

Voting resumed on the main motion.

It was moved and seconded that the participating areas in the Drinking Water and Watershed Protection service include all nine electoral areas and four member municipalities.

Director Clement was absent at the vote.

MOTION DEFEATED

11:58 AM The Committee agreed by consensus to recess for ten minutes.

12:11 PM The meeting resumed at 12:11 PM.

R2 Report from the General Manager, Corporate Services Re: Proposed Affordable Housing Service Establishment

It was moved and seconded that the draft Cowichan Housing Association Annual Financial Contribution Service Establishment Bylaw be forwarded to the April 11, 2018 Board meeting for consideration of first three readings.

Director Clement was absent at the vote.

MOTION CARRIED

R3 Report and PowerPoint Presentation from the Manager, Economic Development Re: Cowichan Tech Strategy was received for information.

1:05 PM **It was moved and seconded that the meeting adjourn to reconvene after the conclusion of the March 28, 2018 Board meeting.**

Director Clement was absent at the vote.

MOTION CARRIED

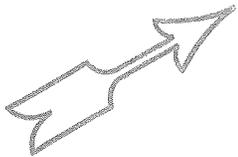
4:34 PM The meeting resumed at 4:34 PM with all Directors in attendance except Directors Day, Marcotte and Stone.

R4 Report from the Manager, Economic Development Re: Cowichan Agricultural Equipment Study was received for information.

R5 Report from the Environmental Analyst/Technician, Re: 2018 Environmental Services Budget Amendments – Functions 131 Environmental Initiatives and 540 Liquid Waste Plan – South Sector

It was moved and seconded that it be recommended to the Board:

- 1. That the 2018 Budget for Function 131 Environmental Initiatives be amended to:**
 - 1. Increase Federal Conditional Grants revenue by \$46,934;**
 - 2. Increase Provincial Conditional Grants revenue by \$42,494;**
 - 3. Decrease Transfer from Gas Tax revenue by \$3,148;**
 - 4. Increase Surplus revenue by \$35,000;**
 - 5. Decrease Regional Sustainability Plan / Climate expense by \$3,148;**





CR3

**REGIONAL SERVICES COMMITTEE REPORT
OF MEETING HELD MARCH 28, 2018**

DATE: March 28, 2018

To: Chairperson and Directors of the Board

Your Regional Services Committee reports and recommends as follows:

1. That a draft service establishment bylaw be prepared based on Option 2 of the March 13, 2018 report from the Manager, Environmental Services for consideration by the Regional Services Committee.
2. .1. That the 2018 Budget for Function 131 Environmental Initiatives be amended to:
 1. Increase Federal Conditional Grants revenue by \$46,934;
 2. Increase Provincial Conditional Grants revenue by \$42,494;
 3. Decrease Transfer from Gas Tax revenue by \$3,148;
 4. Increase Surplus revenue by \$35,000;
 5. Decrease Regional Sustainability Plan / Climate expense by \$3,148;
 6. Increase Contract for Services expense by \$21,678;
 7. Increase Flood Plain Management expense \$67,750; and
 8. Increase Project Expenditures expense by \$35,000.
2. That the 2018 Budget for Function 540 Liquid Waste Plan – South Sector be amended to:
 1. Increase Transfer from Gas Tax revenue by \$18,353; and
 2. Increase Contract for Services expense by \$18,353.
3. That Function 131 – Environmental Initiatives requested Contract for Services expenditures be authorized to proceed prior to approval of the 2018 Budget amendment.
3. That the 10-year co-location renewal agreement between Rogers Communications Incorporated and the Cowichan Valley Regional District be approved.



STAFF REPORT TO COMMITTEE

DATE OF REPORT March 5, 2018
MEETING TYPE & DATE Regional Services Committee Meeting of March 28, 2018
FROM: General Manager
Corporate Services Department
SUBJECT: Proposed Affordable Housing Service Establishment
FILE:

PURPOSE/INTRODUCTION

The purpose of this report is to provide the Board with information regarding the request by Cowichan Housing Association for the CVRD to establish an annual financial contribution service to provide funding for affordable housing in the Cowichan region.

RECOMMENDED RESOLUTION

For consideration.

BACKGROUND

The CVRD Board has had numerous meetings, workshops and reports where affordable housing has been discussed. The most recent report dated January 8, 2018 and its attachments are included as attachments to this report, so they won't be raised again in this report. This report will focus on the timelines for seeking public approval for a new service, the costs of seeking that approval, funding for the public consultation, as well as the tax implications for the annual funding of the service.

The request by the Cowichan Housing Association is for the CVRD to establish an annual financial contribution service for affordable housing in the Cowichan region and then have the CVRD enter into an agreement with Cowichan Housing Association who would then use these funds to provide community coordination and the development of services related to affordable housing and housing loss prevention. There would be annual reporting back to the Board on how the public funds were spend, and accomplishments made during the year.

ANALYSIS

Public approval to establish a new annual financial contribution service for affordable housing can be obtained through either a referendum or an alterative approval process (AAP). Attachment A breaks down the dates for both if the board wishes to go forward in 2018 for a new service to start in 2019. Based on these dates, it is actually too late for a spring AAP and the time required for a summer AAP (based on the Boards AAP policy) would need to be cut back. If the Board does not waive its policy, there is only one alternative for obtaining public approval for a new 2019 service and that is through a referendum.

The last date for the Board to give first three readings to the Service Establishment Bylaw is June 13, the 60-day formal community engagement would then start, ending mid August. During this time the Province would be considering formal approval of the bylaw. The actual wording for the referendum question would occur at the August 8, 2018 Board meeting.

FINANCIAL CONSIDERATIONS

Annual financial request from Cowichan Housing Association is for an annual financial contribution of \$750,000. This new service would be considered a granting function which, under

the CVRD's Recovery of Administration/Finance Charges policy, would receive a 2% (\$15,000) charge. The total that would be taxed annually for this service would be \$765,000, and based on the 2018 completed assessment roll would cost \$3.86 per \$100,000 of residential assessment.

Community engagement is required under Board policy prior to any referendum, these costs were estimated at \$100,000 in the January 8, 2018 report. This cost could be reduced if there are more than one referendum question on the 2018 ballot and engagement efforts could be combined. Funding for these cost could come from the General Government Operating Reserve. Should the Board choose to go to referendum and the new service was approved, these costs would be deemed costs of the new service and required to be returned to General Government the first year that this service is taxed.

Referendum costs would also be incurred. All costs directly associated with referendums are deemed to be costs of the new service and must be paid back by the new service, similar to the community engagement costs. Referendums that occur during an election are difficult to estimate due to the uncertainty of any acclimations, if there are none then the incremental costs that are associated to the referendum, and all direct referendum costs must be paid back in the following year.

COMMUNICATION CONSIDERATIONS

Should the CVRD Board decide to proceed with this initiative, either through a referendum or an AAP, community education and engagement on the proposal will be required. The nature of the required communications are laid out in the CVRD AAP policy which was adopted by the Board in 2016.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

The CVRD's Corporate Strategic Plan does not have any strategic focus area that considers affordable housing, however, its overall vision is that Cowichan communities will be the most liveable and healthy in Canada.

Referred to (upon completion):

- Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)
- Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology, Procurement*)
- Engineering Services (*Environmental Services, Recycling & Waste Management, Water Management*)
- Land Use Services (*Community Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- Strategic Services

Prepared by:

Reviewed by:


Mark Kueber, CPA, CGA
General Manager

Not Applicable
Not Applicable

Not Applicable
Not Applicable

ATTACHMENTS:

Attachment A – 2018 Timelines for Seeking Public Approval

Attachment B – Cowichan Housing Association Request

Attachment C – Financial Contribution Draft Bylaw

Attachment D – January 24, 2018, Regional Services Committee Report

Attachment E – Proposal for Affordable Housing Contribution Service

Attachment F – January 15, 2018, Letter from Cowichan Housing Association

Attachment G – PowerPoint Presentation, Affordable Housing in the Cowichan Region

2018 TIMELINES FOR SEEKING PUBLIC APPROVAL

	Date Board Gives First Three Readings to bylaw	60 Day Formal Community Engagement (while Province considers formal approval of bylaw)	Date when Board considers public comments and sets AAP Deadline Date	Statutory Newspaper AAP Ads	60 Day Elector Response Period	AAP Deadline Date	Date when Board considers adoption of bylaw	If Board decides to take bylaw to Referendum (must be within 80 days of AAP Deadline Date)
Spring AAP (with no option of going to referendum)	January 24	Late January to Late March	March 28	April 6 and April 13	Mid-April to Mid-June	Wed. June 6	June 13	Saturday August 25
Summer AAP (with option of going to referendum in October)	March 14	Mid-March to Mid-May	May 23	May 30 and June 6	Early June to Early August	Tuesday August 7	August 22	Saturday October 20 **same day as election*
Direct to Referendum (no AAP)	June 13	Mid-June to Mid-August	N/A	N/A	N/A	N/A * Aug 8 - Board approves wording of Ref. question	N/A	Saturday October 20 **same day as election*



Date of Report: February 20, 2018
From: Cowichan Housing Association
To: Regional Services Committee, CVRD
Subject: Affordable Housing in the Cowichan Region

I. PURPOSE/INTRODUCTION

The purpose of this report is to provide information to clarify and augment the “Affordable Housing in the Cowichan Region” Proposal submitted to Regional Services in January 2018 and discussed at Corporate Services in February 2018.

The proposal is intended to ensure that the Region is well situated to take advantage of Federal and Provincial funding opportunities contingent on local government involvement. This step was highlighted in the most recent UBCM Housing Strategy Report.

The key recommendations are as follows:

- I. The Cowichan Valley Regional District (CVRD) establish a CVRD Affordable Housing Contribution Service to address issues related to Affordable Housing and Homelessness Prevention
- II. The CVRD enter into a working agreement with Cowichan Housing Association (CHA) to manage the funding on behalf of the community and provide community coordination and development services related to affordable housing and housing loss prevention

This report will provide information to address questions and comments posed during those meetings and subsequent communications including the following:

- What could the funds proposed do?
- How will the fund be accessed?
- How will the Service achieve regional equity and serve rural areas?
- How will the fund serve young families and seniors?
- What are the key activity areas? Provide an Annual work plan and a more detailed breakdown of proposed expenditures and taxation implications.
- How do Coordination and Administrative components support the Affordable Housing Service?
- What are the potential benefits and outcomes in terms of return on investment? Are there statistics or other metrics that can inform us about the potential cost savings resulting from this investment?

II. PROPOSED CONTRIBUTION SERVICE COMPONENTS

The proposed Contribution Service components are as follows:

- \$500,000 (67%) Directly for a Housing Trust Fund to support affordable housing projects
- \$138,000 (18%) Planning, research, housing development coordination and prevention
- \$112,500 (15%) Management and administration

Each component will be discussed in turn.

1. Housing Trust Fund (67% / \$500,000)

1.1 Rationale and Context for a Cowichan HTF

The housing situation in the Cowichan Region is characterized by:

- Increasing costs to own
- Increasing demand and cost for rental housing
- Declining rental supply plus adequacy issues
- Increasing homelessness (youth, family, senior, indigenous homelessness)
- *1 in 4 households in the Cowichan Region do not meet one or more standards for housing adequacy, suitability or affordability.*

The CVRD Affordable Housing Needs Assessment (2014) identified needs for rental housing to accommodate youth, families, Indigenous people, students and seniors, and affordable homeownership opportunities for families with low to moderate incomes and for seniors.

The BCNPH's Affordable Housing Plan for BC¹ identified:

- Current CVRD rental supply backlog at 750 units
- Rental housing demand to 2021 is 1000+ units
- The annual cost to catch up with affordable housing demand is \$28+million per year of which the community share is estimated at \$7.5 million per year.

Provincial and National Context

A National Housing Strategy was announced in 2017 that outlines a framework of investments that will be implemented in partnership with local and provincial levels of government.

Concurrently, the BC Government has indicated that through partnerships with local governments, the federal government, and the private and not-for-profit sectors, they will begin to build 114,000 units.

¹ BCNPHA (2016) Affordable Housing Plan Regional Breakdown. Available at: http://bcnpha.ca/wp_bcnpha/wp-content/uploads/2017/04/Cowichan-Valley.pdf

In 2018, the UBCM released its Affordable Housing Strategy emphasizing the need for “officials from all orders of government to roll up their sleeves and work together” to:

- Create a large amount of affordable rental housing starting now and continuing for at least 10 years
- Actively manage housing prices through targeted tax and regulatory changes
- Take a more comprehensive approach to homelessness that is focused on prevention
- Work collaboratively across all levels of government.

1.2 What would the HTF do?

The Housing Trust Fund (HTF) portion of the Contribution Service will provide seed funding to Affordable Housing projects with a key focus on leveraging partnership funding for housing that meets criteria for affordability as per CMHC definitions².

- Funds would be used for acquisition, development and retention of housing, including land or building purchase, new builds, and improvements to housing owned by non-profit societies
- Focus for funds will be on low to moderate income households including families with children, lone parent families, singles and seniors
- The Service may provide the ability similar to Comox RD to accept public donations and top up with funds contributed as community amenities through rezoning.
- May elect to carry funds over to fund larger projects.

Allocations decisions will be based on solid principles, criteria and priorities, to be determined in collaboration with the CVRD and the Cowichan Coalition to Address Homelessness and Affordable Housing.

Section 1.4 provides Case Studies and Research to illustrate potential outcomes.

1.3 Process for determining allocations for the Cowichan Region HTF

The Cowichan Coalition to Address Homelessness and Affordable Housing Strategic Plan and upcoming Attainable Housing Strategy and Action Plan (to be developed in 2018) will provide the backdrop, from the community’s perspective, for developing three year priorities for housing and homelessness prevention.

An Annual Plan and Budget will be developed and provided to the CVRD.

A process and criteria for Fund allocations will be developed by CHA, the Cowichan Coalition and CVRD for assessment of possible projects, and will include:

- Priority needs/population to be addressed
- Regional Equity
- Leveraging potential
- Partnerships

² CMHC (2018) About Affordable Housing in Canada. Available at: https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce_021.cfm

- Organizational credibility
- Accountability and Performance Measures
- Community Support

CHA with the Cowichan Coalition will ensure community is aware of the fund and issue a call for project proposals on a regular basis subject to available funds.

CHA will work with applicants initially to review criteria and process for urgency and comprehensiveness, and review and analyze applications at the CHA Staff level for submission.

Approval, monitoring and evaluation processes will be developed to ensure involve thorough review and accountability.

Ongoing monitoring and evaluation of projects will be undertaken by CHA Staff and reports submitted annually.

1.4 Potential Outcomes for a Cowichan HTF: Experiences in other Island Regions

i. Capital Regional District

- Capital grants for “bricks and mortar” for the acquisition, development and retention of housing of \$5,000 to \$15,000 per unit
- Requirement that projects must demonstrate that the funds can leverage a minimum of \$5 in additional funding to every \$1 granted
- By 2009, the funds were leveraging an average of 15 to 1
- 2005 – 2016: - \$9.6 million has been granted toward capital assets valued at more than \$114 million
- 777 AH units built
- Developed Housing First Partnership Agreement with BC Housing and Island Health
- \$30 million each from CRD and BC Housing

ii. Comox Valley Regional District

- Tax requisition 0.0152% per year per \$1,000 of assessed value, starting in 2015
- Coalition presents 5 Year plan to the Board each year
- Can accept public donations with tax receipt issued
- Comox Valley RD can top up the budget with funds contributed as community amenities through rezoning, and can carry funds over to fund long-term projects
- Occupied in Jan 2017:
- Two units Transitional Housing (CV Transition Society) funded through CVRD Homelessness Supports Regional Service
- Four 2 bedroom units (CV Transition Society) funded through CVRD Homelessness Supports Regional Service, Town of Comox and BC Housing
- Start in spring 2017
- 34 units at Braidwood site coordinated by Wachiay Friendship Centre and M’akola Housing funded through BC Housing and City of Courtenay.

1.5 Return on Investment Research to Inform Potential Benefits

BC Housing's (2016) Social Return on Investment Research indicated that:

- For every dollar invested in supporting affordable housing, between two and three dollars in direct social and economic value is created for individuals, governments, and communities.

At Home / Chez Soi Research (2015) on Housing First found:

- Improvements in health and declines in use of health services, reduced involvement with the Justice System and increased social and community engagement
- *Every \$10 invested resulted in cost savings of almost \$22.*

Medicine Hat (2014) Annual Report: Noted significant decreases in utilization of public systems over a twelve month period under the Housing First Program.

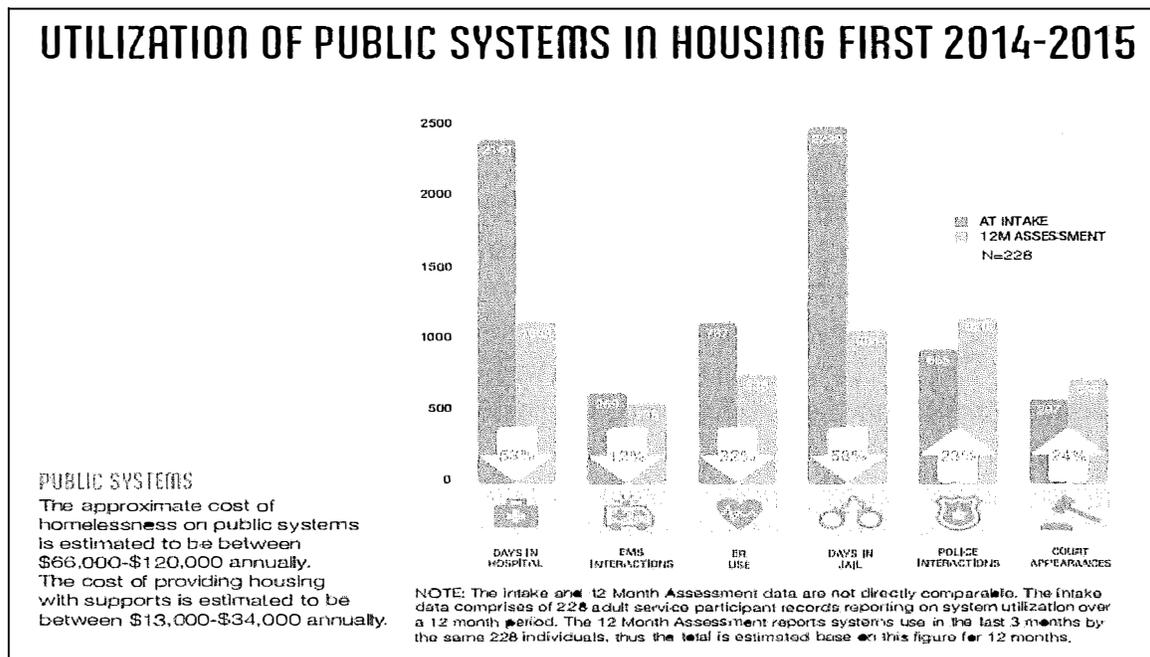


Figure 1 Medicine Hat Year 5 indicators re use of Public Systems. Source: <http://www.mhchs.ca/static/main-site/files/housing-development/Year-5-Progress-Report.pdf>

2. Planning, research, housing development and coordination, prevention (18% / \$138,000)

The Planning, Coordination, Research and Prevention component of the Service is needed to facilitate the spectrum of activities required to support project development.

CHA will carry out this component in close collaboration with the Cowichan Coalition. CHA and the Coalition will continue to leverage funding toward all of these components and for special projects as available.

Staffing for this component is one full time equivalent (FTE) plus resources required for assistance to facilitate projects, research, data, engagement and consultation, and housing loss prevention activities as follows:

- Assistance in leveraging funding including assistance with federal/provincial funding program applications, project management assessments, and other assistance more directly required to facilitate development projects.
- Support projects through local government approval processes.
- Investigate new housing options and encourage their integration into local planning practice.
- Build partnerships to leverage opportunities for funding and affordable housing development with local companies and developers, other non-profits and community organizations.
- Coordination of / build capacity with the Cowichan Coalition.
- Community engagement, education and consultation:
 - Develop a Communications Plan and communications tools for effective information sharing and consultation Provide education and information on issues and solutions geared to all sectors of the community.
- Undertake data and policy analysis to maintain current information on funding sources, local government requirements and processes, housing supply, best practices and local progress.
- Develop partnerships to promote and establish Housing First approaches and programming in the Cowichan Region. Provide a fund and leverage funding for housing loss prevention to assist individuals and families and prevent them from losing their housing (e.g. emergency housing assistance, tenant and landlord information and support).

Currently Cowichan Housing has successfully received federal government funding for work to address the needs of the homeless and those at risk. These projects complement and enhance work on housing development but are not factored into this budget component except where integral to related work. This includes cost for developing communication strategies and material, networking etc.

3) HTF Management and Administration (15% / \$112,500)

Fund management and administration will ensure sound and efficient financial and decision making processes related to the Service, including policies, criteria and processes for soliciting, reviewing and awarding of project funding.

This component will be carried out by CHA with an estimated staffing of 1 FTE, plus contracted accounting and legal services, and resources required for office overhead, equipment and professional development. Components include:

- Develop and maintain financial and decision making processes related to the Service.
- Establish a process for allocations decisions.
- Maintain a database of non-profit housing providers or other societies interested in accessing HTF funds.
- Prepare application forms and issue calls for proposals.
- Develop and maintain website or page with information on the Fund and process.
- Meet with potential applicants prior to and during application submission and review process.
- Review applications and prepare reports to the Allocations Committee, with analysis and possible recommendations.
- Administer Allocations process and distribution of funds.
- Conduct Quarterly and Annual Project Monitoring and Performance Analysis.
- Provide Accounting and Financial management (including legal requirements).
- Prepare Annual Report to the CVRD Board.
- Overhead costs include rent, utilities, auditing costs, legal advice.
- Professional Development costs to ensure that staff are kept up-to-date on related legislation and best practices in the development of affordable housing.

III. SUMMARY AND CONCLUSIONS

The need for Affordable Housing in the Cowichan Region has been a topic of concern for the last decade or so. The current need for affordable rental and ownership housing has been characterized as a range of housing types for low to moderate income households including youth, lone parent and two parent families with children, singles, students and seniors.

Recent strategies and mandates of federal and provincial governments indicate investment frameworks that will be implemented in partnership with local governments. An Affordable Housing Trust Fund can provide the means to support acquisition, development and retention of housing through seed funding that can be based on leveraging and partnership criteria similar to that of the CRD.

Research on return for investment indicates significant leveraging potential for HTF funds as in the CRD example of 15:1. Where Housing First programming is implemented, research has shown decreased usage of institutional facilities such as hospitals and jails. The At Home / Chez Soi research estimated that for every \$9 invested a savings of \$22 was achieved.

Access to the proposed HTF fund would be provided through calls for proposals administered by CHA and carried out in collaboration with the Cowichan Coalition. A thorough process will be developed to articulate a range of criteria, and oversee the process and approvals. The need to achieve regional equity would be among the criteria. The Cowichan Coalition Strategic Plan and Attainable Housing Strategy documents will provide the backdrop for prioritization of needs.

Cowichan Housing Association would provide the supportive functions for the overall Service. Administration of the Service will entail maintaining financial and decision making processes, issuing calls for proposals, reviewing and monitoring of proposals and projects, annual budgets and reports, performance monitoring.

The Planning/Coordination component will be important to engage in the range of community engagement, education, capacity building, and planning activities needed to support the Service. This component includes promoting Housing First and housing loss prevention approaches.

Next Steps

Cowichan Housing is committed to undertaking significant community engagement over the coming months leading to October. This engagement work is integral to the development of the Attainable Housing strategy detailing more explicitly the housing needs in various parts of the region.

Current reports and plans provide validation of the housing needs of the region. This step will focus on gathering public opinion on where specific areas require specific types of housing. It will drive a detailed business plan for the Housing Trust fund for the near to medium term. Funding for the strategy, including a CVRD grant in aid application, is being sought. In-kind contributions from sister organizations have been secured. This exercise is expected to supplement CVRD costs for promoting a referendum.

Many of the fine details as to how the housing function will operate can be resolved over the coming weeks leading to the deadline for bylaw introduction.

Recommendation

That the CVRD move forward on a referendum to establish a Housing Contribution Service, to provide a foundation for discussing an arrangement with Cowichan Housing Association, substantially in accordance with the principles outlined in this report.



COWICHAN VALLEY REGIONAL DISTRICT

BYLAW No. XXXX

A Bylaw to Establish a Service to Provide an Annual Financial Contribution to the Cowichan Housing Association

WHEREAS pursuant to Sections 332 and 338 of the *Local Government Act*, a Regional District may, by bylaw, establish and operate any service that the Board considers necessary or desirable for all or part of the Regional District;

AND WHEREAS the Board of the Cowichan Valley Regional District wishes to establish a service for the purpose of assisting the Cowichan Housing Association with costs associated with providing programs and services related to affordable housing and homelessness prevention in the Cowichan valley;

AND WHEREAS the Board of the Cowichan Valley Regional District has obtained the approval of the service area electors in accordance with the *Local Government Act* and the *Community Charter*;

NOW THEREFORE the Board of Directors of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

1. **CITATION**

This bylaw may be cited for all purposes as "**CVRD Bylaw No. XXXX – Cowichan Housing Association Annual Financial Contribution Service Establishment Bylaw, 2018**".

2. **SERVICE BEING ESTABLISHED**

The service being established under the authority of this bylaw is a service for the purpose of providing an annual financial contribution to assist the Cowichan Housing Association with costs associated with providing programs and services related to affordable housing and homelessness prevention in the Cowichan valley. The service shall be known as the "Cowichan Housing Association Annual Financial Contribution Service".

3. **SERVICE AREA BOUNDARIES**

The boundaries of the service area are the boundaries of the whole of the Cowichan Valley Regional District.

4. PARTICIPATING AREA

The participating area for this service is the whole of the Cowichan Valley Regional District comprised of the City of Duncan; District Municipality of North Cowichan; Town of Lake Cowichan; Town of Ladysmith; and Electoral Areas: A – Mill Bay/Malahat; B – Shawnigan Lake; C – Cobble Hill; D – Cowichan Bay; E – Cowichan Station/Sahtlam/Glenora; F – Cowichan Lake South/Skutz Falls; G – Saltair/Gulf Islands; H – North Oyster/Diamond; and I – Youbou/Meade Creek.

5. METHOD OF COST RECOVERY

The annual cost of providing this service shall be recovered by one or more of the following:

- a) property value taxes requisitioned and collected on the basis of the net taxable value of land and improvements within the service area;
- b) revenues raised by other means authorized by the *Local Government Act*, or any other Act.

6. MAXIMUM REQUISITION

The maximum amount of money that may be requisitioned annually in support of this service shall be the greater of \$765,000 or an amount equal to the amount that could be raised by a property value tax of \$0.04584 per \$1,000 of net taxable value of land and improvements within the service area.

READ A FIRST TIME this _____ day of _____, 2018.

READ A SECOND TIME this _____ day of _____, 2018.

READ A THIRD TIME this _____ day of _____, 2018.

I hereby certify this to be a true and correct copy of Bylaw No. XXXX as given Third Reading on the _____ day of _____, 2018.

Corporate Secretary

Date

APPROVED BY THE INSPECTOR OF MUNICIPALITIES this _____ day of _____, 2018.

ADOPTED this _____ day of _____, 2018.

Chairperson

Corporate Secretary



STAFF REPORT TO COMMITTEE

DATE OF REPORT January 8, 2018

MEETING TYPE & DATE Regional Services Committee Meeting of January 24, 2018

FROM: Community Planning Division
Land Use Services Department

SUBJECT: Affordable Housing: Cowichan Housing Association's Proposal to
Establish a Regional Service

FILE:

PURPOSE/INTRODUCTION

The purpose of this report is to introduce the Cowichan Housing Association's proposal that the CVRD establish a regional affordable housing service. Cowichan Housing Association will be presenting this proposal to the Committee, and be able to respond to any questions about it.

RECOMMENDED RESOLUTION

For direction.

BACKGROUND

In July 2017, the Regional Services Committee considered a report on options for taking action on the issue of affordable housing. At that meeting, a decision was made to learn more about the issues through an Affordable Housing workshop, to be organized by the Cowichan Housing Association. Other opportunities to learn more about what is being done on this issue were made available as well, such as a tour of Warmland House to learn more about the facility and the services offered, as well as an invitation to participate in a Cowichan Housing Association workshop on "Housing First."

On November 6, 2017, members of the CVRD Board, together with elected officials from municipal jurisdictions and alternate Board members, participated in an Affordable Housing workshop, facilitated by representatives from the Cowichan Housing Association, Social Planning Cowichan, OUR Cowichan, and the United Way. The workshop included presentations from two nearby Regional Districts, together with their community partners: Capital Regional District, and the Comox Valley Regional District. Through discussions at that workshop, and a subsequent delegation to the Regional Services Committee in November 2017, the Cowichan Housing Association was encouraged to bring a proposal forward to the CVRD outlining a regional response to the affordable housing situation. This proposal is attached, together with a slide presentation.

ANALYSIS

The proposal presented by the Cowichan Housing Association reflects the considerable work being undertaken within the Cowichan community, including community-based organizations, churches, and local governments, to develop a comprehensive and effective response to the issue of affordable housing and homelessness within the Cowichan Region. The community is mobilizing to develop capacity and partnerships to meet current needs for shelter and affordable housing, and prevent homelessness. Part of the overall response is the development of a community-based plan to identify priority actions. This plan should be completed by March 2018.

Recent announcements regarding the National Housing Strategy, which is anticipated to invest significant new money into communities to address affordable housing needs, have emphasized

that all levels of government need to be involved with community-based organizations in working together on affordable housing issues. It is anticipated that matching funds will be required.

The community planning process has identified that there are three gaps:

1. Financial resources at the local level to provide opportunities for matching or leveraging funds for projects to be financed by the federal initiative;
2. The need for a regional strategy to address the spectrum of housing needs; and
3. Access to data, such as GIS data, that local governments could provide in support of community-based planning efforts, and other ways that local governments could lend their capacity to community-based efforts.

The attached document presents a proposal that the CVRD participate in addressing these three gaps, by:

1. Establishing a CVRD Affordable Housing Contribution Service, to be managed (via contribution agreement) by the Cowichan Housing Association, in the amount of \$750,000 per year to be allocated to community-based investment in affordable housing (67%), community planning services such as partnership development, research and education (18%), and administration of the funds and overhead costs (15%);
2. Supporting the development of a Regional Attainable Housing Strategy and Action Plan by the Cowichan Housing Association and community partners. This could be through grant-in-aid funding or some other mechanism; and
3. Permitting CVRD staff members (as appropriate) to work in partnership with community-based organizations, and provide in-kind support to community projects as appropriate and as negotiated on a case-by-case basis respecting workloads, privacy regulations, etc., including:
 - providing GIS and other data as required for community-based plans and project development;
 - participating in planning processes;
 - partnering on grant applications (particularly in those cases where the funding source requires that the local government submits the grant applications); and
 - other related activities.

Prior to moving ahead with the proposal for an Affordable Housing Contribution Service, the Board may wish to have an evaluation of the relative costs and benefits of having the CVRD operate such a service, in contrast with contracting with the CHA as a community-based organization to operate such a service.

FINANCIAL CONSIDERATIONS

The establishment of a CVRD Affordable Housing Contribution Service is, essentially, the establishment of a new tax. This will require that a referendum be held.

Given the procedures as laid out in the *Local Government Act* regarding the establishment of new services, and given the community engagement commitments laid out in CVRD policy, there will be costs associated with these processes. A rough estimate of these costs is \$100,000. This cost estimate includes hiring a consultant to develop the community engagement/communications plan and execute the plan.

Should the CVRD Board decide to proceed with this investigating this initiative further funding for referendum costs will need to be addressed in the 2018 budget, although should the service be established, *Local Government Act* Section 379 (5) directs that "the costs of the referendum are

deemed to be costs of the service." Actual implications for the 2018 budget need to be determined by the Finance Division.

COMMUNICATION CONSIDERATIONS

Should the CVRD Board decide to proceed with this initiative, which will require a referendum, community education and engagement on the proposal will be required. The nature of the required communications are laid out in the CVRD's Alternative Approval Process Policy, adopted by the Board in 2016. The CVRD may consider working collaboratively with member municipalities and community-based organizations in undertaking the necessary community education and engagement initiatives. Financial implications are considered above. This cost estimate addresses advertising in newspapers and other media, venue rentals for meetings to be held, and other related costs.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

The CVRD's vision is that "Cowichan communities will be the most livable and healthy in Canada." Its mission is that "We serve the public interest through leadership, cooperation and a focus on community priorities and strengths."

Referred to (upon completion):

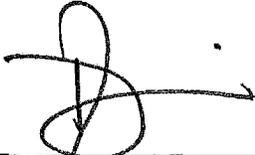
- Community Services (*Island Savings Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Public Safety, Facilities & Transit*)
- Corporate Services (*Finance, Human Resources, Legislative Services, Information Technology, Procurement*)
- Engineering Services (*Environmental Services, Recycling & Waste Management, Water Management*)
- Land Use Services (*Community Planning, Development Services, Inspection & Enforcement, Economic Development, Parks & Trails*)
- Strategic Services

Prepared by:


Beverly Suderman, MCIP, RPP
Senior Planner

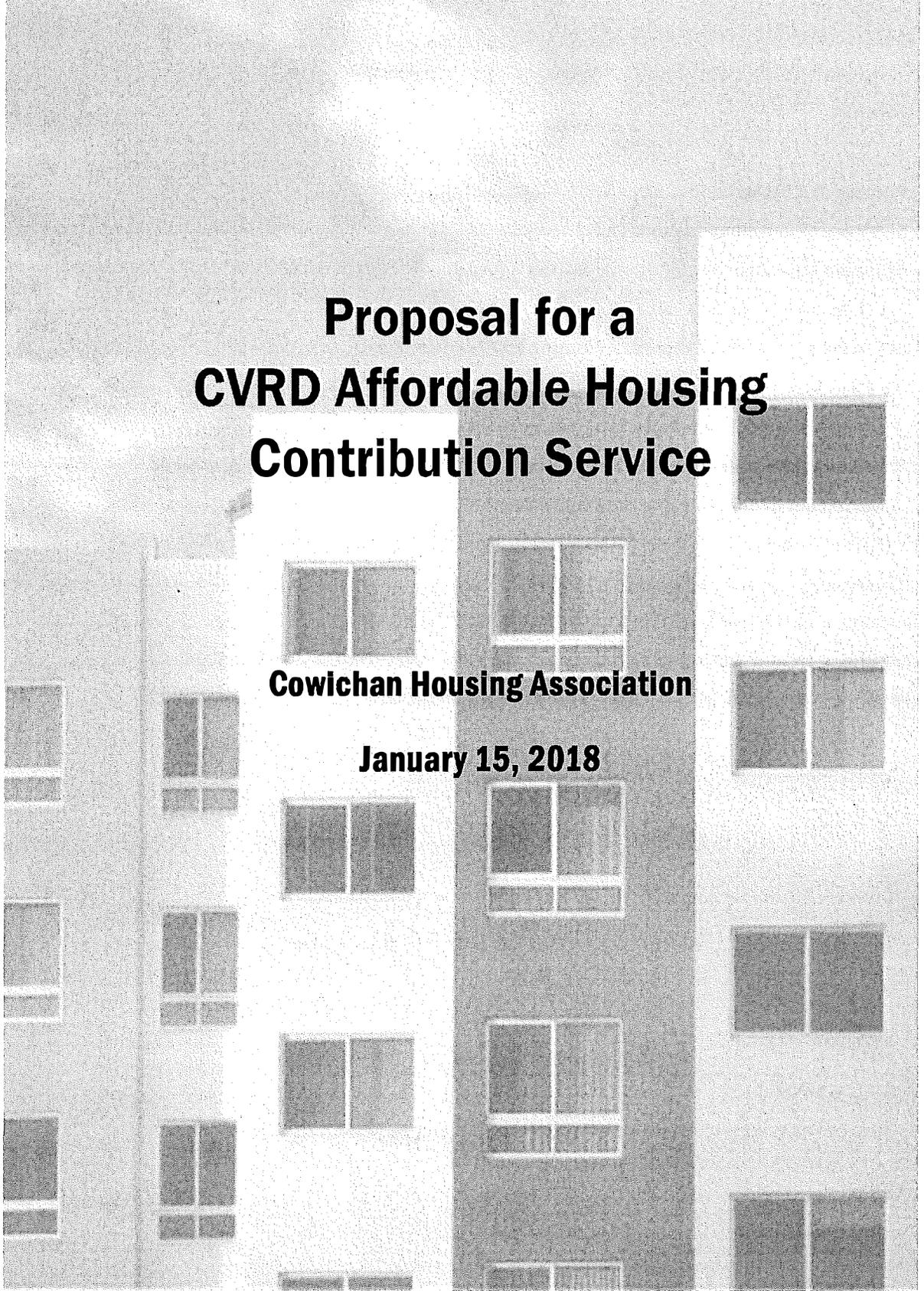
Reviewed by:


Mike Tippett, MCIP, RPP
Manager


Ross Blackwell, MCIP, RPP, A.Ag.
General Manager

ATTACHMENTS:

- Attachment A – Proposal for a CVRD Affordable Housing Contribution Service
- Attachment B – Letter dated January 15, 2018, from Cowichan Housing Association to Chair Lefebure
- Attachment C – January 15, 2018, PowerPoint Presentation Affordable Housing In the Cowichan Region



**Proposal for a
CVRD Affordable Housing
Contribution Service**

Cowichan Housing Association

January 15, 2018

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1. Background and Purpose

The issue of affordable housing has been of concern in the Cowichan region for the past decade or more. Appendix B provides a detailed background on the issues and actions undertaken to address them.

The last four years has seen increasing homelessness in our region; more people are precariously housed or couch surfing and due to the rising cost of rents and shrinking affordable housing supply, there are more people at risk of becoming homeless. Young people entering the job market, anyone on a fixed income, and many others, are struggling to find and maintain affordable housing.

There is compelling evidence from around the country that providing housing has long-term benefits to communities in lowering costs for a wide range of health, police and other services and in supporting community well-being and economic development. The Cowichan community has mobilized to develop capacity and partnerships to address homelessness and affordable housing. Federal and provincial funding strategies have existed in the past and are being revised and up-dated now.

Three key gaps have been identified:

- 1) Lack of financial resources at the local level to enable the breadth of partnerships and funding resources required to address needs for affordable housing and homelessness prevention.
- 2) Lack of a Regional Attainable Housing Strategy to provide clear direction and aims for addressing the spectrum of housing needs.
- 3) Access to data (for example, GIS services) that local governments could provide in support of community-based planning efforts, and staff assistance in planning and partnership initiatives.

The purpose of this report is to provide a proposal and rationale for the involvement and support of the Cowichan Valley Regional District in directly addressing affordable housing need for the Region.

2. Summary of Recommendations

It is recommended that:

- I. The Cowichan Valley Regional District (CVRD) establish a CVRD Affordable Housing Contribution Service to address issues related to Affordable Housing and Homelessness Prevention (see Section 3)
- II. The CVRD enter into a working agreement with Cowichan Housing Association (CHA) to manage the funding on behalf of the community and provide community coordination and development services related to affordable housing and homelessness prevention (Section 4)
- III. The CVRD support the development of a Regional Attainable Housing Strategy and Action Plan that will assist in guiding implementation of the Service objectives (Section 5)
- IV. The CVRD strengthen community partnerships through allocating staff time to support and participate in community planning processes (Section 6).

Each of these recommendations will be discussed in turn.

3. Proposed Cowichan Valley Regional District Affordable Housing Service

Cowichan Housing Association (CHA), together with members of the newly formed Cowichan Coalition to Address Homelessness and Affordable Housing, proposes that the CVRD establish a Regional Affordable Housing Contribution Service. This Service would provide flow-through funding to the Cowichan Housing Association to address issues related to Affordable Housing and Homelessness Prevention.

The benefits of this Service would be to provide and leverage funds to invest in Affordable Housing and Homelessness Prevention. Moreover, it would position Cowichan as a region that is engaged in investing, funding and partnerships for Affordable Housing and Prevention of Homelessness and is therefore ready for investment from other levels of government and funding agencies. To access additional funds from provincial and federal sources requires commitments from local municipal levels as evidenced by the success of other municipalities across the country.

3.1 Objectives of the Service

The specific objectives of a Regional Affordable Housing Contribution Service would be to:

- i. Increase the supply of affordable housing
- ii. Prevent housing loss and homelessness
- iii. Facilitate community planning and partnerships
- iv. Conduct research and analysis to inform and guide planning and decisions
- v. Engage, educate and inform the broader community around issues and solutions
- vi. Ensure efficient management, oversight, monitoring and accountability

The following table lays out these objectives in detail.

3.2 Detailed Aims of an Affordable Housing Contribution Service

Objective		Details
I.	Increase supply of affordable housing	<ul style="list-style-type: none"> i. Assist in the acquisition, development and retention of housing that is affordable for those households in the region with low or moderate household incomes ii. Facilitate economic and social investment in affordable housing iii. Provide partnership funding to assist in development of affordable housing and particularly to leverage the funding resources of non-profit private, municipal, provincial and federal sources iv. Facilitate partnerships with other levels of government and foundations to garner funding for affordable housing
II.	Prevent housing loss and homelessness	<ul style="list-style-type: none"> i. Provide partnership funding to assist community-based initiatives to leverage funds and to deliver housing loss and homelessness prevention services ii. Facilitate partnerships with other levels of government and foundations to garner funding for homelessness prevention
III.	Facilitate community planning and partnerships	<ul style="list-style-type: none"> i. Provide coordination to the Cowichan Coalition and be the first point of contact for the Coalition in the community ii. Establish linkages with regional, provincial and national agencies and networks
IV.	Conduct research necessary to inform and guide planning and decisions for the Contribution Service	<ul style="list-style-type: none"> i. Conduct research, data gathering and policy analysis to ensure there is a current body of information, evidence and best practices necessary to inform strategies, planning and actions
V.	Engage, educate and inform the broader community on issues and solutions	<ul style="list-style-type: none"> i. Develop a Communications Plan and communications tools for effective information sharing and consultation ii. Provide education and information on housing and homelessness issues and solutions geared to all sectors of the community iii. Conduct broader community engagement and networking to share information and to engage and consult with relevant agencies and organizations regionally, provincially and nationally
VI.	Ensure efficient management, oversight, monitoring and accountability of Contribution Service funds	<ul style="list-style-type: none"> i. Develop, implement and maintain a sound and efficient process for financial and decision making processes related to the Service, as well as monitoring, performance analysis, reporting and financial accounting ii. Establish and maintain thorough and sound policies, criteria and processes for soliciting, reviewing and awarding of project funding

3.3 Costs of A CVRD Affordable Housing Contribution Service

In consideration of the level of need for affordable housing in the Cowichan Region and of the capital requirements for developing housing, the recommended annual amount for the Contribution Service is \$765,000.

The annual allocation of funds would be as follows:

\$500,000 (67%) Directly for affordable housing and homelessness prevention projects

\$138,000 (18%) Research, data, coordination, communications and education activities

\$112,500 (15%) devoted to administration of the Service
(Management, overhead, professional development, accounting)

\$15,000 (2%) CVRD Administration Fee

4. Working Agreement with Cowichan Housing Association

4.1 Fund Administration and Accountability

CHA will steward funds provided by the CVRD on behalf of the community, and be responsible for implementation of Service objectives and fund administration.

Decisions relating to direct fund investments and allocations will be made in close consultation with the Cowichan Coalition and CVRD and will be based on relevant community plans and strategies, research, data and needs analysis. Principles, policies and processes will be developed to manage and guide fund expenditures and measure impact based on maximum benefit, positive outcomes, community priorities and leveraging potential. CHA will provide an annual budget and work plan outlining current year priorities.

CHA is a registered non-profit society governed by a Board of Directors. The Society was formed in 2015, building upon ten years of work and development by Social Planning Cowichan and the Regional Affordable Housing Directorate. Since 2015, CHA has developed a number of initiatives, including most recently, a Housing First For Youth initiative. We have successfully leveraged over \$270,000 in support of affordable housing and homelessness prevention (see Appendix B for background). CHA is part of the Collective Backbone 'Home Team' and will serve as the coordinator/facilitator for the Cowichan Coalition (see Appendix C) in planning and decisions.

The newly formed Cowichan Coalition made up of agencies and funders is under development, and considerable work has already been completed in 2017 to create a new multi-year strategy to address homelessness and affordable housing. The new plan will be completed by March 2018.

5. Development of an Attainable Housing Strategy and Action Plan

Evidence suggests that in addition to lack of supply and variable conditions of existing affordable and supported rental units, that home ownership is not attainable for many working people. As house prices rise, fewer young households and households with low to moderate incomes are able to purchase a home. This lack of housing impacts employee recruitment and retention and has broader economic development implications.

Appendix B lists several studies that have been undertaken with regard to affordable housing needs and strategies including a 2010 CVRD Affordable Housing Strategy (Regional Affordable Housing Directorate (RHAD) and a 2014 Regional Affordable Housing Needs Assessment (CVRD). A Community Plan to address homelessness is under development.

An updated Strategy is needed to support the Community Plan with current statistical data, strategies and an action plan that reflects the current situation and information. A Regional Attainable Housing Strategy would identify in more detail, ownership and rental housing needs in communities around the region, and to develop strategies, actions and an implementation plan that will support decisions for allocation of a Contribution Service. As such this would be developed during 2018 for completion by January 2019.

The support and participation of the CVRD in the development of this Strategy will be important in both its elaboration and implementation. CHA requests that the CVRD support its development through participation of staff and in-kind resources, and commit to adopting the plan upon completion.

6. CVRD Partnership

A partnership with the CVRD is needed to provide assistance to community efforts and where possible, to align our activities. In our efforts to plan, develop partnerships, funding applications, and to build and maintain a body of data, it is helpful to identify areas where we can work together, share information, leverage impact and avoid duplication.

We request that the CVRD allocate staff time to support and participate in community planning processes including:

- Providing data in support of community-based planning and project development.
- Participating in planning and committee processes to ensure the voice of the CVRD in decisions.
- Partnering in and assisting with grant applications where funding sources require that the local governments, in partnership with community, submit the grant applications.

7. Conclusion

The Cowichan community has mobilized to develop capacity and partnerships to address affordable housing and prevention of homelessness. Three key needs have been identified:

- 1) Financial resources at the local level to enable the breadth of partnerships and resources required to address needs for affordable housing and homelessness prevention.
- 2) A Regional Attainable Housing Strategy to provide clear direction and aims for addressing the

spectrum of housing needs.

3) Partnering in and assisting with grant applications where funding sources require that the local governments, in partnership with community, submit the grant applications.

Through providing financial resources, local government can assist both directly to increase housing services, and to leverage funding from other levels of government. A Regional Attainable Housing Strategy will establish direction toward achieving a broad spectrum of housing needs. Through strengthening the partnership between the CVRD and the community, we can achieve greater alignment, benefit from in kind support and participation in planning processes.

APPENDIX A: COWICHAN HOUSING ASSOCIATION BACKGROUND

Incorporated: January 14, 2015
S-0063519

Our Vision

Our vision is that everyone in the Cowichan Region has the opportunity to live in safe, affordable, culturally appropriate housing as a foundation for a healthy community.

Our Mission

Cowichan Housing Association (CHA) works to improve affordable housing at all levels of the housing continuum with a focus on prevention of homelessness. CHA is a regional organization that coordinates community initiatives and provides a host of services, programs, and projects that are best provided through a central organization.

Our Purposes

- 1) Addressing the need for housing for low income individuals and families and all vulnerable populations living in the Cowichan region by undertaking development and operation of affordable housing units and to also support development of new affordable housing units by other parties;
- 2) Addressing the need for housing for low income individuals and families and all vulnerable populations living in the Cowichan region by facilitating the establishment of and operating an affordable housing trust fund;
- 3) Addressing the need for secure, stable and adequate rental accommodation for individuals and families and all vulnerable populations living in the Cowichan region by providing educational programs and workshops on tenants and landlords rights and responsibilities;
- 4) Addressing the need to maintain rental accommodation of low-income individuals and families living in the Cowichan region by offering various forms of assistance.

Our History

From 2007 to 2014 the Regional Affordable Housing Directorate (RAHD) under Social Planning Cowichan brought together a diverse group of stakeholders who were concerned about homelessness and housing needs. Over the years, their work and accomplishments included:

- Report on Inadequate Shelter in the Cowichan Region
- An Affordable Housing Strategy for the Cowichan Region
- Community consultations on Strategy Implementation resulting in recommendation to develop a new housing association with a two year plan
- A Regional Homeless Count (February 2014)
- Aboriginal Off-Reserve Housing Needs study (2014)
- Ready to Rent Programming and Aboriginal Housing Outreach Worker
- Community information and education
- Incorporation of Cowichan Housing Association in 2015

From 2015 to 2017 Cowichan Housing Association has:

- Developed a four year Strategic Plan
- Leveraged approximately \$270,000 in grants from the Homelessness Prevention Strategy for

provision of Tenant and Landlord Education, Community Information and Education, Tenant Information and Referrals, Rental Subsidies for emergency assistance

- Conducted community consultations into youth homelessness and produced a partnership proposal that leveraged \$154,000 from the Homelessness Partnering Strategy to address youth homelessness through the Close to Home: Housing First for Youth Project
- Conducted a region-wide Youth Homelessness Needs Assessment
- Conducted comprehensive research and data gathering to produce a series of Snapshots on Affordable Housing and Homelessness and is in the process of establishing a regional database
- Worked with key community partners (Social Planning Cowichan, Our Cowichan Communities Health Network, United Way and Cowichan Division of Family Practice) to host three community forums, and plan a Cowichan Coalition to Address Affordable Housing and Homelessness Prevention
- Facilitated partnerships toward development of Affordable Housing and currently working to foster two key youth housing projects

Our Board and Staff

CHA's Board holds skills in a number of fields including those who are or were directly involved in the following: law, city and regional planning, senior government housing programs, homelessness support, chartered accountant/business development and community activism.

Board Chair: Chris Hall - Consultant; Board - Social Planning Cowichan

Chris is a long time Vancouver Island resident, having spent time exploring as much of the Island as possible. Most of his career years have been involved with local governments, notably Campbell River and North Cowichan where he provided oversight to the respective Planning and Development Departments. More recently, he works part time as a consultant on land use and development projects. Housing needs in our communities remains one of his interests.

Vice Chair: Craig Marchinko - Semi- Retired - Extensive Background in Social Housing

Craig spent the past 30 plus years in the social housing sector. He is a Chartered Member of the Chartered Institute of Housing and a founding member of the CIH Canada chapter. [CIH is a UK based royal chartered entity established 100 years ago to ensure professionalism and continuing education for public housing entities in the UK]. Craig recently retired from the position of Deputy Minister, Housing and Community Development for the Government of Manitoba and as Chairman of the Manitoba Housing and Renewal Corporation. He is former President of Saskatchewan Housing Corporation and ADM within Social Services. Craig recently retired and now lives in the Cowichan Valley

Treasurer: Gail Calderwood – M.Sc. (Oceanography), LLB.

Gail studied and worked in the field of biological oceanography and served on the board and worked with the Cowichan Community Land Trust before becoming a lawyer. She has now retired from her law practice which had a substantial focus on real estate. Gail remains involved in various community groups in the Cowichan region that are working to sustain and build resilience in our natural and social environments.

Secretary: Monica Finn - Vancouver Island Regional Library

Monica is a librarian at the Vancouver Island Regional Library system. She has lived on Vancouver Island since 2002 and now lives in Duncan where she is actively involved in community events. She has been contributing to RAHD since attending the first Day of Direct Services event during Homelessness Action

Week in 2013.

Morgan McLeod – Development Planner, Municipality of North Cowichan

Morgan originally grew up in the Cowichan Valley but left to pursue education and careers in real estate assessment and urban planning. After 19 years away, Morgan has returned to the Cowichan Valley as a Development Planner for the Municipality of North Cowichan. Her specialties include policy writing, land development of both urban and rural communities and public engagement. She has a passion for minimalism, affordable housing, community resiliency and sustainable development. She is an avid hot yogi, foodie, runner and hiker.

Debbie Williams - Executive Director - Hiiye'yu Lelum – House of Friendship

As Executive Director of Hiiye'yu Lelum (House of Friendship), Debbie Williams oversees a broad and effective range of programs of cross-cultural awareness, parenting and social skills development. Debbie has served as Secretary of the Cowichan Foundation. She has also served as the Representative to the National Association of Friendship Centres Board of Directors, an ex-officio position to the B.C. Association of Aboriginal Friendship Centres Executive Committee and is currently on the Minister's Advisory Council on Aboriginal Women.

James (Jim) Cosh - Retired Accountant

James is a retired Fellow of the BC Institute of Chartered Accountants. He spent his career in public practice serving local government, small business and government enterprises. Much of his career was involved in the management of KPMG, one of the major accounting firms, based in Victoria, Vancouver, Calgary, Ottawa, China and Korea. James and his wife Lois retired to the Cowichan Valley in 2003 to take time for gardening and enjoying the family dog Harley. He is currently active in Rotary, Community Planning and Quamichan Stewards.

Georgina (Georgie) Jackson

Key Staff: Terri Mattin Dame MA, Executive Director

Terri has an undergraduate degree in Urban and Regional Geography, and an MA in Community Safety & Crime Prevention emphasizing local and neighbourhood planning, social development and inclusion. Terri has over twenty years of experience in project and performance management, community-based research and social development, working with complex community issues, engaging communities and developing and maintaining collaborative relationships.

APPENDIX B: BACKGROUND ON AFFORDABLE HOUSING AND HOMELESSNESS ISSUES

Affordable Housing and Homelessness

The issue of affordable housing has been of concern in the Cowichan region for the past decade or more. Several reports have outlined issues and needs including:

1. SPC/RAHD (2007) Inadequate Shelter in the Cowichan Valley
2. SPC/RAHD (2010) Cowichan Region Affordable Housing Strategy
3. SPC/RAHD (2010) Affordable Housing in the Cowichan Valley, A Discussion Paper
4. RAHD/SPC (2014) Aboriginal Off-Reserve Housing Needs in the Cowichan Region
5. RAHD/SPC (2014) Cowichan Region Homelessness Report
6. CVRD (2013) Cobble Hill Age-Friendly Community Report
7. CVRD (2014) Regional Affordable Housing Needs Assessment
8. CVRD (2014) Housing Indicators Report
9. CVRD (2017) Mill Bay Age-Friendly community Report
10. BC Non Profit Housing Association (2012) Our Home, Our Future: Projections of Rental Housing Demand and Core Housing Need – Cowichan Valley Regional District to 2036
11. Cowichan Housing Association (2016) Youth Homelessness and Housing Challenges Community Meetings
12. Emmanuel, Joy (2017) Duncan Winter and Summer Point in Time Homeless Counts
13. Cowichan Housing Association (2017) Affordable Housing Snapshot
14. Cowichan Housing Association (2017) Rental Housing Snapshot
15. Cowichan Housing Association (2017) Cost of Homelessness

In 2015, the Regional Affordable Housing Directorate developed a Business Case for a Cowichan Valley Regional Affordable Housing Trust Fund which outlined the implications of establishing a Housing Trust Fund, essentially a way to assist non-profit housing providers with capital costs related to new affordable housing projects, or renovations to existing affordable housing.

In addition to local studies that have highlighted issues of homelessness and affordable housing, these issues have been discussed at numerous community tables including the Tze Tza Community Advisory Board, CVRD Community Safety Advisory Commission, Cowichan Harm Reduction Roundtable, Our Cowichan Communities Health Network, Social Planning Cowichan, the Cowichan Safe Needle Disposal Committee, the Mental Health and Substance Use Collective Impact table, and Safer Pregnancies Collaborative.

Key challenges in the region include: increasing costs to own, increasing demand and cost for rental housing, declining rental supply plus adequacy issues, and increasing homelessness.

- In 2011, 8,325 or 25% of CVRD households did not meet one or more standards for housing adequacy, suitability or affordability. This number represents an increase of over 100 households since 2006.
- The 2014 Cowichan Regional Affordable Housing Needs Assessment characterized a range of housing needs for both affordable home ownership and affordable rentals.
- 1 in 5 families in the CVRD are renter households.
- In 2011, 3,195 (1 in 2) Renter households in the CVRD were spending more than 30% of their

income on housing.

- The 2017 Point in Time Counts indicate an increase of approximately 26% of absolutely homeless people in the Cowichan Region since 2014.

Costs Associated with Homelessness and Lack of Affordable Housing

Homelessness and inadequate housing are correlated with increased incidence of illness and injury, and incarceration. The annual economic costs of responding to homelessness in Canada through emergency responses such as shelters, policing, and emergency medical services is estimated to be as high as \$7.05 billion, annually.

Our Cowichan Communities Health Network is gathering research to provide a comprehensive estimate of the range of local costs borne by services in relation to homelessness, mental health and substance use. At present we have two indicators that illustrate this aspect: 1) Justice: In January 2017 Duncan/North Cowichan RCMP utilized the equivalent of two full time officers on issues related to homelessness. A total weekly cost for policing homelessness by the Detachment would be \$8,190 and over one month, \$32,760. 2) Health Care: On the night of the February 2017 Count, 29 people were being kept at the local hospital who no longer needed the acute care services of a hospital because they do not have adequate housing to be released to.

Current Programming and Initiatives

There are many organizations in the region providing a wide range of services to support the well being of individuals. A number of organizations provide homelessness supports and shelter services, including the local branch of the Canadian Mental Health Association that operates Warmland Shelter (30 plus 10 extreme weather beds). Ladysmith Resource Centre operates 5-10 emergency shelter beds. CMHA also operates scattered site housing and Tenant Support, as well as a Sobering and Detox program. Cowichan Women Against Violence Society Transition House operates 10 shelter beds for women and children. A comprehensive inventory of existing community resources is being prepared through the Regional Community Plan process.

The Cowichan Region has nineteen Non Profit Housing buildings, with approximately 540 units (110 of which are for First Nations families living off-reserve). As at March 2017 there were 154 individuals on wait lists.

The Cowichan Region currently has insufficient supply of housing that is affordable for many people. Statistics indicate 750 renter households in the region are currently in need of a new unit, and rental housing demand in Cowichan Valley is projected to increase by 30% to 34% over the next 25 years. Within five years alone, we will need an additional 1092 units to accommodate the need.

Currently, federal and provincial levels of government are funding housing projects and services to address homelessness in our region. These include:

- Homeless Partnering Strategy Aboriginal Funding (United Way Community Entity) is investing over \$150,000 annually into Aboriginal Homelessness in Duncan. The Tze Tza Watul Community Advisory Board supports investment decisions and currently, HPS is funding a youth outreach program and a breakfast program at Hiiye'yu Lelum - House of Friendship. HPS is also currently funding a regional Community Plan to Address Homelessness and Affordable Housing, and

funded the 2 Point-in-Time counts that took place in 2017. HPS is also supporting the Extreme Weather Shelter for women.

- The Homeless Partnering Strategy Innovative Solutions Program is currently funding CHA to work with the Mental Health and Substance Use Collective Impact Team in the development of a Youth Housing First initiative including a comprehensive Needs Assessment, Housing First Plan and Housing Plan.
- Homelessness Partnering Strategy Rural and Remote Funding through CHA supports Tenant and Landlord education, information and referrals and Emergency Housing Assistance.

The work to address affordable housing needs and homelessness prevention in the Cowichan Region is complex and will potentially require substantial investments. In “BC’s Affordable Housing Plan” the BC Non Profit Housing Association estimates that a \$28.39 million average annual investment is needed to support current and future affordability and supply needs in the Cowichan Valley. The report suggests that to meet these needs, resources should come from all levels of government and the community. While this overall level of funding may not be realistically achievable, key to this message is the importance of broad partnerships, collaboratively planning and prioritizing actions, and increasing available resources.

Evidence on Homelessness and Affordable Housing Solutions

The current situation with regard to homelessness and affordable housing in the Cowichan Region mirrors that of many communities across Canada and in depth research into evidence and Best Practices has been done to provide a foundation for action. Responses and solutions that have been successful in other communities indicate the importance of taking a Housing First approach, increasing affordable housing stock, and creating partnerships at local, provincial and federal levels to garner resources and the necessary collaboration to address the complexities of the problem.

- *The At Home Chez Soi Project funded by the Mental Health Commission of Canada estimated that for every \$10 invested in affordable housing, a cost savings of almost \$22 was the economic result.*
- *The BC Housing (2016) Social Return on Investment report noted that for every dollar invested in supporting affordable housing, between two and three dollars in direct social and economic value is created for individuals, governments, and communities.*

Key Actions on Homelessness and Affordable Housing During 2017

In recognition of the links between housing and the social determinants of health, and the need for working together, five key organizations (Cowichan Housing Association, Social Planning Cowichan, Our Cowichan Communities Health Network, United Way, Cowichan Division of Family Practice) are working collaboratively to build capacity and coordination, foster affordable housing development and enhance prevention and response to issues of homelessness and affordable housing.

This year, a number of initiatives have been launched in the community toward fostering awareness of the issues, development of community plans and development of partnerships needed for affordable housing development and homelessness prevention.

During 2017, three community forums were held that brought together community members to develop an overarching coordinating structure that would bring the necessary partnerships together to address

this complex issue. These efforts were coordinated by Social Planning Cowichan, Our Cowichan Communities Health Network, Cowichan Housing Association and the United Way, with funding from the federal Homelessness Partnership Strategy (Duncan Aboriginal and Rural/Remote HPS), and the in-kind efforts of all the organizations involved in the planning. The Community Plan Steering Committee evolved into the Cowichan Coalition to Address Homelessness and Housing was formed in October 2017 with the Vision that: All citizens in the Cowichan Region have a safe, affordable home and adequate supports for well-being.

The Cowichan Coalition (see Appendices C and D) will house four streams of work – Homelessness Prevention and Response, Affordable Housing, Communications/Education/Advocacy and Funding. Key highlights of work to date include:

- The Coalition has been working over the past year with a consultant (funded by HPS through the Tze Tza Watul Community Advisory Board and United Way) to prepare a comprehensive plan to address homelessness and affordable housing for the region. This plan will be complete by March 2018. Included in the plan will be a service gap analysis, map of what funding currently comes into the community, and recommendations on solutions that are tailored for the Cowichan region and grounded in experience learned from other communities on the Island and in BC. The Coalition is currently undertaking actions to address an extreme weather response for the winter months.
- Also under the Coalition umbrella, Cowichan Housing Association in partnership with the Mental Health and Substance Use Collective Impact Team is working on a Housing First for Youth Initiative and Youth Housing Plan (also funded by HPS) that will be completed in May of 2018.
- The Ad Hoc Affordable Housing Committee under the Coalition is working to identify potential properties, community and funding partnerships for the creation of Youth Transitional and Supported Housing and Affordable Housing units.
- The Home Team (Cowichan Housing Association, Social Planning Cowichan, Our Cowichan Community Health Network and United Way) designed and delivered a workshop for CVRD Elected Officials and Staff in November 2017 to provide information on local government options for affordable housing.

National and Provincial Context

Recently, senior levels of government have resumed engagement with housing matters. The federal government, in its 2017 budget, announced \$11.2 billion over 11 years allocated for the implementation of an inclusive National Housing Strategy.

The new National Housing Strategy was released in November 2017 lays out a framework of investments that will be implemented in partnership with local and provincial levels of government.

- The National Housing Strategy is a 10-year, \$40-billion plan with the goal of a 50% reduction in chronic homelessness, 100,000 units of new housing and 300,000 units repaired or renewed.
- It will include a National Housing Co-Investment Fund that will provide \$15.9 billion – including \$4.7 billion in contributions and \$11.2 billion in low interest loans – to repair existing rental housing and

develop new affordable housing. The Fund is expected to create up to 60,000 new homes and repair up to 240,000 existing community homes.

- The federal government will invite provinces and territories to partner on a jointly funded \$4-billion Canada Housing Benefit. To be launched in 2020, the Canada Housing Benefit will provide affordability support directly to families and individuals in housing need, including those currently living in social housing, those on a social housing wait-list and those housed in the private market but struggling to make ends meet.

At the Provincial level the mandate letter for the Minister of Municipal Affairs and Housing indicates the intention that through partnerships with local governments, the federal government, and the private and not-for-profit sectors, the Province will begin to build 114,000 units of affordable market rental, non-profit, co-op, supported social housing and owner-purchase housing. In both the provincial and federal cases, there is an expectation that matching funds will be raised by the community.

With the return of senior levels of government to the funding table for affordable housing, there are opportunities for the CVRD to assist non-profit organizations and others in addressing the issues.

Examples of Regional District Homelessness and Affordable Housing Services

Nearby examples of local government-community partnerships include the Capital Regional District (CRD), and the Comox Valley Regional District.

Comox Valley Regional District

The Comox Valley Regional District has established a financial service related to homelessness as an “arm’s length” model, in that the board will approve annual funding contributions to non-governmental organizations (NGOs) to deliver the services. Bylaw Number 389 was adopted in 2015, and is “A bylaw to establish the Comox Valley homelessness supports service to provide funds to non-governmental organizations to address homelessness in the Comox Valley”. Funding is provided to one or more local non-governmental organizations based on a board-approved, and community developed, five-year action plan to address homelessness in the Comox Valley, with annual recommendations from the Coalition to End Homelessness.

In this case, with the support of the local community, as determined through a specific survey in advance of the referendum, a level of taxation was established specifically to support the provision of resources to the community to address the issues. The northern CVRD can be characterized as facilitating the work of community. There is no overhead burden within the regional district to support their Housing Service. The funds are passed straight through to the community.

Capital Regional District

The CRD has established a two-part housing function: 1) the Capital Region Housing Corporation (CRHC), and 2) a division called Housing Planning and Programs (HPP). HPP has a mandate to develop a coordinated approach within the Region to increase the supply of affordable housing by identifying how municipalities, funding agencies and the non-profit sector can work together to meet the housing needs of the most vulnerable citizens. The CRD provides funding to the Victoria Coalition and also manages a Housing Trust Fund.

The Regional Housing Trust Fund is a key implementation initiative of the Regional Housing Affordability Strategy. The Fund was established by the CRD Board in 2005, in recognition that housing affordability is a regional priority and key issue in the Capital Region. The Fund provides capital grants for “bricks and mortar” in the acquisition, development and retention of housing that is affordable to households with low or moderate incomes in the Capital Region. The Regional Housing Trust Fund has significantly increased the Capital Region’s ability to raise funds for affordable housing, by raising an ongoing equity stake that can be used to leverage additional funds, primarily from senior levels of government and the private sector. Between 2005-2016 \$9.6 million was granted toward capital assets valued at more than \$114 million.

In 2016 the CRD Board approved the Regional Housing First Program (RHFP) Implementation Plan that will create at least 268 supported and affordable housing units at provincial shelter rates and at least 175 housing units affordable to low and moderate income households in the region. Island Health has agreed to align its existing mental health and substance services with new affordable housing opportunities developed through the RHFP.

Observations

These two examples from neighbouring regional districts showcase the power of community and local government partnerships. Such partnerships leverage the strengths of community groups to maximize the financial investments that are required, which are within the purview of local governments. They also position a community or region to best compete for funding from senior levels of government to address the issues.

Neither of these examples can be transferred directly to the Cowichan Region. We need a “made in Cowichan” response to the issues we have here, that reflects the community resources and energy on these issues. However, these examples can serve as inspirations and case studies, allowing the Cowichan Region to learn from the initiatives of others.

APPENDIX C: COWICHAN COALITION DRAFT GUIDING PRINCIPLES (NOVEMBER 2017)

1. Overarching Aims

- To connect, coordinate, collaborate, and communicate around issues of homelessness and affordable housing needs in the Cowichan Valley Regional District, and to promote, support and facilitate the development of affordable housing.
- To foster and support policy to promote the development of affordable housing.

2. Functions of the Coalition

The Cowichan Coalition will undertake four inter-related streams of work that will be outlined in a Strategic Plan.

i. Affordable Housing

- Assesses, evaluates, and monitors the need for affordable housing
- Plans, sets targets
- Links with other streams to identify projects, research and facilitate funding, leverage resources, service provision, education and advocacy

ii. Homelessness Response and Prevention

- Coordinates the continuum of services to facilitate a holistic response for supporting individuals to get and maintain housing
- Assists with navigation
- Includes Housing First

iii. Communications/Education/Advocacy

- Ensures communications between the Coalition work streams
- Provides continuous communication with the larger community
- Provides, supports and facilitates community dialogue and education needed to promote support for affordable housing and reduce stigma
- Is guided by a Communications Strategy
- Provides a table for issues relating to systemic challenges

iv. Funding and Resource Procurement

- Researches, networks and fosters development of a range of resources including funding from government, foundations, private sector, as well as in kind resources and lands
- Works to align funding

3. Representation

- Representation on the Cowichan Coalition will be comprehensive and diverse. The Coalition will include people with lived experience, community agencies from pre-natal to end of life, faith-based organizations, the business, construction and economic development sectors, and municipal, regional, provincial, federal levels of government ensuring adequate representation from Cowichan Tribes and other First Nation bands.
- The Coalition will work to have strong links with local governments, including staff and/or political representation from the CVRD and all member municipalities.
- The Cowichan Coalition will provide the community 'space' for dialogue and action on homelessness and

affordable housing. As such it must be inclusive and provide a trusted and culturally safe environment.

- To ensure that it is properly linked and informed, it will establish a Social Inclusion Advisory Committee/function.
- To ensure focussed and specific attention to Aboriginal and Youth homelessness and housing issues, the Coalition will have Aboriginal and Youth Task Forces.

4. Structure and Process

- The Cowichan Coalition will be guided by a Coalition Charter, Terms of Reference, Vision and Mission Statements. These documents will provide for transparency and accountability, and will have a process built in for self-assessment.
- The Cowichan Coalition will be guided by a Strategic Plan with clear and achievable goals that highlight "Every citizen in the Cowichan Region has access to safe, affordable and supported housing". The Strategic Plan will include an evaluation and monitoring plan and be re-visited annually to allow for changing needs.
- To ensure sustainability, Coalition members may choose to form a registered Society, and seek ongoing funding that will contribute to the activities as well as coordination and administration.
- The Coalition will either be supported by a "backbone", or through the formation of a Society, will provide a backbone function for the community (similar to the Victoria model).
- The Cowichan Coalition is regional in scope to acknowledge that issues and needs cross municipal, electoral and health jurisdictions, and are not limited to urban areas.
- The Coalition will need a strong and efficient Administrative structure to support the range of work.
- The Cowichan Coalition will liaise and network with other Coalitions, and seek mentorship of the Victoria Coalition.

APPENDIX D: COWICHAN COALITION INITIAL STRUCTURE

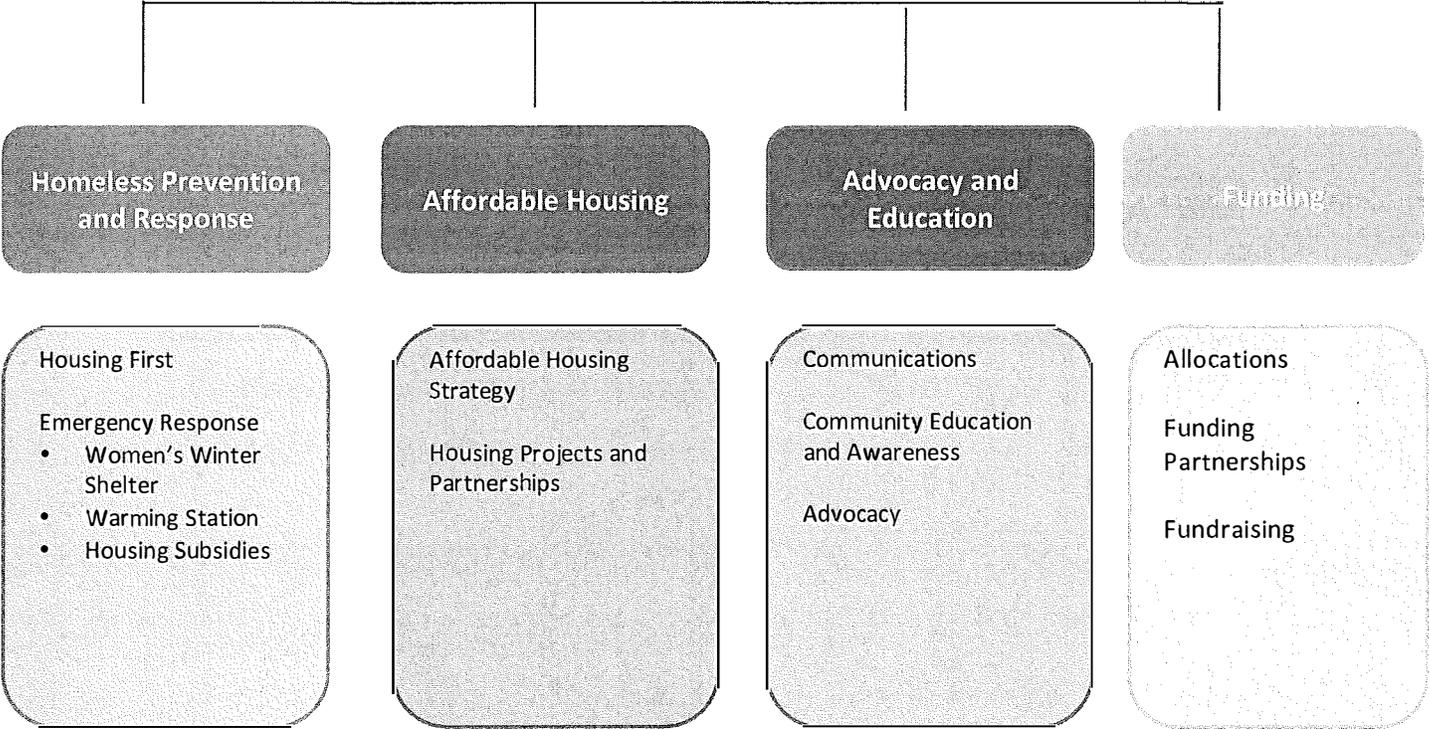
Vision:
All citizens in the Cowichan Region have a safe, affordable home and adequate supports for well-being

COWICHAN COALITION TO ADDRESS HOMELESSNESS AND HOUSING

Leadership, strategic planning, collaboration, coordination, capacity building

Community Plans

**Home Team
 Facilitating
 Coalition
 Development**



RESEARCH, DATA COLLECTION AND ANALYSIS
DATABASE OF INFORMATION, STATISTICS, FUNDING, PARTNERSHIPS AND RESOURCES

Collective Impact Framework
Common agenda, Shared measures across initiatives, Continuous communication across initiatives, Mutually reinforcing activities,



January 15, 2018

Chair Jon Lefebure
Members of the CVRD Board of Directors
Cowichan Valley Regional District
175 Ingram Street, Duncan BC V9L 1N8

Dear Chair Lefebure and Members of the Board,

Re: Affordable Housing and Homelessness in the Cowichan Region

Cowichan Housing Association (CHA), together with members of the newly formed Cowichan Coalition to Address Homelessness and Affordable Housing, have worked over the past year to build capacity and collaboration toward addressing issues of homelessness and lack of affordable housing in the Cowichan Region.

We request that the CVRD Board take action on Affordable Housing and the rising number of homeless in our region. The attached report provides further background on the current situation with regard to Affordable Housing, steps the community is taking to address this issue, and the gaps that have been identified. These gaps include lack of funding to support affordable housing initiatives, lack of comprehensive strategy for attainable housing and CVRD assistance in planning and partnership initiatives.

Therefore we are making the recommendation that:

- I. The Cowichan Valley Regional District (CVRD) establish a CVRD Affordable Housing Contribution Service to address issues related to Affordable Housing and Homelessness Prevention
- II. The CVRD enter into a working agreement with Cowichan Housing Association (CHA) to manage the funding on behalf of the community and provide community coordination and development services related to affordable housing and homelessness prevention
- III. The CVRD support the development of a Regional Attainable Housing Strategy and Action Plan that will assist in guiding implementation of the Service objectives
- IV. The CVRD strengthen community partnerships through allocating staff time to support and participate in community planning processes.

Attached please find our proposal and case for the recommendations that we have made.

Sincerely,

A handwritten signature in cursive script that reads "Terri Dame".

Terri Mattin Dame
Executive Director, Cowichan Housing Association

Affordable Housing In the Cowichan Region

Cowichan Housing Association
January 2018



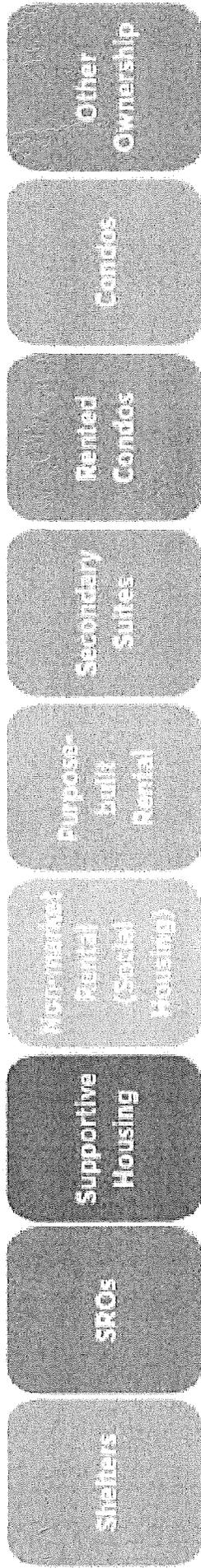
A Decade of Work and Success

- RAHD (2007-2014)
- Cowichan Housing Association (2015)
- Solid base of research and data (2015-2017)
- Homelessness Prevention projects (2013-now)
- Cowichan Coalition formed (2017)
- National Strategy announced stressing Partnerships at all levels



Increasing Housing Need

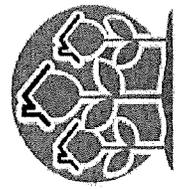
HOUSING CONTINUUM



ENDING HOMELESSNESS

RENTAL HOUSING

OWNERSHIP



What Has Been Learned

- **This is an issue that spans many sectors**
- **Housing First is key**
- **Housing is a long term investment with economic, social and health benefits**
- **Partnerships are essential: collaboration and working regionally**



What is needed to move forward

- Financial resources at the local level to support partnership funding and collaboration
- Regional picture and action plan for Attainable Housing
- Local government partnerships for planning and data



Why It's So Hard to Build Affordable Housing: It's Not Affordable

Developers struggle to break even on rental projects for the poorest Americans.

By Patrick Clark

July 26, 2016, 3:00 AM PDT

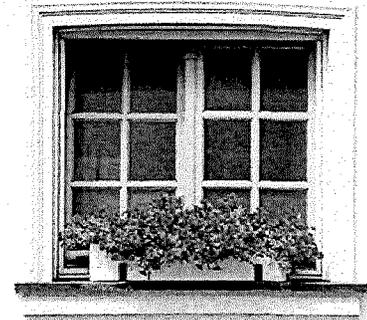
A real estate developer wanted to increase affordable housing in Denver, trying to make fiscal sense out of a plan to build rental apartments for people making only 30 percent of the area's median income—the kind of housing America desperately needs. He discovered that, no matter what lever he moved or compromise he made, he was going to need some money from the government to make it work. Then he was going to need some more.



A CVRD Affordable Housing Contribution Service

- I. Assist in the acquisition, development and retention of affordable housing
- II. Prevent housing loss and homelessness
- III. Facilitate community planning and partnerships
- IV. Research and analysis to inform and guide planning and decisions
- V. Engage, educate and inform the broader community
 - I. Ensure efficient management, oversight, monitoring and accountability





- Flow through funding
- Administered under Service Agreement by Cowichan Housing Association
- Management, Monitoring and Accountability
- Consultation, planning with the Cowichan Coalition and CVRD
- Recommendations for allocations based on solid principles, criteria and priorities



Recommended Annual CVRD Affordable Housing Contribution Service

- \$500,000 (67%) directly for affordable housing and homelessness prevention.
- \$137,500 (18%) devoted to implementation of Service objectives
- \$112,500 (15%) devoted to administration of the Service
- \$15,000 (2%) CVRD Administrative fee



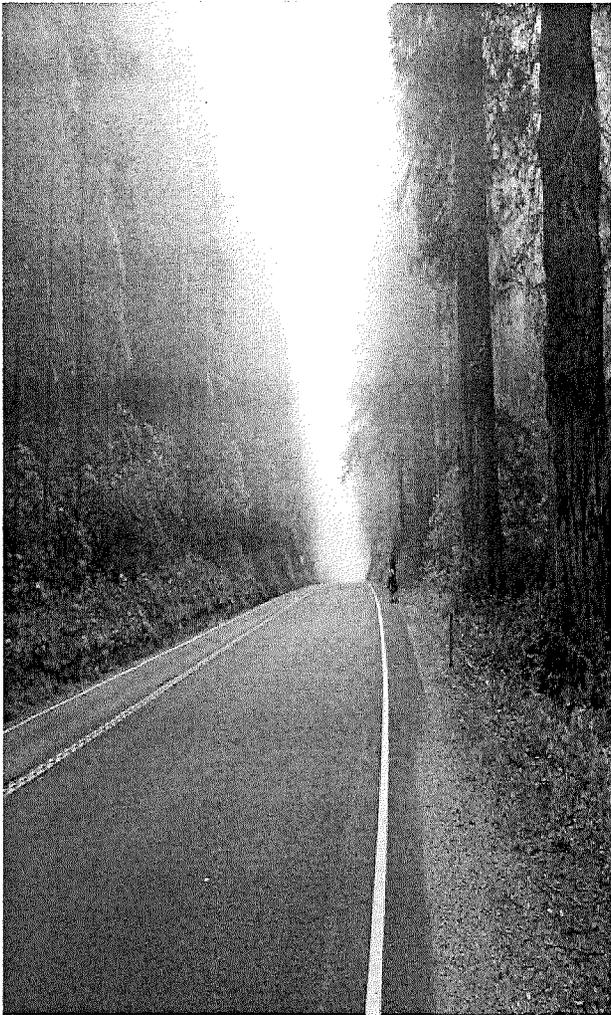
Cost Areas

Implementation and Administration

- Community planning services
- Research, data, policy analysis
- Coordination, communications and education activities
- Management
- Overhead
- Professional development
- Accounting and financial processes



Next Steps: 2018



- **Finalize Community Plans**
- **Undertake region-wide community engagement and education**
- **Continue to update knowledge, research and best practices**
- **Coalition development and key implementation plans**
- **Systems planning - financial accountability, monitoring and performance, policies and linkages**



Desired Outcomes



- **By spring 2019, Service established with a solid administrative / financial structure and guiding partnerships, policies and processes**
- **Established community and government / funding partnerships**
- **Community plans and strategies in place to guide investment**
- **A new era for collaboration and investment begins**

