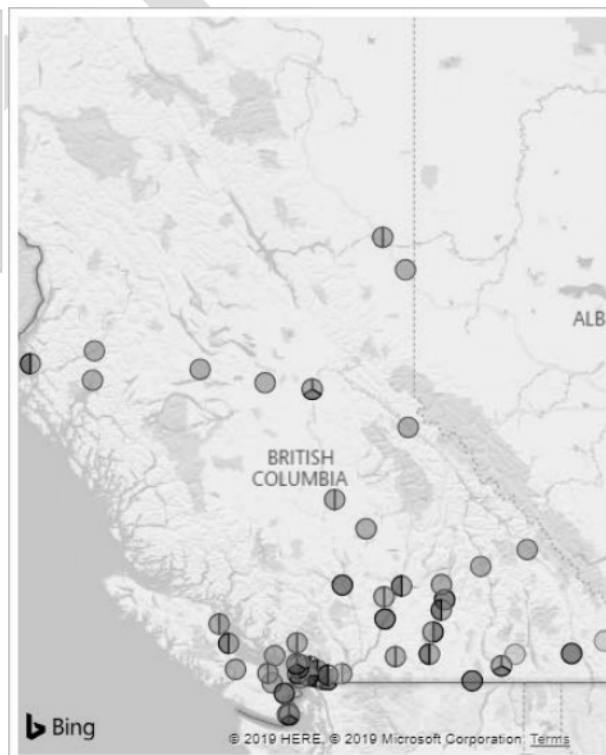
Out of the 283 provincially owned projects in progress, 273 include components of routine capital.



Region	Q1	Q2	Q3	Q4	Total
Interior	1,962,532	2,348,082	828,697	113,481	5,252,792
Northern	2,113,424	2,144,073	791,805	416,700	5,466,002
Fraser	2,470,638	2,818,694	1,142,480	616,742	7,048,553
Vancouver Coastal	5,960,112	8,014,142	2,941,819	2,345,441	19,261,514
Vancouver Island	1,248,807	3,266,058	1,158,886	405,389	6,079,139
Total	13,755,513	18,591,048	6,863,686	3,897,753	43,108,000

It is forecasted that Asset Strategies will spend \$43.1 million on provincially owned projects in 2019/20. In the second quarter of 2019/20, \$18.6 million was spent towards PRHC projects with \$10.8 million forecasted to be spent in the next two quarters.

Spending is forecasted to slow down for provincially owned projects. It is forecasted that spending will decrease to \$6.9 million in the third quarter and follow through to \$3.9 million in the fourth quarter. This steady decline of spending represents projects moving out of Construction stage, completing the defined scope of work as the project comes to a close.



TOOLS TO FACILITATE THE CREATION OF NEW HOMES

CAPITAL PROJECT FUNDING AND PROGRAMS

FUNDING TOOLS

BC Housing supports the creation of new housing through a range of programs. Different funding tools are used depending on the project specifics and funding availability. Funding tools include:

- **Interim construction financing and take-out mortgages**
Interim construction financing may be provided during the construction phase of the project. At construction completion, BC Housing, as a lender under the National Housing Act, may also facilitate a take-out mortgage for the non-profit housing provider.
- **Capital grant initiatives**
A grant for the full project cost, or a partial capital contribution may be provided.
- **Operating subsidies**
BC Housing may provide housing providers with operating subsidies to offset their cost of assuming a mortgage. The subsidy is provided to bridge the difference between project revenues, e.g. tenant rents, and approved operational expenditures.
- **Partnerships**
By leveraging the expertise of BC Housing staff, HousingHub provides a centre for community partners and private industry to collaborate on developing new construction or redeveloping existing sites for affordable housing. Through these partnerships, HousingHub provides low-cost financing, access to land, and no or low capital equity.

PROGRAMS FOR NEW DEVELOPMENT

There are currently 15 programs to facilitate the development of new social housing.

PROGRAMS INITIATED THROUGH BUDGET 2019

- **Homelessness Action Plan (HAP)** – HAP was built on the success of the Rapid Response to Homelessness (RRH) program initiated 2 years prior. As the Province continues to decrease homelessness across the province, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units. Further, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

PROGRAMS INITIATED THROUGH HOUSINGHUB:

- **Provincial Rental Supply (PRS)** – PRS aims to increase the supply and range of affordable and appropriate rental housing options for middle-income households across BC. This program will allow opportunities for partnerships with non-profits, private developers, faith groups, property owners, and federal and local governments to locate, use, develop, or develop land in communities where affordability is an issue. Partner contributions may include capital funding, land, or other equity contributions.

- **Affordable Home Ownership Program (AHOP)** – AHOP supports the development of new, affordable homes for eligible home buyers. This program will provide an opportunity for households to access market ownership housing by providing interim construction financing at reduced rates and leveraging land and other contributions from project partners. This allows units to be made available at 5-20% below market value for eligible home buyers, with the difference secured by an AHOP mortgage registered on title.

PROGRAMS INITIATED THROUGH BUDGET 2018, BUILDING BC:

- **Community Housing Fund (CHF)** – CHF facilitates the development of mixed income, affordable rental housing projects for independent families and seniors. Through this 10-year program, 14,350 new units at \$100,000 per unit will be created across British Columbia to address gaps in the market, creating homes for growing families and seniors.
- **Indigenous Housing Fund (IHF)** – IHF aims to create 1,750 new units of affordable rental housing for Indigenous persons on and off-reserve over a 10-year span for a total capital investment of \$350 million at \$200,000 per unit. This program will be in partnership with the Aboriginal Housing Management Association (AHMA), Indigenous non-profit housing providers, and non-profit housing providers with an indigenous client focus.
- **Supportive Housing Fund (SHF)** – SHF will create 2,500 new units of PRHC-owned housing over 10 years for a total capital investment of \$907.9 million. Successful projects will be operated by non-profit providers servicing individuals experiencing or at risk of homelessness.
- **Women's Transition Housing Fund (WTHF)** – WTHF will create 1,500 new units of PRHC-owned housing with appropriate supports over 10 years for a total capital investment of \$564.8 million. Successful projects through this program will be operated by non-profit providers serving women and children experiencing or at risk of violence. This program addresses the gaps in service along the spectrum of safe homes, transition house, and independent rental accommodation for women and children.

PROGRAMS INITIATED THROUGH BUDGET 2017 UPDATE:

- **Rapid Response to Homelessness (RRH)** – RRH commits \$291 million to create 2,000 modular housing units for those experiencing homelessness, 600 of which will be in the City of Vancouver. The program will have a duration of 2 years (2017/18 to 2019/20) and will include the provision of support services of \$170 million over 3 years.
- **Affordable Rental Housing (ARH)** – ARH commits \$208 million over 4 years (2017/18 through 2021/22) to create approximately 1,700 new affordable rental housing units. Through the ARH program, individuals with low to moderate incomes will have access to additional affordable housing options across the province.

PRIOR HOUSING PROGRAMS:

- **Investment in Housing Innovation (IHI)** – IHI commits \$500 million to create 2,900 rental units in partnership with non profit societies, local governments, government agencies, community organizations and the private sector under the Investment in Housing Innovation Program. The program will develop housing to meet the needs of a variety of people, including low-to-moderate income renters, adults with developmental disabilities, rural and non-rural seniors, youth, students,

Indigenous Peoples, and women and children fleeing abuse. Eligible projects under this program will be funded through the government's Housing Priority Initiatives Special Account and must be identified and committed by March 2017.

- **Provincial Investment in Affordable Housing (PIAH)** – PIAH commits \$355 million over five years (2016/17 through 2021/22) to create approximately 2,000 new affordable housing units. This funding will be available from the cash proceeds generated under the Non-Profit Asset Transfer program. Through the PIAH, individuals with low to moderate incomes will have access to additional affordable housing options across the province.
- **Mental Health Housing (MHH)** – MHH commits \$65 million from the Housing Priority Initiatives Special Account for the acquisition and renovation of affordable and appropriate rental housing under the Mental Health Housing Program, in partnership with non-profit societies, local governments, government agencies, community organizations, and the private sector. Housing will be acquired under the program to meet the needs of low and moderate income individuals with mental health and substance abuse issues.
- **Social Infrastructure Fund (SIF)** – In April 2016, the Province of British Columbia and the Government of Canada signed the SIF Agreement, will provide \$150 million in federal funding over 2 years. As part of this, the federal government will increase the annual commitment for 2016/17 and 2019/20 under the 2014 – 2019 IAH Agreement Extension as well as provide \$25.1 million in new funding for seniors. The \$63 million of additional funding to the IAH Agreement extension must be matched by the Province. The provincial matching will be invested in PRHC-owned affordable housing.
- **Investment in Affordable Housing (IAH) Agreement Extension** – In March 2014, the Province of British Columbia and the Government of Canada signed this \$300 million extension to the IAH Agreement. Both levels of Government will provide matching contributions of \$150 million from 2014/15 to 2021/22. The provincial matching will be invested in PRHC owned affordable housing, improving and increasing housing options for British Columbians.
- **Group Homes** – BC Housing provides administration and property management support for group homes owned by the PRHC. The PRHC purchases and/or constructs group homes – in its own right or on behalf of a sponsoring agency – to provide housing for special needs residents. The ongoing operation of the program is delivered and funded by the sponsoring agency.

PROGRAMS FOR MAINTENANCE AND REHABILITATION

BC Housing has ongoing capital asset responsibilities for over 66,670 units of social housing across the province, with the average age being approximately 34 years. This portion of the social housing stock are broadly categorized as follows:

- **Directly Managed** – BC Housing directly owns, operates, manages and maintains over 5,547 units of subsidized housing. This portfolio is the oldest in the province and was developed under programs dating back to the 1950s.
- **Non-Profit Housing** – the largest share of social housing in the province, nearly 61,123 units, is operated and/or owned by non-profit housing providers. This portfolio was developed under housing programs commencing in the 1980s.

Maintenance and rehabilitation projects involve completing essential building renewals, repairs, and maintenance that must benefit the building Facility Condition Index, and can also improve critical life-safety, and upgrade seismic, fire-safety, and energy performance. These projects may change the design, layout, materials or systems of an existing building but do not involve a change of use or building occupancy.

There are currently 3 programs to maintain and rehabilitate existing social housing:

PROGRAM INITIATED THROUGH BUDGET 2018:

- **Capital Renewal Funding (CRF)** – CRF is provided to protect existing social housing that is provincially owned or owned by non-profit housing societies and housing co operatives. This program commits \$461 million towards PRHC-owned buildings and \$936 million towards non-profit-owned buildings, for a total investment of almost \$1.4 billion over the next 10 years.

PRIOR HOUSING PROGRAMS:

- **Social Infrastructure Fund (SIF)** – Included in the \$150 million from the SIF Agreement is \$50.9 million for energy retrofits and renovations to existing social housing and \$10.8 million to victims of family violence. The \$50.9 million of renovation funding will be targeted to the non-profit portfolio and was fully allocated by March 31, 2017.
- **Housing Provider Capital Improvements (HPCI)** – The HPCI program is targeted to the non-profit portfolio and is available through BC Housing's debt financing capacity. Under this program, BC Housing provides construction financing and also provides the non-profit society with a subsidy to offset the cost of the cost repaying the mortgage when the project is complete. This program is fully allocated to projects under construction.

2019/20

AFFORDABLE HOUSING INVESTMENT PLAN REPORT

**FOURTH QUARTERLY
UPDATE**



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INTRODUCTION

STRATEGIC CONTEXT

BC Housing's 2019/20 Affordable Housing Investment Plan Report – Fourth Quarterly Update is a report prepared for the Board of Commissioners that features an update on the overall progress for Q4 (January 1 to March 31, 2020) against targets presented in the 2019/20 Mandate Letter, *Homes for BC: A 30-Point Plan for Housing Affordability in British Columbia*, and the 2019/20 Annual Capital Plan.

The Province has made significant progress on its housing plan, *Homes for B.C: A 30-Point Plan for Housing Affordability in British Columbia*, which represents a \$7 billion investment in housing over 10 years. Of the total target of 114,000 units, 36,900 units of publicly funded affordable housing have been formally committed or announced, of which BC Housing is directly responsible for 28,900, with additional units to be created through HousingHub.

Many of the new homes being delivered by BC Housing under the 30-Point Plan are funded through the \$4.09 billion *Building BC* capital programs, which include: Rapid Response to Homelessness, Affordable Rental Housing program, Deepening Affordability of projects experiencing cost pressures, Community Housing Fund, Indigenous Housing Fund, Supportive Housing Fund, and Women's Transition Housing Fund. In addition, \$1.64 billion in operating funds are being provided to these *Building BC* programs.

This report also includes analysis of HousingHub, which was created by the Province to bring together partners from all levels of government, non-profit organizations, and the private sector with the goal of building capacity and becoming a catalyst for new affordable housing development.

The report also captures the Capital Renewal Fund, an investment of \$1.1 billion announced in 2018. This funding is used to maintain the condition of existing provincially owned and non-profit owned social housing.

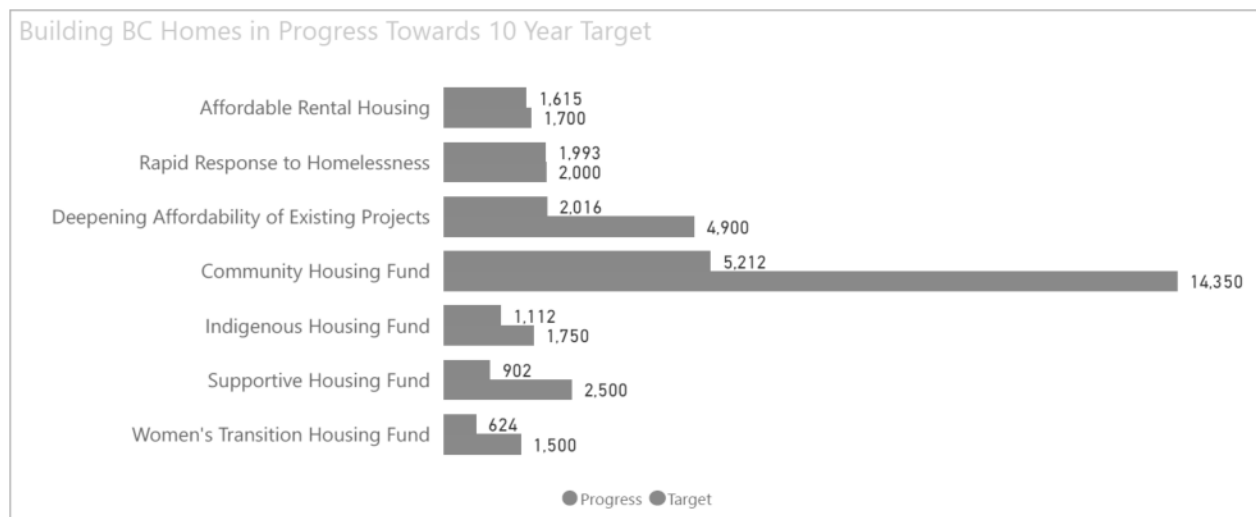
In addition, \$440 million over 10 years is being provided through enhancements to the Rental Assistance Program and Shelter Aid for Elderly Renters program. This funding is not captured in this report.

BC Housing is working with all levels of government, Indigenous Peoples, non-profits, and the private sector to streamline the creation of new affordable homes in every region of the province.

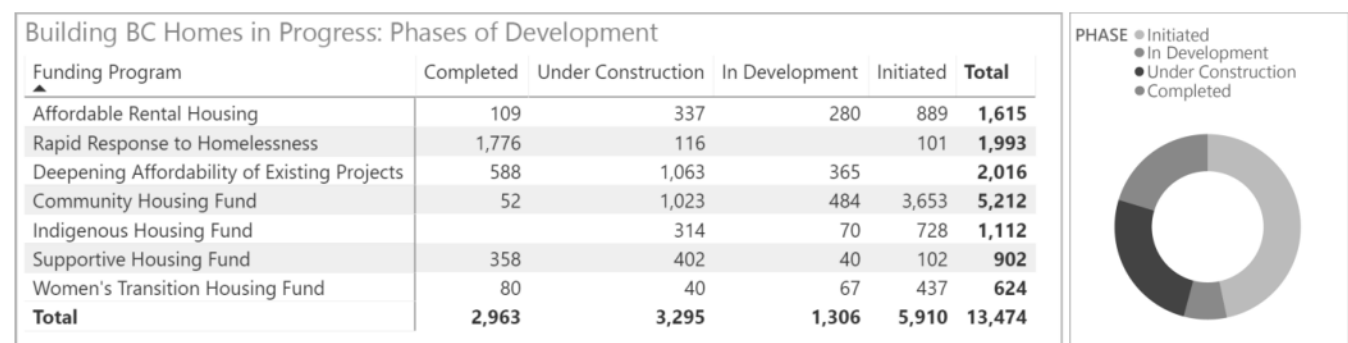
BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT IN PROGRESS

Over the 10 years, BC Housing is expected to facilitate 28,700 homes through the Building BC programs and Deepening Affordability enhancements, with additional homes to come through the HousingHub, Homelessness Action Plan (200 units), and partnership agreements like the Regional Housing First Program.



As of March 31, 2020, BC Housing has 16,564 homes in various stages of development, with 13,474 of them through the Building BC programs listed above. Of those, 44% are in initiation phase and 56% in development, under construction, or newly completed. It should be noted that the programs above only capture the Building BC programs created in 2018. Supportive housing units delivered under the Homelessness Action Plan are reported separately in this report.



Projects in initiation phase are public knowledge, such as through announcements or municipal process, but have not yet received their final BC Housing approval as they are in early stages of planning and final unit counts or timelines may change. Projects in development, under construction, and complete have gone through the necessary requirements through Executive Committee or Board of Commissioners as per the Capital Review Committee Terms of Reference for approval.

BUILDING THE HOMES PEOPLE NEED

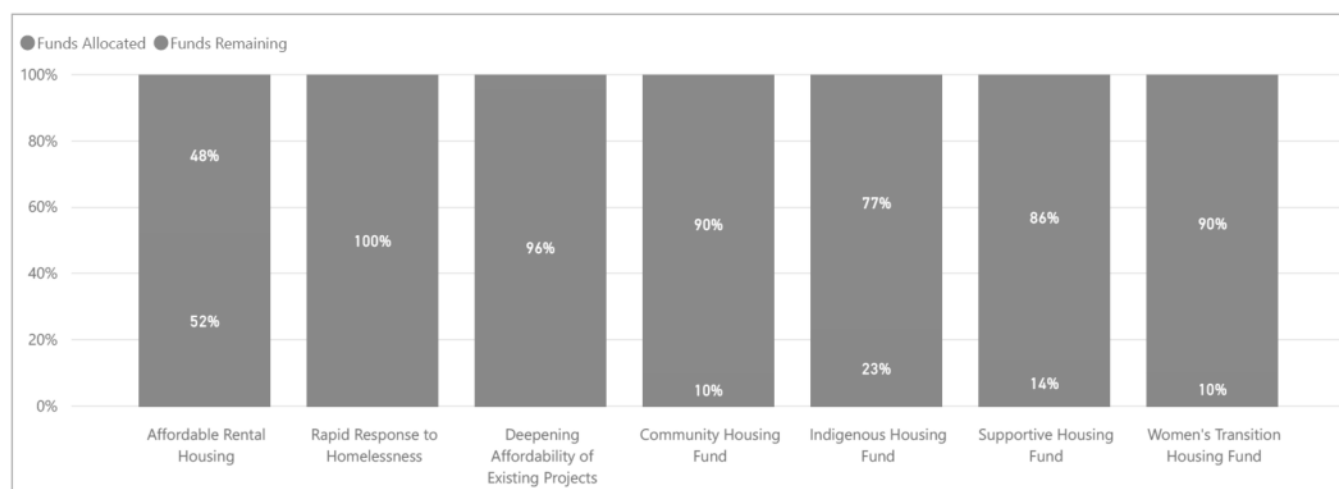
NEW DEVELOPMENT FUNDING ALLOCATIONS

The Building BC Programs have a combined capital total of \$4.09 billion. BC Housing has allocated more than \$937 million to housing projects across the province to date. This reflects 310 projects in various stages of initiation, development, construction, and completion.



Out of the \$937.5 million allocated, 33% was approved from the Rapid Response to Homelessness program. RRH was the first program initiated under Building BC so that this housing was made available for the province's most vulnerable populations first.

Deepening Affordability was applied to development projects that were already underway but whose affordability was being threatened by rising construction costs and interest rates. Deepening Affordability was a way to address these issues to ensure the units remain affordable.



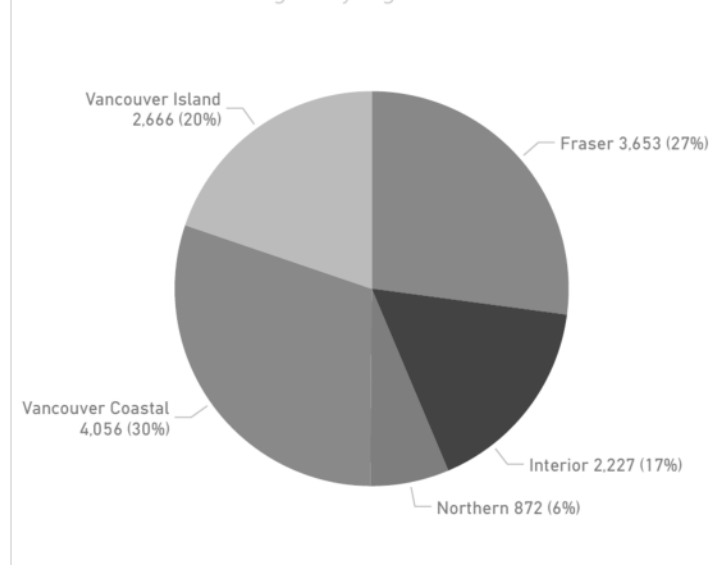
BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT REGIONAL BREAKDOWN

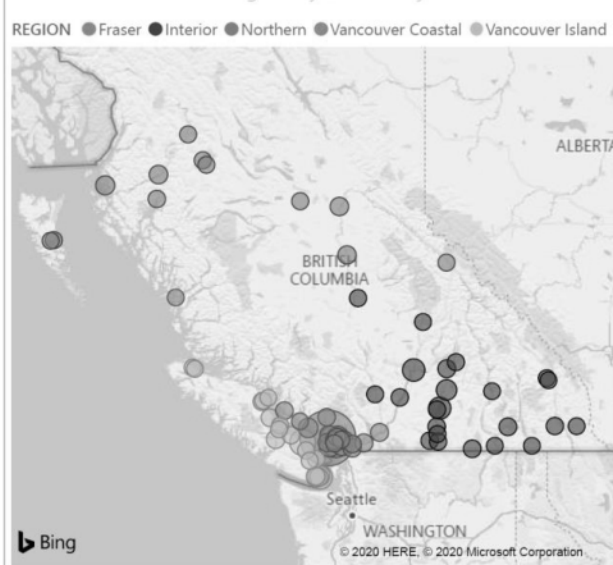
As of March 31, 2020, BC Housing has 13,474 homes in progress spanning across all five regions under *Building BC* and *Deepening Affordability*. The highest number of homes are being developed in the Vancouver Coastal region, with 4,056 homes, accounting for 30% of homes in progress. Not far behind is the Fraser region, with 3,653 homes in progress, or 27%.

Initiative	Fraser	Interior	Northern	Vancouver Coastal	Vancouver Island	Total
Building BC						
Affordable Rental Housing	291	170	40	870	244	1,615
Rapid Response to Homelessness	586	415	112	726	154	1,993
Deepening Affordability of Existing Projects	627	316	163	539	371	2,016
Community Housing Fund	1,618	722	78	1,430	1,364	5,212
Indigenous Housing Fund	243	162	252	233	222	1,112
Supportive Housing Fund	234	267	82	155	164	902
Women's Transition Housing Fund	54	175	145	103	147	624
Total	3,653	2,227	872	4,056	2,666	13,474

10 Year Plan: Homes in Progress by Region



10 Year Plan: Homes in Progress by Community



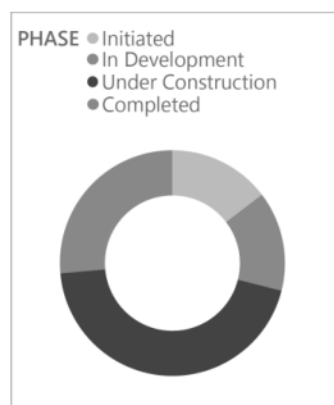
BUILDING PARTNERSHIPS FOR AFFORDABILITY

HOUSINGHUB

The HousingHub was created to build partnerships and affordable homes where British Columbians are currently seeing a gap. The HousingHub works with community, government, non-profit and private-sector stakeholders to facilitate the creation of new affordable rental housing and homeownership options for middle-income British Columbians. The HousingHub works collaboratively with an array of partners to facilitate the partnership of suitable land, equity, low-cost financing and development expertise to create affordable rental housing and homeownership options.

BC Housing, through the HousingHub, is delivering Provincial Rental Supply and Affordable Home Ownership programs to support the development of new, affordable homes for eligible middle-income families and individuals.

There are currently 2,880 homes in various stages of development through 37 projects across five regions and 21 communities.

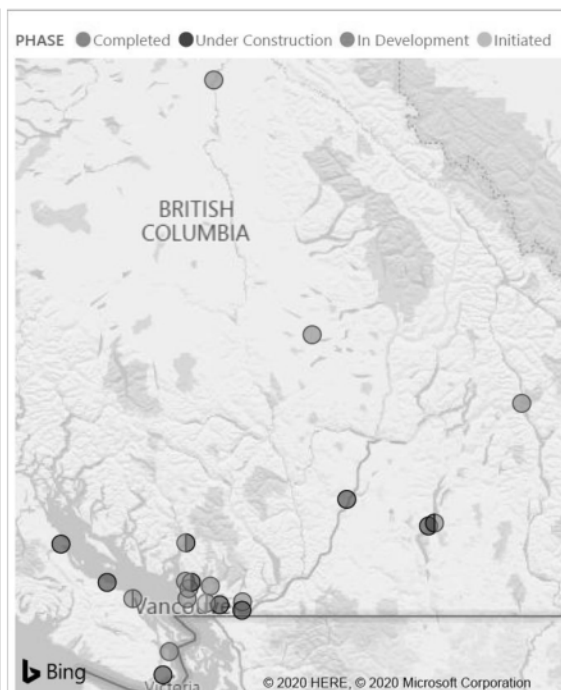


HousingHub Homes in Progress: Phases of Development

Funding Program	Completed	Under Construction	In Development	Initiated	Total
Provincial Rental Supply	974	1,031	407		2,412
Affordable Home Ownership			58	410	468
Total	974	1,031	465	410	2,880

HousingHub Homes in Progress: Community Breakdown

Community	Completed	Under Construction	In Development	Initiated	Total
100 Mile House	33				33
Abbotsford		161			161
Colwood		48			48
Coquitlam			12		12
Courtenay		56			56
Kelowna	186	194			380
Langley		98			98
Merritt		75			75
Mission	68				68
Nanaimo	150		120		270
North Vancouver		85	58		143
Parksville		88			88
Prince George	6				6
Revelstoke	117				117
Richmond	15				15
Sidney			73		73
Squamish		40	67		107
Surrey	166			410	576
Vancouver			135		135
West Kelowna		186			186
West Vancouver	233				233
Total	974	1,031	465	410	2,880

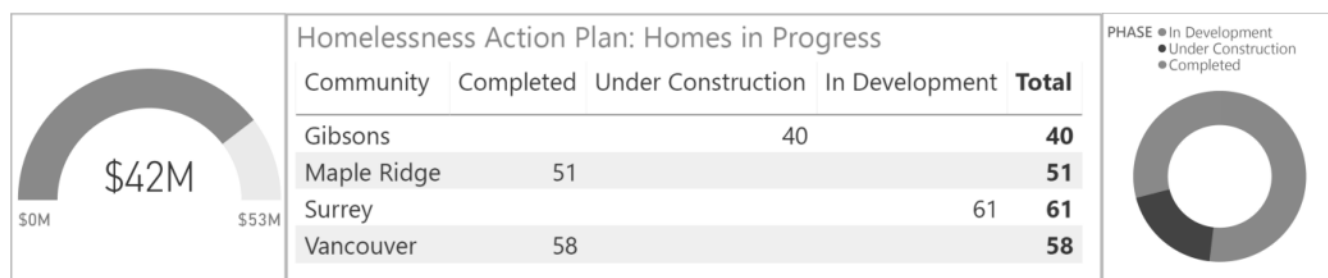


REDUCE HOMELESSNESS THROUGH HOUSING AND SERVICES

HOMELESSNESS ACTION PLAN

In 2019, the Province of British Columbia announced the Homelessness Action Plan (HAP) to build on the success of the Rapid Response to Homelessness (RRH) program initiated in September 2017. Through this program, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units, and to purchase land for one alternative shelter structure. Additionally, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

Through extensive need and demand analyses, strategic partnerships and community collaboration, four projects have been identified to be delivered through the Homelessness Action Plan program.

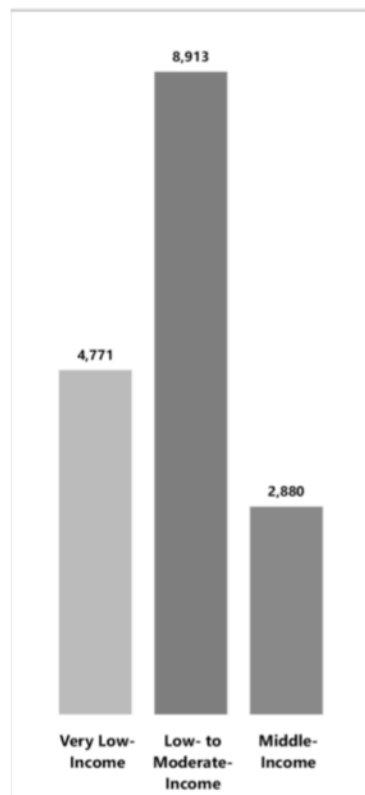
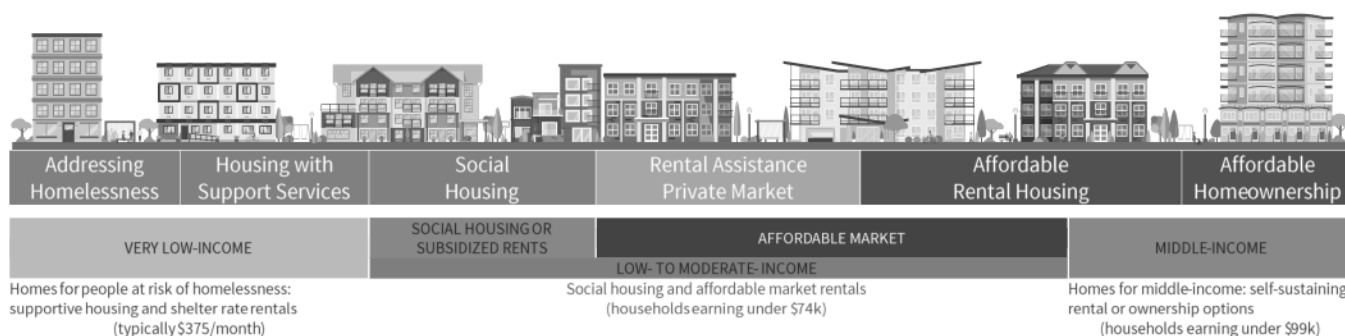


PROJECT	Gibsons Supportive Housing, Gibsons	Garibaldi Ridge, Maple Ridge	Guildford 104 Modular, Surrey	Naomi Place Modular, Vancouver
STATUS	Under Construction	Completed	In Development	Completed
DETAILS	The project is a 40-unit permanent modular supportive housing building to be operated by RainCity Housing and Support Society. The federal government transferred the land to the Town of Gibsons which will nominally lease the land to PRHC for the development.	Maple Ridge has been dealing with a homeless camp situation. Recognizing the immediate need, BC Housing pursued Provincial Paramountcy to expedite the delivery of purpose-built temporary modular housing for 51 individuals, including support programs and amenity space which is operated by Coast Foundation Society.	Under the province's 2017 Homelessness Initiative, the City of Surrey and BC Housing identified a need for supportive housing. The development will consist of 61 modular residential units for those at risk of homelessness, which will be operated by Lookout Housing and Health Society.	Continuing the Rapid Response to Homelessness partnership with the City of Vancouver, the site on Copley Street was identified to be suitable for 58 units of temporary modular housing with support services, operated by Community Builders Benevolence Group. This project was completed and opened in Q4 2019/20.

INCREASING THE SUPPLY OF HOMES

ADDRESSING HOUSING AFFORDABILITY

Increasing the supply of homes is key to addressing housing affordability in British Columbia. BC Housing's mandate crosses through the housing continuum, facilitated by programs and funding through Building BC and HousingHub. Building BC will provide the deepest affordability to the province's most vulnerable, create supportive housing with rent geared to income, and deliver affordable rental housing for households with low to moderate incomes. HousingHub meets the needs of middle-income families by increasing the supply of market rental homes and creating the opportunity for households to access market ownership housing.

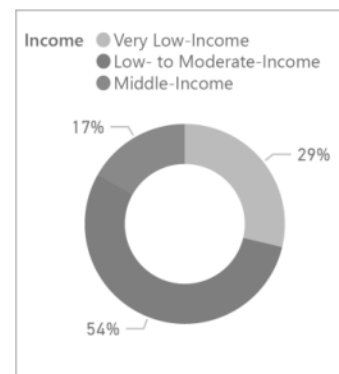


Out of the 16,564 homes currently in progress, 8,913 homes are designed for low- to moderate-income earners: households with annual incomes up to \$74,000. This means that 54% of the homes BC Housing is developing are for people that need social housing or subsidized rents or affordable market accommodation. Examples of programs that deliver these types of homes are Community Housing Fund, Affordable Rental Housing, and Indigenous Housing Fund. Income limits for these programs are based on the Statistics Canada Annual Household Income Survey.

Homes for very low-income earners, including supportive and shelter rate housing, represent 28% of homes in progress, or 4,771 homes. Typical monthly rents for these units range from \$375 to \$660 per month depending on unit size.

Around 17%, or 2,880 homes are for middle-income earners.

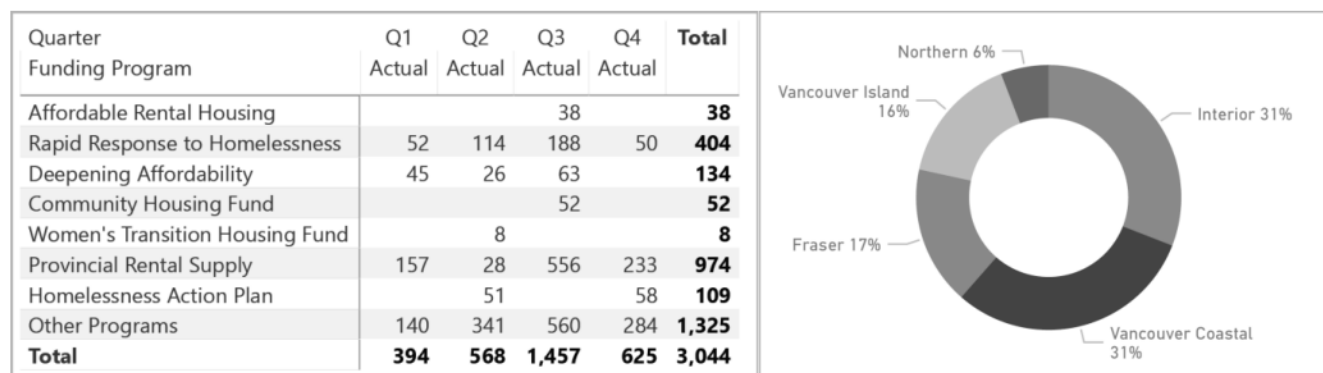
Initiative	Units
Building BC	13,474
HousingHub	2,880
Homelessness Action Plan	210
Total	16,564



HOMES READY IN 2019/20

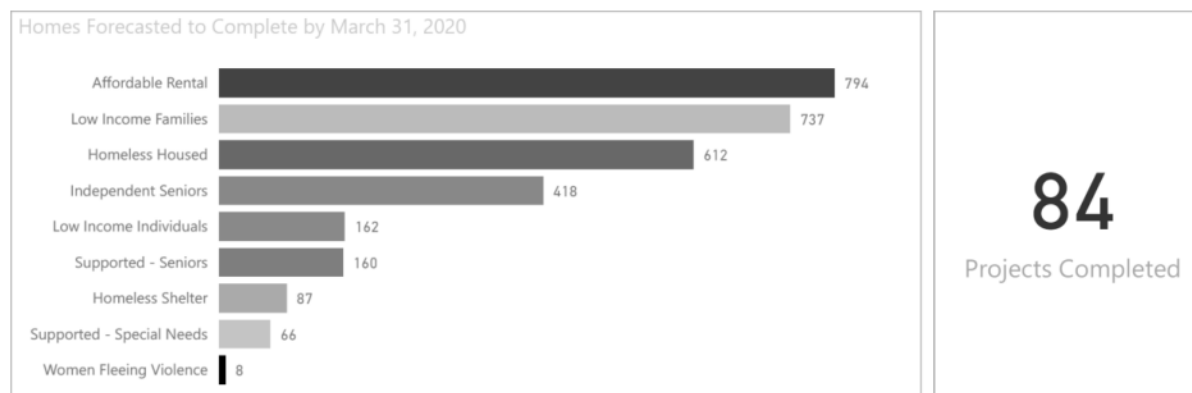
ANNUAL SERVICE PLAN UNIT COMPLETION

BC Housing's performance to deliver on provincial investment and increase the supply of affordable, social, and supportive housing is measured by the number of housing units completed. The 2019/20 annual unit completion target was 3,035 homes. BC Housing exceeded the annual completion target by nine units, completing 3,044 units in the 2019/20 fiscal year.



During the fourth quarter, 625 homes were completed. Combined with the results from the first, second, and third quarters, a total of 3,044 homes were completed during the fiscal year.

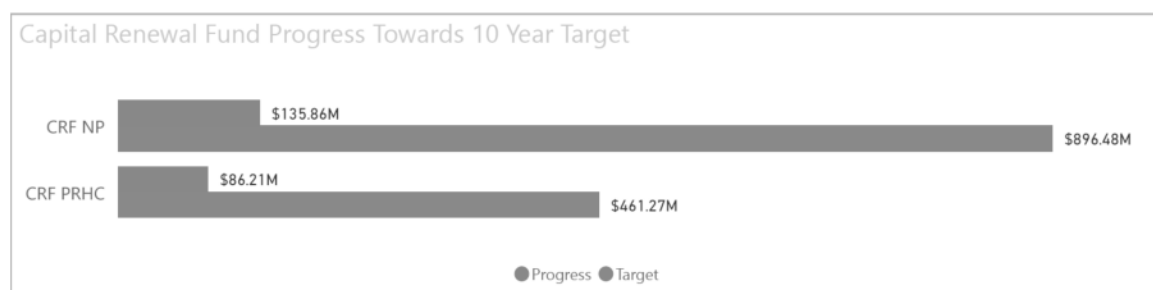
BC Housing tracks homes delivered by service allocation groups, as reflected in the table below. Most of the homes completed in 2019/20 were affordable rental options for middle-income and low-income families, representing 26% and 24% of homes respectively. The next are deep subsidy and social housing subsidized rental options for those at risk of homelessness, representing over 20% of homes.



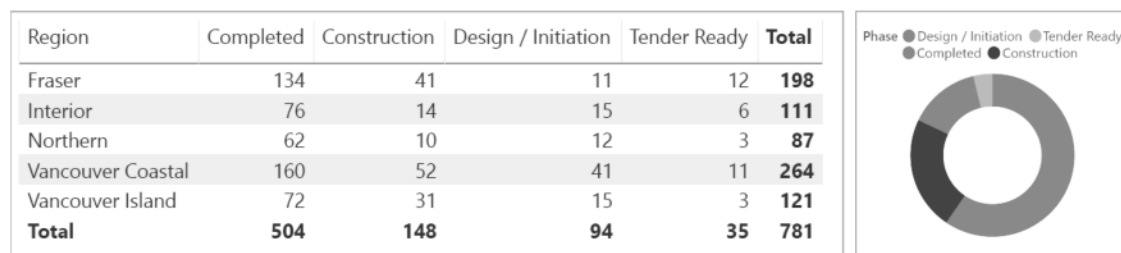
EXTENDING THE LIFE AND QUALITY OF EXISTING SOCIAL HOUSING MAINTENANCE AND REHABILITATION IN PROGRESS

As part of *Budget 2018*, the Province invested \$1.1 billion to maintain the condition of existing provincially owned and non-profit owned social housing. This investment is in addition to BC Housing's ongoing budget of \$32 million per year for repairs and improvements to existing stock.

The Capital Renewal Fund program reflects the Province's commitment to protecting existing affordable homes. It represents a much-needed investment into building rehabilitation and repair, to increase building safety against a major fire or earthquake, and to improve energy performance for existing affordable housing.



From the inception of Capital Renewal Fund to March 31, 2020, \$135.86 million has been committed for non-profit owned projects and \$86.21 million has been spent for provincially owned projects.



As at the end of the fourth quarter, Asset Strategies has 781 projects in various development stages in all parts of British Columbia, across all programs and initiatives. This includes projects outside Capital Renewal Fund, such as Ministry-funded Group Homes and Social Infrastructure Funding programs.

Over 64% of the current projects are newly completed, accounting for 504 projects. 148 projects (19%) are in construction stage and 94 projects (12%) are in design/initiation phase.

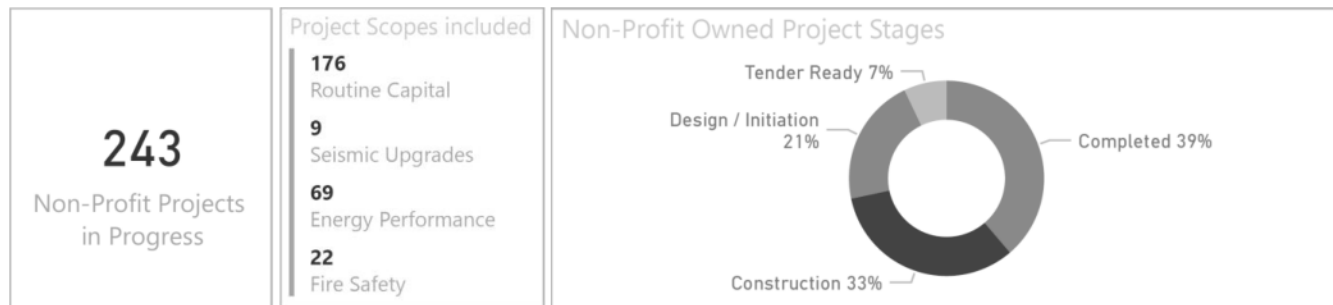
Due to accounting principles, reporting on non-profit owned projects differ from provincially owned projects. Non-profit owned projects are held accountable to the full amount of its grant allocation on the date of its approval at Executive Committee, while provincially owned projects are considered committed as funds are spent throughout the project.

FOURTH QUARTER PROGRESS

NON-PROFIT OWNED PROJECTS

Non-profit projects are eligible for Capital Renewal Funding if it maintains or benefits the Facility Condition Index or improves the building's seismic, fire safety, or energy performance. All other scopes fall into the routine capital category, which could include building envelope repair, mechanical upgrades, structural upgrades, etc.

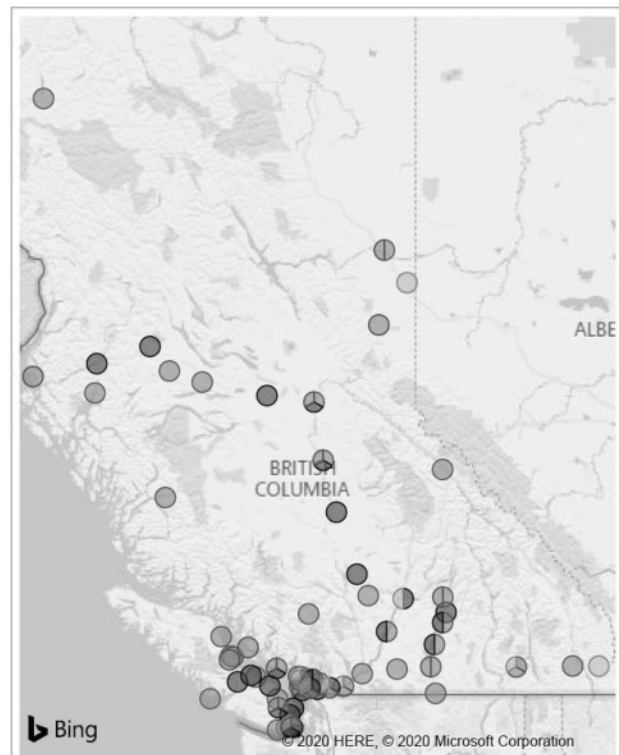
Out of the 243 non-profit projects in progress, 176 include components of routine capital.



Quarter Region	Q1 Actual	Q2 Actual	Q3 Actual	Q4 Actual	Total
Northern	76,650	795,919	60,000	325,796	1,258,365
Interior	0	14,558,399	423,995	5,234,153	20,216,547
Fraser	0	1,725,967	28,548,198	10,576,388	40,850,554
Vancouver Coastal	0	5,009,374	3,938,667	3,126,030	12,074,071
Vancouver Island	4,533,801	2,439,811	475,090	2,602,231	10,050,933
Total	4,610,451	24,529,471	33,445,951	21,864,598	84,450,470

Asset Strategies committed \$84.45 million in grants for non-profit owned projects in 2019/20. In the fourth quarter of 2019/20, \$21.86 million in grants were approved toward non-profit projects.

Most projects are in Construction stage (33%) and newly completed (39%). A large cluster of projects are in the metropolitan areas, but construction is happening all throughout the Interior and Vancouver Island regions of British Columbia.

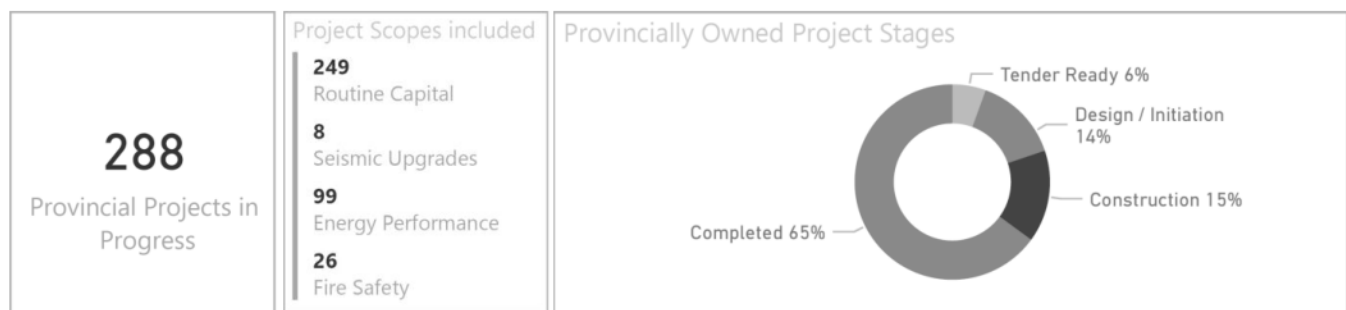


FOURTH QUARTER PROGRESS

PROVINCIAALLY OWNED PROJECTS

For provincially owned sites, projects must benefit the Facility Condition Index through completing essential building renewals, repairs, and maintenance. The funding will be spent towards increasing the service potential of the building by providing critical life-safety improvements, including seismic and fire-safety upgrades, as well as energy performance upgrades.

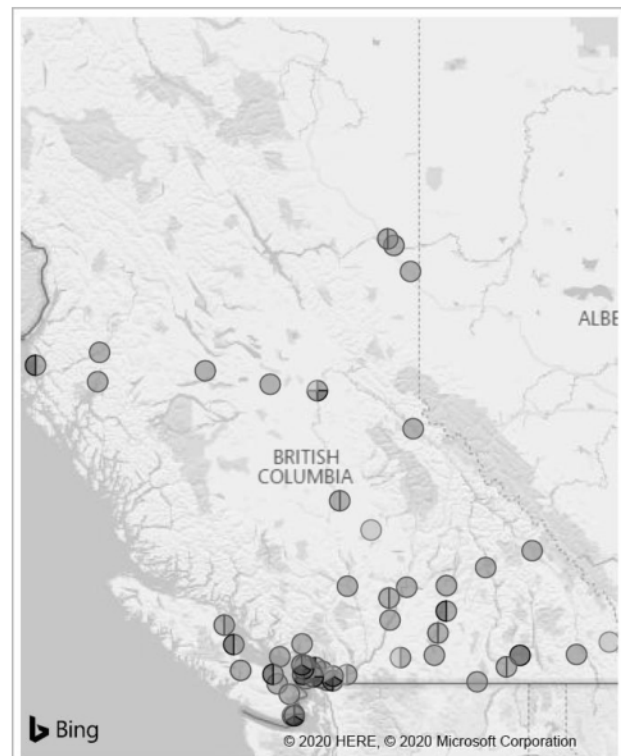
Out of the 288 provincially owned projects in progress, 249 include components of routine capital.



Quarter	Q1	Q2	Q3	Q4	Total
Region	Actual	Actual	Actual	Actual	
Northern	2,055,220	2,141,921	1,825,713	1,374	6,024,228
Interior	1,922,692	2,170,861	854,308	1,129	4,948,990
Fraser	2,545,743	2,668,585	2,042,258	1,656	7,258,241
Vancouver Coastal	5,925,672	7,480,440	6,382,404	4,515	19,793,030
Vancouver Island	1,306,187	2,866,263	909,902	1,160	5,083,511
Total	13,755,513	17,328,068	12,014,585	9,833	43,108,000

Asset Strategies spent \$43.1 million on provincially owned projects in 2019/20. In the fourth quarter of 2019/20, \$9,833 was spent towards PRHC projects.

Spending was slowed down for provincially owned projects as the funding was near its target limit. The decline of spending also represents projects moving out of Construction stage, completing the defined scope of work as the project comes to a close.



TOOLS TO FACILITATE THE CREATION OF NEW HOMES

CAPITAL PROJECT FUNDING AND PROGRAMS

FUNDING TOOLS

BC Housing supports the creation of new housing through a range of programs. Different funding tools are used depending on the project specifics and funding availability. Funding tools include:

- **Interim construction financing and take-out mortgages**
Interim construction financing may be provided during the construction phase of the project. At construction completion, BC Housing, as a lender under the National Housing Act, may also facilitate a take-out mortgage for the non-profit housing provider.
- **Capital grant initiatives**
A grant for the full project cost, or a partial capital contribution may be provided.
- **Operating subsidies**
BC Housing may provide housing providers with operating subsidies to offset their cost of assuming a mortgage. The subsidy is provided to bridge the difference between project revenues, e.g. tenant rents, and approved operational expenditures.
- **Partnerships**
By leveraging the expertise of BC Housing staff, HousingHub provides a centre for community partners and private industry to collaborate on developing new construction or redeveloping existing sites for affordable housing. Through these partnerships, HousingHub provides low-cost financing, access to land, and no or low capital equity.

PROGRAMS FOR NEW DEVELOPMENT

There are currently 15 programs to facilitate the development of new social housing.

PROGRAMS INITIATED THROUGH BUDGET 2019, BUILDING BC:

- **Homelessness Action Plan (HAP)** – HAP was built on the success of the Rapid Response to Homelessness (RRH) program initiated in September 2017. As the Province continues to decrease homelessness across the province, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units. Further, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

PROGRAMS INITIATED THROUGH HOUSINGHUB:

- **Provincial Rental Supply (PRS)** – PRS aims to increase the supply and range of affordable and appropriate rental housing options for middle-income households across BC. This program will allow opportunities for partnerships with non-profits, private developers, faith groups, property owners, and federal and local governments to locate, use, develop, or develop land in

communities where affordability is an issue. Partner contributions may include capital funding, land, or other equity contributions.

- **Affordable Home Ownership Program (AHOP)** – AHOP supports the development of new, affordable homes for eligible home buyers. This program will provide an opportunity for households to access market ownership housing by providing interim construction financing at reduced rates and leveraging land and other contributions from project partners. This allows units to be made available at 5-20% below market value for eligible home buyers, with the difference secured by an AHOP mortgage registered on title.

PROGRAMS INITIATED THROUGH BUDGET 2018, BUILDING BC:

- **Community Housing Fund (CHF)** – CHF facilitates the development of mixed income, affordable rental housing projects for independent families and seniors. Through this 10-year program, 14,350 new units at \$100,000 per unit will be created across British Columbia to address gaps in the market, creating homes for growing families and seniors.
- **Indigenous Housing Fund (IHF)** – IHF aims to create 1,750 new units of affordable rental housing for Indigenous persons on and off-reserve over a 10-year span at \$200,000 per unit. This program will be in partnership with the Aboriginal Housing Management Association (AHMA), First Nations, Indigenous non-profit housing providers, and non-profit housing providers with an indigenous client focus.
- **Supportive Housing Fund (SHF)** – SHF will create 2,500 new units of PRHC-owned housing over 10 years for a total capital investment of \$907.9 million. Successful projects will be operated by non-profit providers servicing individuals experiencing or at risk of homelessness.
- **Women's Transition Housing Fund (WTHF)** – WTHF will create 1,500 new units of PRHC-owned housing with appropriate supports over 10 years for a total capital investment of \$564.8 million. Successful projects through this program will be operated by non-profit providers serving women and children experiencing or at risk of violence. This program addresses the gaps in service along the spectrum of safe homes, transition house, and independent rental accommodation for women and children.

PROGRAMS INITIATED THROUGH BUDGET 2017 UPDATE:

- **Rapid Response to Homelessness (RRH)** – RRH commits \$291 million to create 2,000 modular housing units for those experiencing homelessness, 600 of which is in the City of Vancouver. The program will have a duration of 2 years (2017/18 to 2019/20) and will include the provision of support services of \$170 million over 3 years.
- **Affordable Rental Housing (ARH)** – ARH commits \$208 million over 4 years (2017/18 through 2021/22) to create approximately 1,700 new affordable rental housing units. Through the ARH program, individuals with low to moderate incomes will have access to additional affordable housing options across the province.
- **Deepening Affordability** – Deepening Affordability provides \$75 million to PIAH and IHI projects that are in provisional project approval or final project approval status as at April 1, 2018. The full \$75 million was committed in 2018/19 to ensure 4,900 homes remained affordable.

PRIOR HOUSING PROGRAMS:

- **Investment in Housing Innovation (IHI)** – IHI commits \$500 million to create 2,900 rental units in partnership with non profit societies, local governments, government agencies, community organizations and the private sector under the Investment in Housing Innovation Program. The program will develop housing to meet the needs of a variety of people, including low-to-moderate income renters, adults with developmental disabilities, rural and non-rural seniors, youth, students, Indigenous Peoples, and women and children fleeing abuse. Eligible projects under this program will be funded through the government's Housing Priority Initiatives Special Account and must be identified and committed by March 2017.
- **Provincial Investment in Affordable Housing (PIAH)** – PIAH commits \$355 million over five years (2016/17 through 2021/22) to create approximately 2,000 new affordable housing units. This funding will be available from the cash proceeds generated under the Non-Profit Asset Transfer program. Through the PIAH, individuals with low to moderate incomes will have access to additional affordable housing options across the province.
- **Mental Health Housing (MHH)** – MHH commits \$65 million from the Housing Priority Initiatives Special Account for the acquisition and renovation of affordable and appropriate rental housing under the Mental Health Housing Program, in partnership with non-profit societies, local governments, government agencies, community organizations, and the private sector. Housing will be acquired under the program to meet the needs of low and moderate income individuals with mental health and substance abuse issues.
- **Social Infrastructure Fund (SIF)** – In April 2016, the Province of British Columbia and the Government of Canada signed the SIF Agreement, will provide \$150 million in federal funding over 2 years. As part of this, the federal government will increase the annual commitment for 2016/17 and 2019/20 under the 2014 – 2019 IAH Agreement Extension as well as provide \$25.1 million in new funding for seniors. The \$63 million of additional funding to the IAH Agreement extension must be matched by the Province. The provincial matching will be invested in PRHC-owned affordable housing.
- **Regional Housing First Program (RHFP)** – The Regional Housing First Program (RHFP) will invest a total of up to \$90 million (\$30 million per partner) towards affordable housing projects that meet a variety of needs including addressing the needs of people experiencing homelessness in Greater Victoria. The program was announced in May 2016 and is the result of a partnering agreement between the Capital Regional District (CRD), BC Housing and Canada Mortgage and Housing Corporation (CMHC).
- **Investment in Affordable Housing (IAH) Agreement Extension** – In March 2014, the Province of British Columbia and the Government of Canada signed this \$300 million extension to the IAH Agreement. Both levels of Government will provide matching contributions of \$150 million from 2014/15 to 2021/22. The provincial matching will be invested in PRHC owned affordable housing, improving and increasing housing options for British Columbians.
- **Group Homes** – BC Housing provides administration and property management support for group homes owned by the PRHC. The PRHC purchases and/or constructs group homes – in its own right or on behalf of a sponsoring agency – to provide housing for special needs residents. The ongoing operation of the program is delivered and funded by the sponsoring agency.

PROGRAMS FOR MAINTENANCE AND REHABILITATION

BC Housing has ongoing capital asset responsibilities for over 66,670 units of social housing across the province, with the average age being approximately 34 years. This portion of the social housing stock is broadly categorized as follows:

- **Directly Managed** – BC Housing directly owns, operates, manages and maintains over 5,547 units of subsidized housing. This portfolio is the oldest in the province and was developed under programs dating back to the 1950s.
- **Non-Profit Housing** – the largest share of social housing in the province, nearly 61,123 units, is operated and/or owned by non-profit housing providers. This portfolio was developed under housing programs commencing in the 1980s.

Maintenance and rehabilitation projects involve completing essential building renewals, repairs, and maintenance that must benefit the building Facility Condition Index, and can also improve critical life-safety, and upgrade seismic, fire-safety, and energy performance. These projects may change the design, layout, materials or systems of an existing building but do not involve a change of use or building occupancy.

There are currently 3 programs to maintain and rehabilitate existing social housing:

PROGRAM INITIATED THROUGH BUDGET 2018:

- **Capital Renewal Funding (CRF)** – CRF is provided to protect existing social housing that is provincially owned or owned by non-profit housing societies and housing co-operatives. This program commits \$461 million towards PRHC-owned buildings and \$932.2 million towards non-profit-owned buildings, for a total investment of almost \$1.4 billion over 10 years.

PRIOR HOUSING PROGRAMS:

- **Social Infrastructure Fund (SIF)** – Included in the \$150 million from the SIF Agreement is \$50.9 million for energy retrofits and renovations to existing social housing and \$10.8 million to victims of family violence. The \$50.9 million of renovation funding will be targeted to the non-profit portfolio and was fully allocated by March 31, 2017.
- **Housing Provider Capital Improvements (HPCI)** – The HPCI program is targeted to the non-profit portfolio and is available through BC Housing's debt financing capacity. Under this program, BC Housing provides construction financing and also provides the non-profit society with a subsidy to offset the cost of the cost repaying the mortgage when the project is complete. This program is fully allocated to projects under construction.

2019/20

AFFORDABLE HOUSING INVESTMENT PLAN REPORT

SECOND QUARTERLY
UPDATE



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EXTENDING THE LIFE AND QUALITY OF EXISTING SOCIAL HOUSING

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A CAPITAL PROJECT FUNDING AND PROGRAMS

TOOLS TO FACILITATE THE CREATION OF NEW HOMES

INTRODUCTION

STRATEGIC CONTEXT

BC Housing's 2019/20 Affordable Housing Investment Plan Report – Second Quarterly Update features an update on the overall progress against targets presented in the 2019/20 Mandate Letter, Homes for BC: A 30-Point Plan for Housing Affordability in British Columbia, and the 2019/20 Annual Capital Plan.

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s.13 Building BC includes: Rapid Response to Homelessness, Affordable Rental Housing program, Deepening Affordability of projects experiencing cost pressures, Community Housing Fund, Indigenous Housing Fund, Supportive Housing Fund and the Women's Transition Housing Fund. The Province also created HousingHub to bring together partners from all levels of government, non-profit organizations, and the private sector, with the goal of building capacity and becoming a catalyst for new affordable housing development.

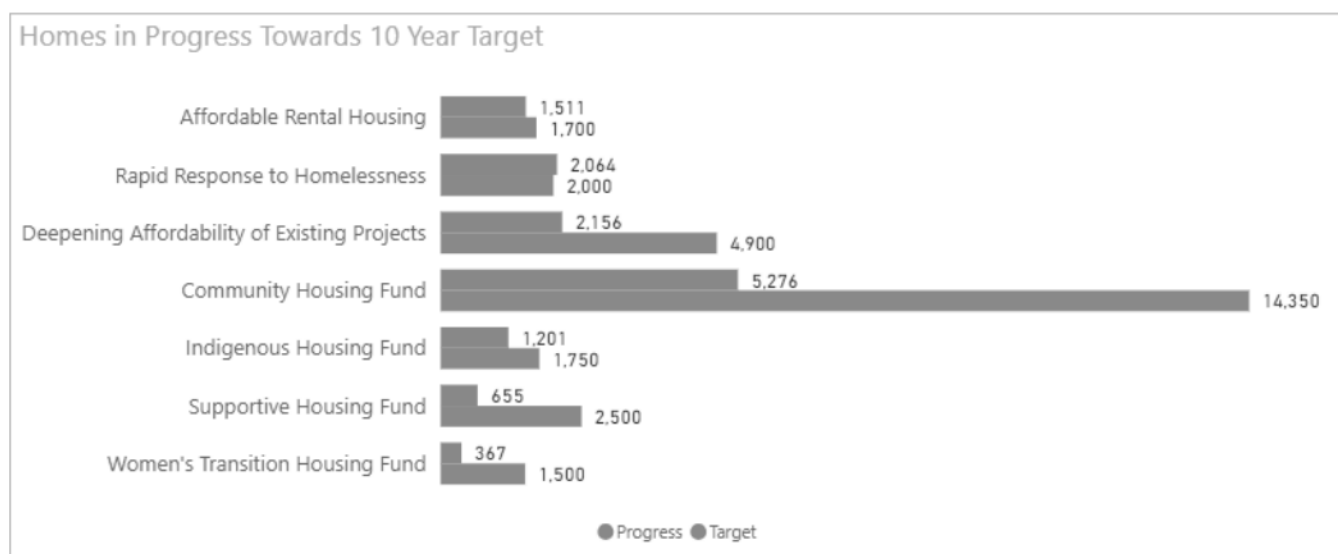
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BC Housing is working with all levels of government, Indigenous Peoples, non-profits, and the private sector to streamline the creation of new affordable homes in every region of the province.

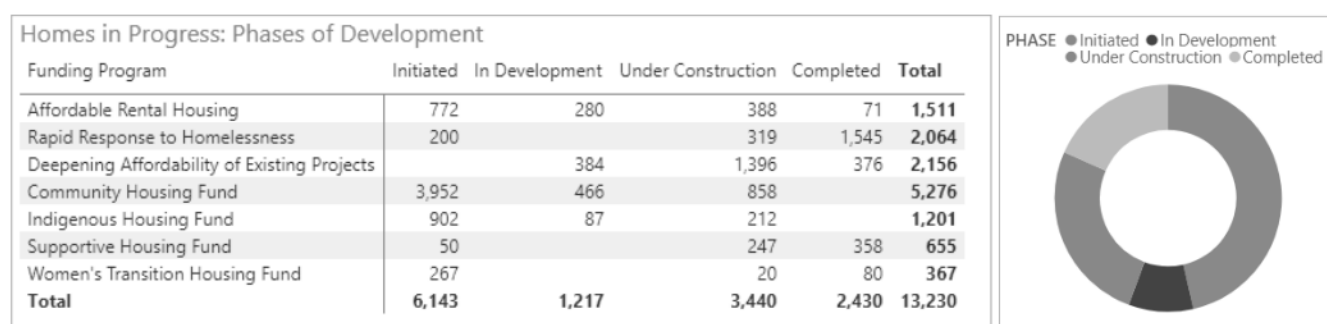
BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT IN PROGRESS

Over the next 10 years, BC Housing is expected to facilitate ^{s.13} homes through the Building BC programs and Deepening Affordability enhancements to projects under the Investment in Housing Innovation (IHI) and Provincial Investment in Affordable Housing (PIAH) programs that are experiencing cost pressures.



As of September 30, 2019, BC Housing has ^{s.13} homes in various stages of development, with roughly half in initiation phase, and the other half in development, under construction, or newly completed.

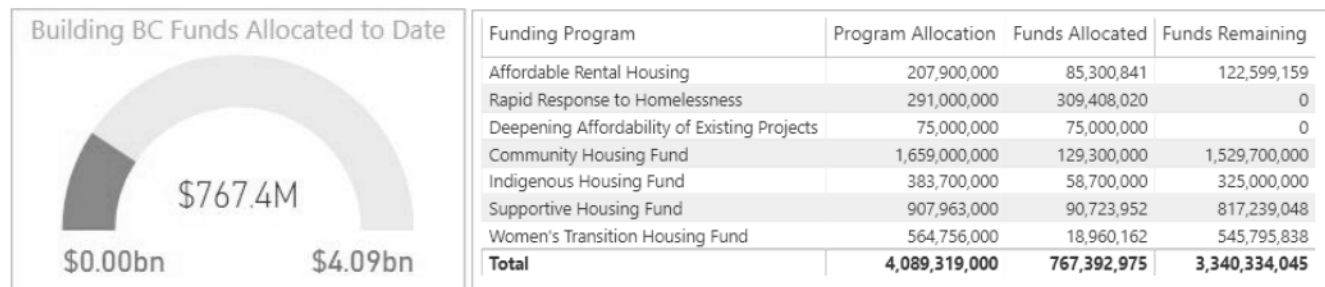


Projects in initiation phase are public knowledge, such as through announcements or municipal process, but ^{s.13} Projects in development, under construction, and complete have gone through the necessary requirements through Executive Committee or Board of Commissioners as per the Capital Review Committee Terms of Reference for approval.

BUILDING THE HOMES PEOPLE NEED

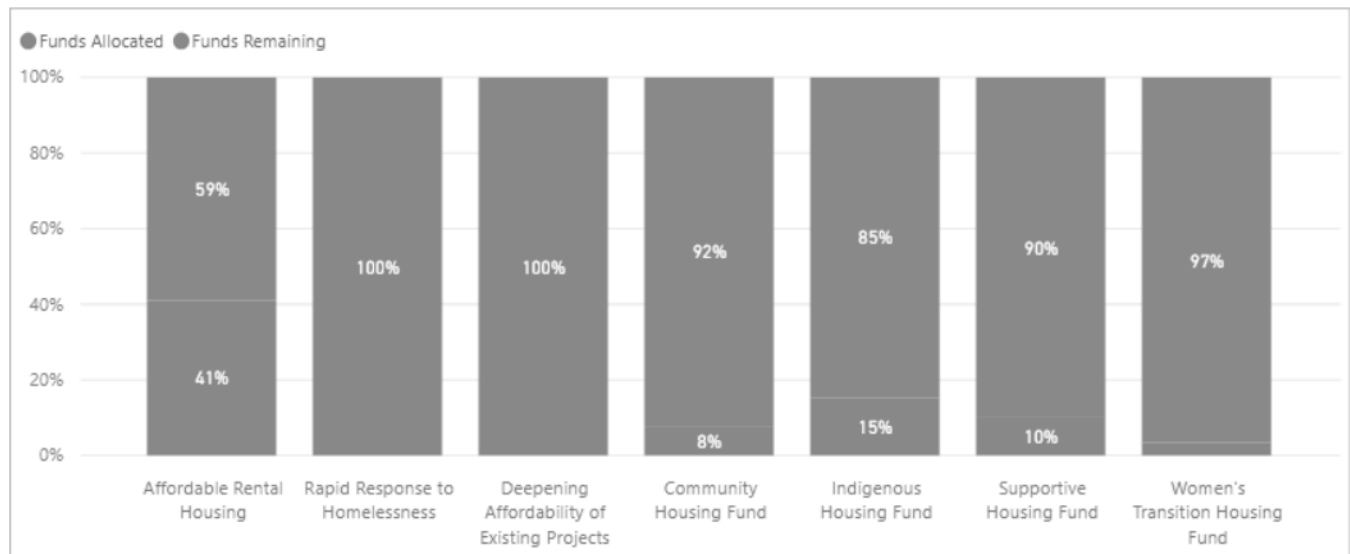
NEW DEVELOPMENT FUNDING ALLOCATIONS

The Building BC Programs have a combined total of \$4.09 billion in which BC Housing has allocated more than \$767 million to housing projects across the province to date. This reflects 177 projects in various stages of development, construction, and completion. Deepening Affordability of Existing Projects was fully committed in 2018/19.



Out of the \$767 million allocated, 40% was approved from the Rapid Response to Homelessness program. RRH was the first program initiated under Building BC so that this housing was made available for the province's most vulnerable populations first.

Deepening Affordability was applied to development projects that were already underway but whose affordability was being threatened by rising construction costs and interest rates. Deepening Affordability was a way to address these issues to ensure the units remain affordable.

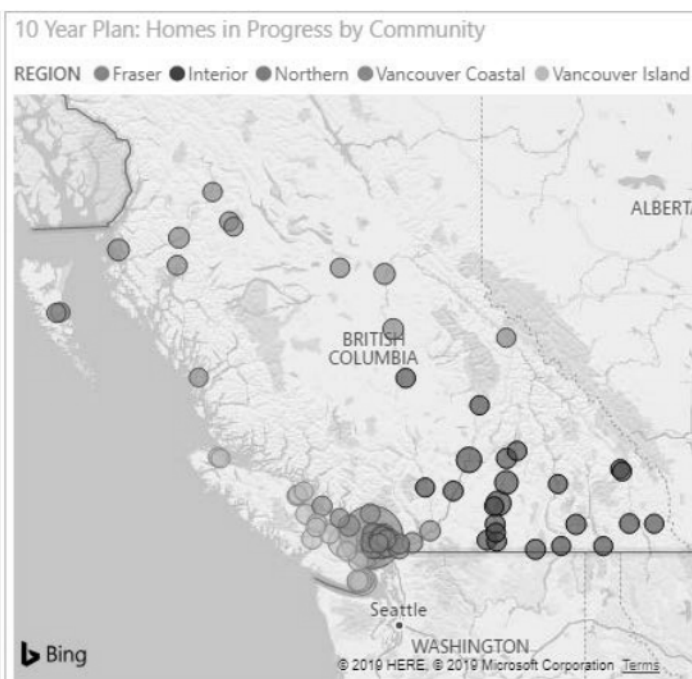
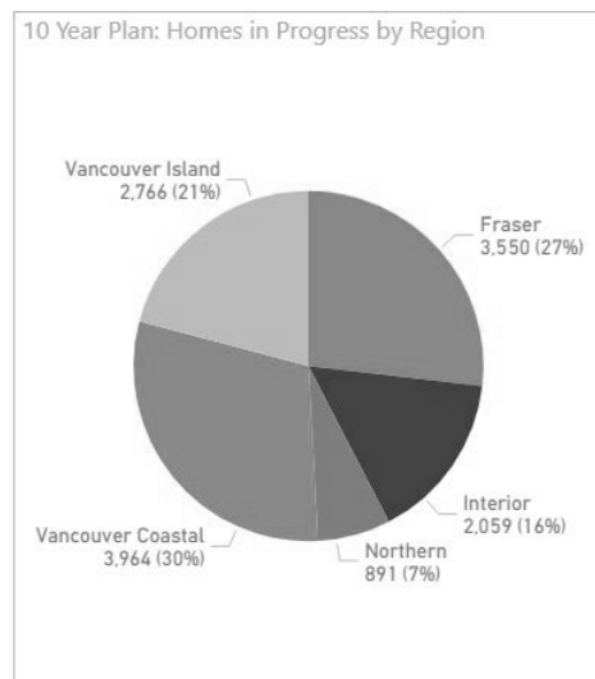


BUILDING THE HOMES PEOPLE NEED

NEW DEVELOPMENT REGIONAL BREAKDOWN

As of September 30, 2019, BC Housing has 13,320 homes in progress spanning across all 5 regions. The highest number of homes are being developed in the Vancouver Coastal region, with 3,964 homes, accounting for 30% of homes in progress. Not far behind is the Fraser region, with 3,550 homes in progress, or 27%.

Funding Program	Fraser	Interior	Northern	Vancouver Coastal	Vancouver Island	Total
Affordable Rental Housing	261	170	40	783	257	1,511
Rapid Response to Homelessness	685	365	131	726	157	2,064
Deepening Affordability of Existing Projects	627	316	163	511	539	2,156
Community Housing Fund	1,611	722	78	1,517	1,348	5,276
Indigenous Housing Fund	246	162	300	269	224	1,201
Supportive Housing Fund	66	223	82	120	164	655
Women's Transition Housing Fund	54	101	97	38	77	367
Total	3,550	2,059	891	3,964	2,766	13,320



BUILDING PARTNERSHIPS FOR AFFORDABILITY

HOUSINGHUB

2,635

HousingHub
Homes in Progress

The HousingHub was created to build partnerships and affordable homes where British Columbians are currently seeing a gap. The HousingHub works with community, government, non-profit and private-sector stakeholders to facilitate the creation of new affordable rental housing and homeownership options for middle-income British Columbians.

The HousingHub works collaboratively with an array of partners to facilitate the partnership of suitable land, equity, low-cost financing and development expertise to create affordable rental housing and homeownership options.

BC Housing, through the HousingHub, is delivering Provincial Rental Supply and Affordable Home Ownership programs to support the development of new, affordable homes for eligible middle-income families and individuals.

There are currently 2,635 homes in various stages of development through 30 projects across 5 regions and 19 communities.



PRS

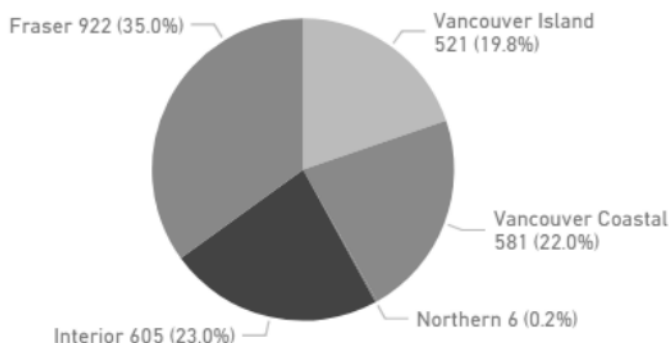


AHOP

HousingHub Homes in Progress: Phases of Development

Funding Program	Initiated	In Development	Under Construction	Completed	Total
Provincial Rental Supply		559	1,404	185	2,148
Affordable Home Ownership Program	429	58			487
Total	429	617	1,404	185	2,635

HousingHub: Homes in Progress by Region



PHASE ● Initiated ● In Development ● Under Construction ● Completed

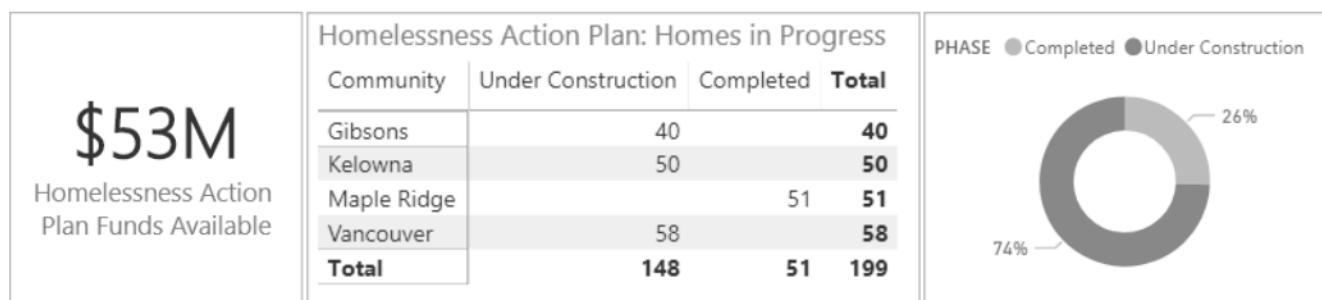


REDUCE HOMELESSNESS THROUGH HOUSING AND SERVICES

HOMELESSNESS ACTION PLAN

In 2019, the Province of British Columbia announced the Homelessness Action Plan (HAP) to build on the success of the Rapid Response to Homelessness (RRH) program initiated 2 years prior. Through this program, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units, and to purchase land for one alternative shelter structure. Additionally, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

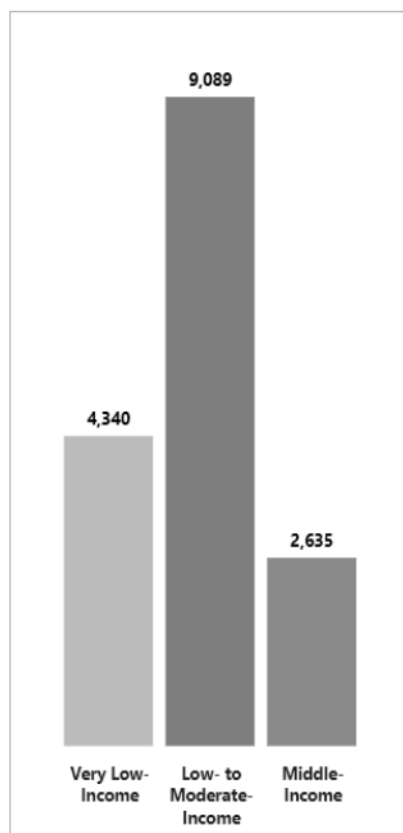
Through extensive need and demand analyses, strategic partnerships and community collaboration, four projects have been identified to be delivered through the Homelessness Action Plan program.



PROJECT	Supportive Housing, Gibsons	McIntosh, Kelowna	Garibaldi Ridge, Maple Ridge	Vanness, Vancouver
STATUS	Under Construction	Under Construction	COMPLETED	Under Construction
DETAILS	The proposed project is a 40-unit permanent modular supportive housing building to be operated by RainCity Housing and Support Society. The federal government transferred the land to the Town of Gibsons which they will nominally lease the land to PRHC for the development.	There is an immediate need to find housing with supports to ensure approximately 210 residents of 2 closing shelters do not end up on the streets. BC Housing is building 50 units of permanent supportive housing including amenity spaces and meal services to be operated by John Howard Society to alleviate some of the pressure.	Maple Ridge has been dealing with a homeless camp situation. Recognizing the immediate need, BC Housing pursued Provincial Paramountcy to expediate the delivery of purpose-built modular housing for 51 individuals, including support programs and amenity space which will be operated by Coast Foundation Society.	Continuing the Rapid Response to Homelessness partnership with the City of Vancouver, the Vanness site was identified to be suitable for 58 units of temporary modular housing with support services, operated by Community Builders Benevolence Group.

INCREASING THE SUPPLY OF HOMES ADDRESSING HOUSING AFFORDABILITY

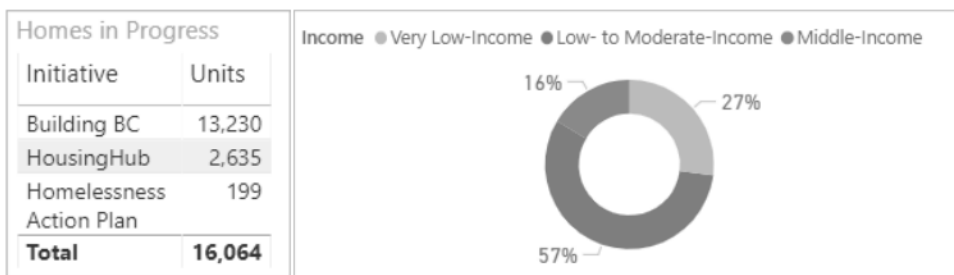
Increasing the supply of homes is key to addressing housing affordability in British Columbia. BC Housing's mandate crosses through the housing continuum, facilitated by programs and funding through Building BC and HousingHub. Building BC will provide the deepest affordability to the province's most vulnerable, create supportive housing with rent geared to income, and deliver affordable rental housing for households with low to moderate incomes. HousingHub meets the needs of middle-income families by increasing the supply of market rental homes and creating the opportunity for households to access market ownership housing.



Out of the 16,064 homes currently in progress, 9,089 homes are designed for low- to moderate-income earners: households with annual incomes below \$74,000. This means that 57% of the homes BC Housing is developing are for people that need social housing or subsidized rents or affordable market rents. Examples of programs that deliver these types of homes are Community Housing Fund, Affordable Rental Housing, and Indigenous Housing Fund.

Homes for very low-income earners, including supportive and shelter rate housing, represent 27% of homes in progress, or 4,340 homes. Typical monthly rents for these units range from \$375 to \$660 per month depending on unit size.

Around 16%, or 2,635 homes are for middle-income earners.

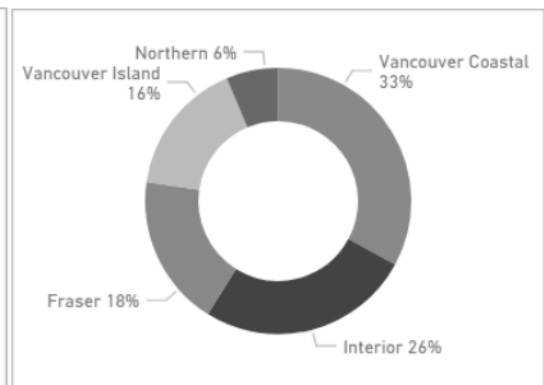


HOMES READY IN 2019/20

ANNUAL SERVICE PLAN UNIT COMPLETION

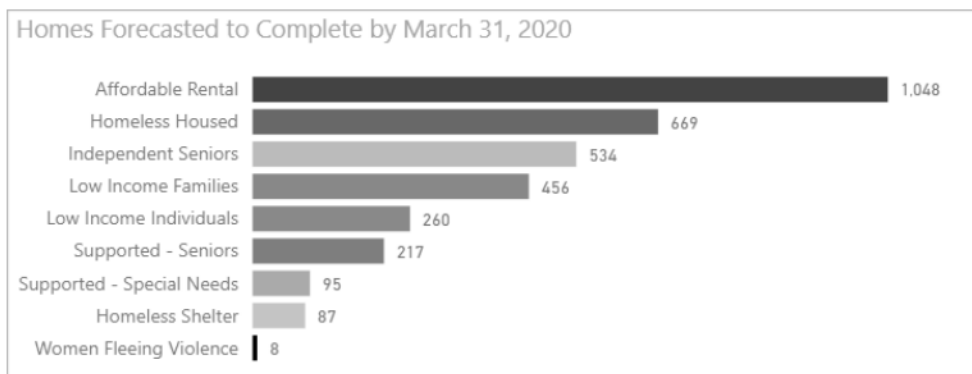
BC Housing's performance to deliver on provincial investment and increase the supply of affordable, social, and supportive housing is measured by the number of housing units completed. The 2019/20 annual unit completion target is set for 3,035 homes.

Funding Program	Q1	Q2	Q3	Q4	Total
Affordable Rental Housing			38		38
Rapid Response to Homelessness	52	114	142	149	457
Community Housing Fund			52	9	61
Women's Transition Housing Fund		8	0		8
Provincial Rental Supply	157	28	799	15	999
Homelessness Action Plan		51		108	159
Other Programs	185	332	635	500	1,652
Total	394	533	1,666	781	3,374



533 homes were completed in the second quarter. Combined with the first quarter's results, 927 homes have been created since April 1, 2019. It is expected that an additional 2,447 homes will complete by March 31, 2020.

Most of the homes completing in 2019/20 will be affordable rental options for middle-income families, representing 31% of homes. The next are deep subsidy and social housing subsidized rental options for those at risk of homelessness, representing almost 20% of homes.



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Projects Forecasted
to Complete

HOMES READY IN 2019/20

SCHEDULE PERFORMANCE

BC Housing strives to ensure projects are ahead of schedule, but recognizing that in residential construction, schedules must often be adjusted.

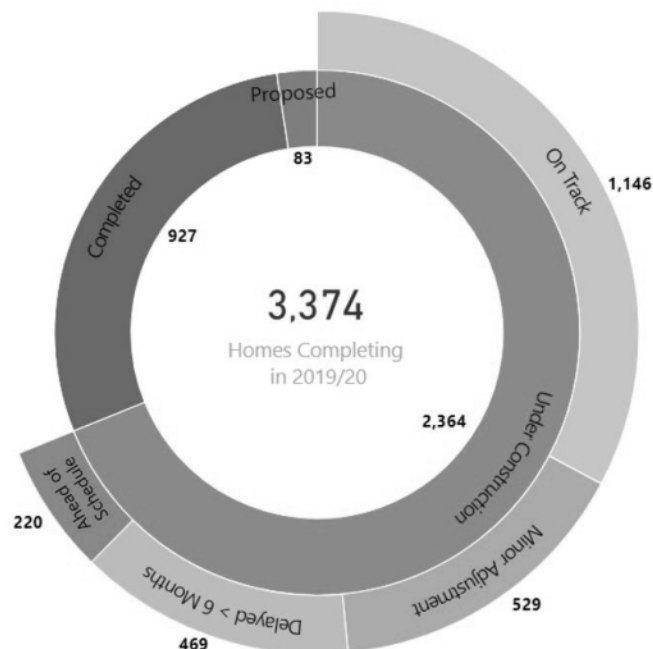
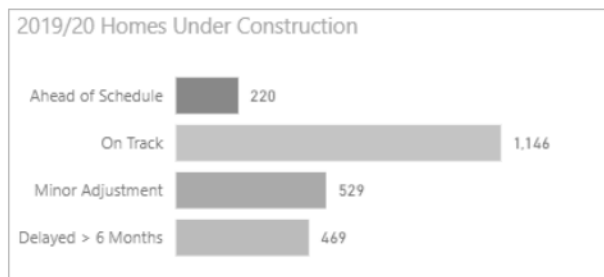
50 projects, totalling 2,364 homes, are under construction and expected to be ready prior to fiscal year end. 15 projects have become delayed since receiving Final Project Approval, representing 469 homes at 19.84%. The other 1,895 homes under construction are ahead of schedule, on track, or exhibiting minor schedule adjustments.



Compared to the annual fiscal delivery of 3,374 homes which are set to complete by March 31, 2020, delays have only affected 13.9% of homes.

Homes Completing 2019/20

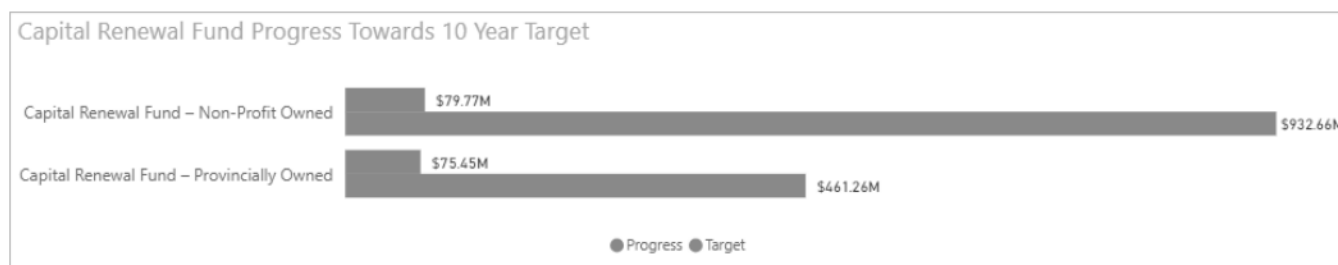
Phase	Delay Category	Homes	% of Homes
Completed		927	27.47%
Under Construction	Ahead of Schedule	220	6.52%
Under Construction	On Track	1,146	33.97%
Under Construction	Minor Adjustment	529	15.68%
Under Construction	Delayed > 6 Months	469	13.90%
Proposed		83	2.46%
Total		3,374	100.00%



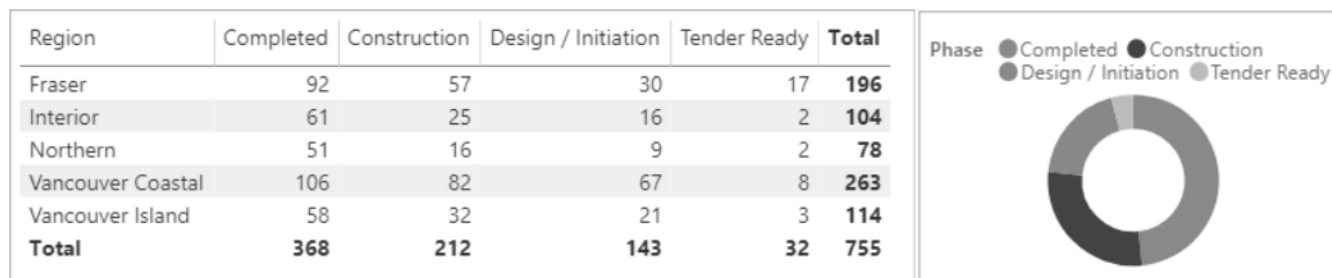
EXTENDING THE LIFE AND QUALITY OF EXISTING SOCIAL HOUSING MAINTENANCE AND REHABILITATION IN PROGRESS

As part of *Budget 2018*, the province is investing \$1.1 billion to maintain the condition of existing provincially owned and non-profit owned social housing. This investment is in addition to BC Housing's ongoing budget of \$32 million per year for repairs and improvements to existing stock.

The Capital Renewal Fund program reflects the Province's commitment to protecting existing affordable homes. It represents a much-needed investment into building rehabilitation and repair, to increase building safety against a major fire or earthquake, and to improve energy performance for existing affordable housing.



From the inception of Capital Renewal Fund to September 30, 2019, \$79.77 million has been committed for non-profit owned projects and \$75.45 million has been spent for provincially owned projects.



As at the end of the second quarter, Asset Strategies has 755 projects in various development stages in all parts of British Columbia. Although the largest concentration is situated in the Vancouver Coastal region, projects are in construction as far north as Dease Lake, British Columbia. Roughly half of the current projects have newly completed, accounting for 368 projects. 212 projects (28%) are in construction stage and 143 projects (19%) are in design/initiation phase.

Due to accounting principles, reporting on non-profit owned projects differ from provincially owned projects. Non-profit owned projects are held accountable to the full amount of its grant allocation on the date of its approval at Executive Committee, while provincially owned projects are considered committed as funds are spent throughout the project.

SECOND QUARTER PROGRESS

NON-PROFIT OWNED PROJECTS

Non-profit projects are eligible for Capital Renewal Funding if it maintains or benefits the Facility Condition Index or improves the building's seismic, fire safety, or energy performance. All other scopes fall into the routine capital category, which could include building envelope repair, mechanical upgrades, structural upgrades, etc.

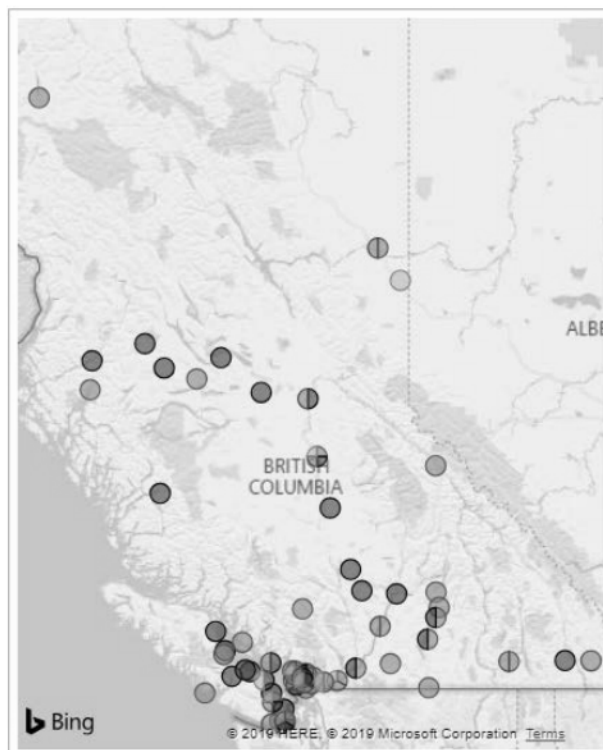
Out of the 223 non-profit projects in progress, 214 include components of routine capital.



Region	Q1	Q2	Q3	Q4	Total
Interior	0	14,064,180	426,176	-20,613	14,469,743
Northern	80,000	751,719	161,785	126,641	1,120,145
Fraser	0	1,530,859	35,115,244	91,276	36,737,379
Vancouver Coastal	0	4,825,724	5,990,851	8,924,273	19,740,849
Vancouver Island	4,736,882	2,369,723	6,156,722	38,557	13,301,884
Total	4,816,882	23,542,206	47,850,777	9,160,135	85,370,000

It is forecasted that Asset Strategies will commit \$85.37 million in grants for non-profit owned projects in 2019/20. In the second quarter of 2019/20, \$23.54 million in grants were approved toward non-profit projects, an increase of \$18.73 million increase from last quarter. \$57 million is forecasted to be committed in the next two quarters.

Most projects are in Design / Initiation (47%) and Construction (43%) stages. A large cluster of projects are in the metropolitan areas, but construction is happening all throughout the Interior and Vancouver Island regions of British Columbia.

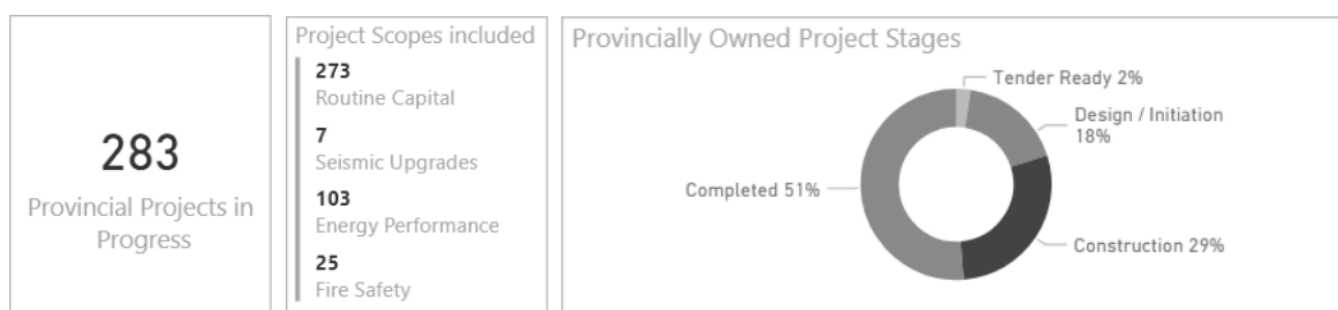


SECOND QUARTER PROGRESS

PROVINCIALY OWNED PROJECTS

For provincially owned sites, projects must benefit the Facility Condition Index through completing essential building renewals, repairs, and maintenance. The funding will be spent towards increasing the service potential of the building by providing critical life-safety improvements, including seismic and fire-safety upgrades, as well as energy performance upgrades.

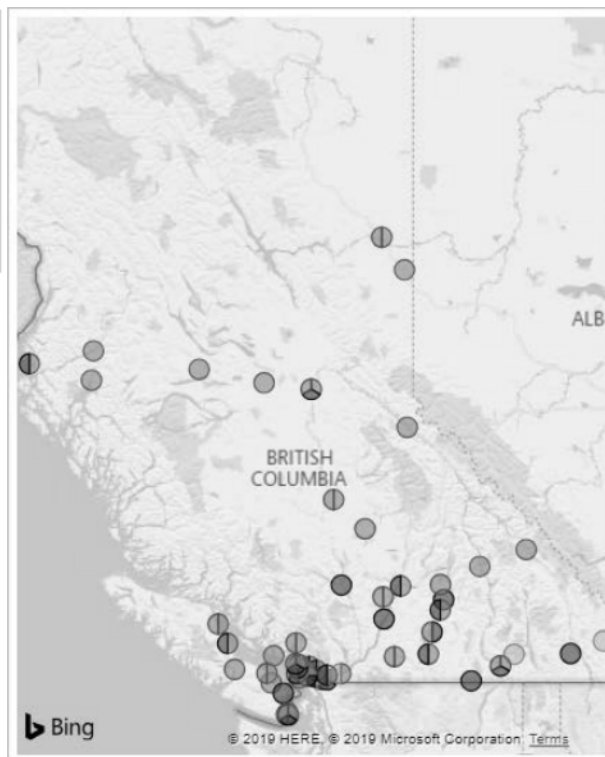
Out of the 283 provincially owned projects in progress, 273 include components of routine capital.



Region	Q1	Q2	Q3	Q4	Total
Interior	1,962,532	2,348,082	828,697	113,481	5,252,792
Northern	2,113,424	2,144,073	791,805	416,700	5,466,002
Fraser	2,470,638	2,818,694	1,142,480	616,742	7,048,553
Vancouver Coastal	5,960,112	8,014,142	2,941,819	2,345,441	19,261,514
Vancouver Island	1,248,807	3,266,058	1,158,886	405,389	6,079,139
Total	13,755,513	18,591,048	6,863,686	3,897,753	43,108,000

It is forecasted that Asset Strategies will spend \$43.1 million on provincially owned projects in 2019/20. In the second quarter of 2019/20, \$18.6 million was spent towards PRHC projects with \$10.8 million forecasted to be spent in the next two quarters.

Spending is forecasted to slow down for provincially owned projects. It is forecasted that spending will decrease to \$6.9 million in the third quarter and follow through to \$3.9 million in the fourth quarter. This steady decline of spending represents projects moving out of Construction stage, completing the defined scope of work as the project comes to a close.



TOOLS TO FACILITATE THE CREATION OF NEW HOMES

CAPITAL PROJECT FUNDING AND PROGRAMS

FUNDING TOOLS

BC Housing supports the creation of new housing through a range of programs. Different funding tools are used depending on the project specifics and funding availability. Funding tools include:

- **Interim construction financing and take-out mortgages**
Interim construction financing may be provided during the construction phase of the project. At construction completion, BC Housing, as a lender under the National Housing Act, may also facilitate a take-out mortgage for the non-profit housing provider.
- **Capital grant initiatives**
A grant for the full project cost, or a partial capital contribution may be provided.
- **Operating subsidies**
BC Housing may provide housing providers with operating subsidies to offset their cost of assuming a mortgage. The subsidy is provided to bridge the difference between project revenues, e.g. tenant rents, and approved operational expenditures.
- **Partnerships**
By leveraging the expertise of BC Housing staff, HousingHub provides a centre for community partners and private industry to collaborate on developing new construction or redeveloping existing sites for affordable housing. Through these partnerships, HousingHub provides low-cost financing, access to land, and no or low capital equity.

PROGRAMS FOR NEW DEVELOPMENT

There are currently 15 programs to facilitate the development of new social housing.

PROGRAMS INITIATED THROUGH BUDGET 2019

- **Homelessness Action Plan (HAP)** – HAP was built on the success of the Rapid Response to Homelessness (RRH) program initiated 2 years prior. As the Province continues to decrease homelessness across the province, an additional \$53.49 million in capital funding has been put forward to build 100 temporary and 100 permanent modular housing units. Further, \$7.29 million of capital funding will be available in 2021/22 for relocation of the temporary units to a permanent site.

PROGRAMS INITIATED THROUGH HOUSINGHUB:

- **Provincial Rental Supply (PRS)** – PRS aims to increase the supply and range of affordable and appropriate rental housing options for middle-income households across BC. This program will allow opportunities for partnerships with non-profits, private developers, faith groups, property owners, and federal and local governments to locate, use, develop, or develop land in communities where affordability is an issue. Partner contributions may include capital funding, land, or other equity contributions.

- **Affordable Home Ownership Program (AHOP)** – AHOP supports the development of new, affordable homes for eligible home buyers. This program will provide an opportunity for households to access market ownership housing by providing interim construction financing at reduced rates and leveraging land and other contributions from project partners. This allows units to be made available at 5-20% below market value for eligible home buyers, with the difference secured by an AHOP mortgage registered on title.

PROGRAMS INITIATED THROUGH BUDGET 2018, BUILDING BC:

- **Community Housing Fund (CHF)** – CHF facilitates the development of mixed income, affordable rental housing projects for independent families and seniors. Through this 10-year program, 14,350 new units at \$100,000 per unit will be created across British Columbia to address gaps in the market, creating homes for growing families and seniors.
- **Indigenous Housing Fund (IHF)** – IHF aims to create 1,750 new units of affordable rental housing for Indigenous persons on and off-reserve over a 10-year span for a total capital investment of \$350 million at \$200,000 per unit. This program will be in partnership with the Aboriginal Housing Management Association (AHMA), Indigenous non-profit housing providers, and non-profit housing providers with an indigenous client focus.
- **Supportive Housing Fund (SHF)** – SHF will create 2,500 new units of PRHC-owned housing over 10 years for a total capital investment of \$907.9 million. Successful projects will be operated by non-profit providers servicing individuals experiencing or at risk of homelessness.
- **Women's Transition Housing Fund (WTHF)** – WTHF will create 1,500 new units of PRHC-owned housing with appropriate supports over 10 years for a total capital investment of \$564.8 million. Successful projects through this program will be operated by non-profit providers serving women and children experiencing or at risk of violence. This program addresses the gaps in service along the spectrum of safe homes, transition house, and independent rental accommodation for women and children.

PROGRAMS INITIATED THROUGH BUDGET 2017 UPDATE:

- **Rapid Response to Homelessness (RRH)** – RRH commits \$291 million to create 2,000 modular housing units for those experiencing homelessness, 600 of which will be in the City of Vancouver. The program will have a duration of 2 years (2017/18 to 2019/20) and will include the provision of support services of \$170 million over 3 years.
- **Affordable Rental Housing (ARH)** – ARH commits \$208 million over 4 years (2017/18 through 2021/22) to create approximately 1,700 new affordable rental housing units. Through the ARH program, individuals with low to moderate incomes will have access to additional affordable housing options across the province.

PRIOR HOUSING PROGRAMS:

- **Investment in Housing Innovation (IHI)** – IHI commits \$500 million to create 2,900 rental units in partnership with non profit societies, local governments, government agencies, community organizations and the private sector under the Investment in Housing Innovation Program. The program will develop housing to meet the needs of a variety of people, including low-to-moderate income renters, adults with developmental disabilities, rural and non-rural seniors, youth, students,

Indigenous Peoples, and women and children fleeing abuse. Eligible projects under this program will be funded through the government's Housing Priority Initiatives Special Account and must be identified and committed by March 2017.

- **Provincial Investment in Affordable Housing (PIAH)** – PIAH commits \$355 million over five years (2016/17 through 2021/22) to create approximately 2,000 new affordable housing units. This funding will be available from the cash proceeds generated under the Non-Profit Asset Transfer program. Through the PIAH, individuals with low to moderate incomes will have access to additional affordable housing options across the province.
- **Mental Health Housing (MHH)** – MHH commits \$65 million from the Housing Priority Initiatives Special Account for the acquisition and renovation of affordable and appropriate rental housing under the Mental Health Housing Program, in partnership with non-profit societies, local governments, government agencies, community organizations, and the private sector. Housing will be acquired under the program to meet the needs of low and moderate income individuals with mental health and substance abuse issues.
- **Social Infrastructure Fund (SIF)** – In April 2016, the Province of British Columbia and the Government of Canada signed the SIF Agreement, will provide \$150 million in federal funding over 2 years. As part of this, the federal government will increase the annual commitment for 2016/17 and 2019/20 under the 2014 – 2019 IAH Agreement Extension as well as provide \$25.1 million in new funding for seniors. The \$63 million of additional funding to the IAH Agreement extension must be matched by the Province. The provincial matching will be invested in PRHC-owned affordable housing.
- **Investment in Affordable Housing (IAH) Agreement Extension** – In March 2014, the Province of British Columbia and the Government of Canada signed this \$300 million extension to the IAH Agreement. Both levels of Government will provide matching contributions of \$150 million from 2014/15 to 2021/22. The provincial matching will be invested in PRHC owned affordable housing, improving and increasing housing options for British Columbians.
- **Group Homes** – BC Housing provides administration and property management support for group homes owned by the PRHC. The PRHC purchases and/or constructs group homes – in its own right or on behalf of a sponsoring agency – to provide housing for special needs residents. The ongoing operation of the program is delivered and funded by the sponsoring agency.

PROGRAMS FOR MAINTENANCE AND REHABILITATION

BC Housing has ongoing capital asset responsibilities for over 66,670 units of social housing across the province, with the average age being approximately 34 years. This portion of the social housing stock are broadly categorized as follows:

- **Directly Managed** – BC Housing directly owns, operates, manages and maintains over 5,547 units of subsidized housing. This portfolio is the oldest in the province and was developed under programs dating back to the 1950s.
- **Non-Profit Housing** – the largest share of social housing in the province, nearly 61,123 units, is operated and/or owned by non-profit housing providers. This portfolio was developed under housing programs commencing in the 1980s.

Maintenance and rehabilitation projects involve completing essential building renewals, repairs, and maintenance that must benefit the building Facility Condition Index, and can also improve critical life-safety, and upgrade seismic, fire-safety, and energy performance. These projects may change the design, layout, materials or systems of an existing building but do not involve a change of use or building occupancy.

There are currently 3 programs to maintain and rehabilitate existing social housing:

PROGRAM INITIATED THROUGH BUDGET 2018:

- **Capital Renewal Funding (CRF)** – CRF is provided to protect existing social housing that is provincially owned or owned by non-profit housing societies and housing co operatives. This program commits \$461 million towards PRHC-owned buildings and \$936 million towards non-profit-owned buildings, for a total investment of almost \$1.4 billion over the next 10 years.

PRIOR HOUSING PROGRAMS:

- **Social Infrastructure Fund (SIF)** – Included in the \$150 million from the SIF Agreement is \$50.9 million for energy retrofits and renovations to existing social housing and \$10.8 million to victims of family violence. The \$50.9 million of renovation funding will be targeted to the non-profit portfolio and was fully allocated by March 31, 2017.
- **Housing Provider Capital Improvements (HPCI)** – The HPCI program is targeted to the non-profit portfolio and is available through BC Housing's debt financing capacity. Under this program, BC Housing provides construction financing and also provides the non-profit society with a subsidy to offset the cost of the cost repaying the mortgage when the project is complete. This program is fully allocated to projects under construction.