

Cowichan Valley
Regional District

2010

Affordable Housing in the Cowichan Valley, A Discussion Paper

(a document created as a basis for discussion rather than as an authoritative text)



Social Planning Cowichan

Affordable Housing Strategy Project



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Executive Summary

“Housing issues are complex and interrelated, compacted by a host of social and economic factors such as poverty, lack of affordable housing, overextended community services, funding cuts for social housing, soaring construction and land costs, lack of daycare, diminished rental housing stock and the unique housing needs of people with disabilities and those with mental illness and addictions. In addition, land use bylaws sometimes fragment communities and separate people from the services they need. This impacts on one’s ability to find work and obtain food. For all of these reasons, housing cannot be addressed in isolation.”
(Inadequate Shelter Report, Fall 2006)

The intent of this Discussion Paper is to:

- raise greater awareness about affordable housing issues in the Cowichan Region,
- provide possible solutions for review and discussion,
- generate dialogue through a community consultation process that can lead to possible action in meeting regional or community affordable housing needs,
- seek support and commitment in the development and implementation of an affordable housing strategy for the Cowichan region.

Section One of this Discussion Paper shares the Affordable Housing Strategy goals and addresses the demographics in 2006 (*the most recent Census available*) reflecting the need for affordable housing. A Housing Continuum chart is provided for ready awareness of the differing affordable housing constituents. This document then identifies the populations in greatest need and shares statistics about the volume of need. It addresses income facts from wages to fixed incomes and the reciprocating costs for rent or home ownership. The numbers of homes in need of major repair are also cited.

Section Two offers details about possible affordable housing policy options and best practices that will frame content for a final document with more extensive information that will be addressed during the community consultation process. The same information can be used at local government tables later for decision making purposes and will be augmented with community response details. With each option are advantages and disadvantages, kept to a minimum for quick review. Revenue generating practices to support affordable housing implementation are included.

The Appendix to the Discussion Paper is a separate document. It will be valuable if background information, original statistical data or report materials referred to would be advantageous to the reader.

As the Affordable Housing Strategy team travels throughout the region to share information and seek resident input, perspective and concerns, the team will record details of responses and include an analysis of Cowichan region community responses in recommendations that will be set out in the final Affordable Housing Strategy report. The aim of the final document will be to guide decision makers as to possible actions that will meet affordable housing needs throughout the Cowichan Region.

Introduction

In November of 1999 twelve Canadian major urban mayors met in Vancouver to address the nation's homelessness crisis. The same month the Federation of Canadian Municipalities (FCM), on behalf of Canada's municipalities, appeared before the House of Commons finance committee to talk about a solution. While large urban centers have struggled with homelessness and affordable housing issues for decades, the same housing needs are now evident in smaller centres and semi-rural regions. As a result of the increasing awareness Social Planning Cowichan and the community – through the Visions 20/20 process, identified housing as an important issue.

In 2007 Social Planning Cowichan produced the *Inadequate Shelter in the Cowichan Valley* report with the following recommendations:

1. Establish an action oriented Affordable Housing Council;
2. Official Community Plans should include definitions, policy development, zoning considerations to facilitate affordable housing;
3. Engage the Cowichan Region communities (*workshop to explore incentives, regulatory reform and requirements);
4. Consider a Housing Reserve Fund;
5. Recommend considerations for innovations:
 - investigate financial tools such as: waiving/reducing fees, etc. tax rebates,
 - review other tools and resources (e.g. land trust, etc.)
 - examine the possibilities of gifting/leasing land (exchanging, etc.) to non-profit housing providers in partnership with property owners/local governments, etc.;
6. Facilitate adequate support systems for employed people including daycare, public transit, community programs, etc.,(e.g. mental health and addiction services);
7. Direct services to landlords and tenants (enforce existing building codes, educate re: rights and responsibilities, provide contact services to assist with problem resolutions;
8. Support accessibility to programs and funding for Cowichan region residents including but not limited to: adequate social assistance, seniors housing support, coordination of funding information.

In the same year the Affordable Housing Steering Committee including: Candace Spilsbury (chair), Valerie Nicol, Gerry Giles and Anne Murray worked to draft terms of reference as recommended in the *Inadequate Shelter* report. By October of that year, the Social Planning Cowichan Housing Directorate was formed with the following members:

Brigid Reynolds – Municipality of North Cowichan
Moe Lessan – Remax, Ocean Pointe
Di Hinton – Clement Centre Society
Rhoda Taylor – Cowichan United Way/VIHA
Carol Shewchuk – Mortgage Group, Macer Holdings Ltd.
Maureen Gallinger – Cowichan Family Life
Julia Kangas – Somenos Transition House
Gerry Giles – CVRD/ Social Planning Cowichan

Martin Middleton – Global Vocational Services
Veronica Scott – Social Planning Cowichan
Candace Spilsbury – Social Planning Cowichan
Laura Stark – H20 (Housing Opportunity)
Anne Murray – Municipality of North Cowichan
John Finlayson – Osborne Realty
Faye Griffith – Providence Farm
Valerie Nicol – Social Planning Cowichan

An Affordable Housing Task Force was established in February of 2008 and an Affordable Housing Directorate was created in April 2008. Members of the Directorate were: Valerie Nicol, Veronica Scott, Donald Fyfe-Wilson, Anne Matheson, Brigid Reynolds, Marton Middleton, Dianne Hinton, Laura Stark, Anne Balding, Gerry Giles, Michelle Nowzek, Rhoda Taylor and Faye Griffith.

By the summer of 2008 the economic climate internationally and in the Cowichan Region brought about increased need for affordable housing with the downturn of resource industries and the investment markets. Unemployment rates rose and demands on the social welfare system increased.

In 2009 Social Planning Cowichan took further action to address affordable housing needs as they produced the second Status of the Community Report. Findings in the second Status Report included the following related to affordable housing:

- The median 2005 income for Cowichan region households was \$28,400 while the median home purchase costs in 2006 were \$339,400. This home purchase cost meant residents required \$76,160 income to qualify for a mortgage (with a 5% down payment and 5% mortgage interest rate) ;
- More than 40% of tenants were spending in excess of 30% of their household income for rent;
- More than 3,605 (15%) home owners were exceeding 30% of their income for mortgage payments;
- All subsidized housing units for seniors and families were full and had wait lists exceeding a year;

As initiatives continued Social Planning Cowichan's housing group became the **Regional Affordable Housing Directorate**. The Directorate sought for and accessed funding for follow-up to the *Inadequate Shelter in the Cowichan Region* report and initiated the **Affordable Housing Strategy**. The Strategy is mandated to complete a meta-analysis of previous research and reports, determine gaps in information, research best practices in meeting affordable housing needs and then to consult with Cowichan region residents before making recommendations to local governments about action that would support affordable housing needs.

This **Affordable Housing Discussion Paper** is the Strategy's community consultation document. It outlines tentative recommendations for affordable housing planning and initiatives for the region. It is a tool from which Cowichan region residents may address varied aspects of affordable housing in each community area and through which they may share their perspectives, priorities and concerns about affordable needs and preferences.

Core Housing

Core housing need refers to households which are unable to afford shelter that meets adequacy, suitability, and affordability norms. The norms have been adjusted over time to reflect the housing expectations of Canadians. Affordability, one of the elements used to determine core housing need, is recognized as a maximum of 30 per cent of the household income spent on shelter.

Source: CMHC, http://www.cmhc-schl.gc.ca/en/corp/faq/faq_002.cfm#4

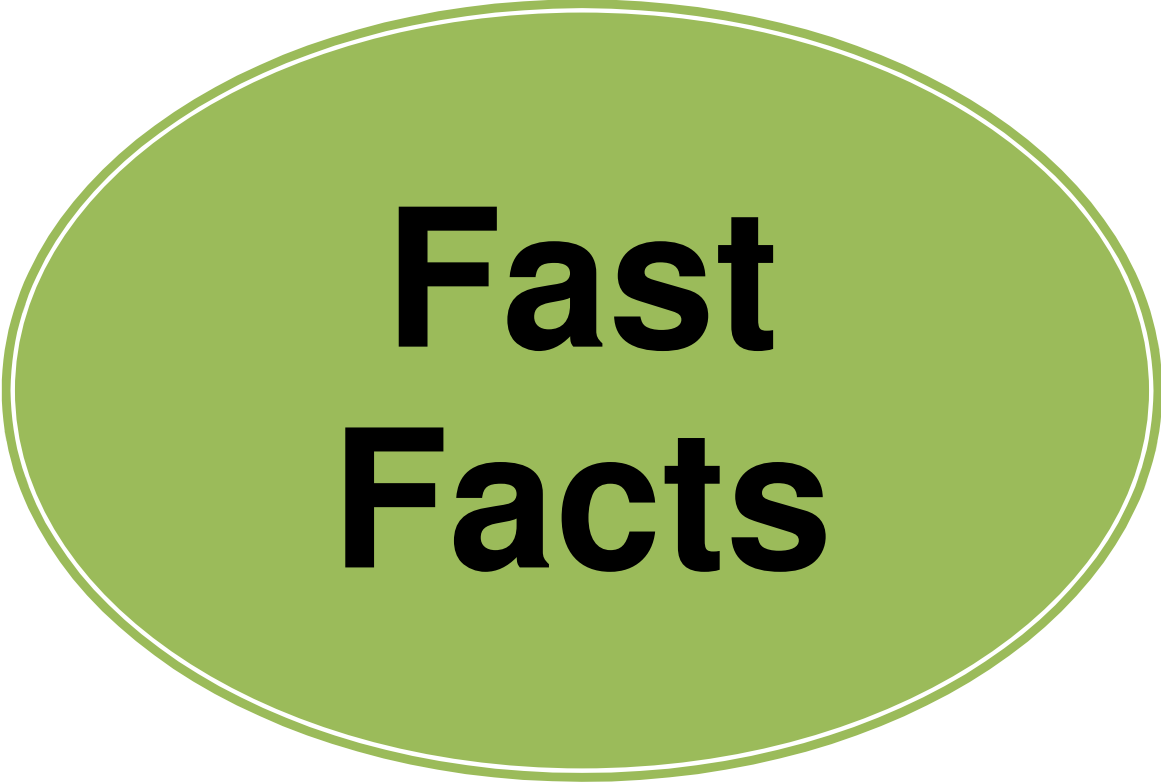
The Federal Government adds the following to the core housing definition, "housing that is too small for the number of members in a household, is in need of major repair, or is too costly given household means."

Affordable Housing Definition

Affordable housing is safe, secure, stable, accessible living environment that allows a person to live within their income level, and maintain a healthy quality of life. Affordable housing adequately suits the needs of low and moderate-income households at costs below those generally found in the local Cowichan Valley market. It may take a number of forms that exist along a continuum – from emergency shelters, to transitional housing, to non-market rental (also known as social or subsidized housing), to formal and informal rental, and ending with affordable home ownership.

For housing to be affordable a household should not spend more than 30 percent of gross income on shelter costs. The highest priority for affordable housing is for the homeless, marginally housed and "core needs households" that spend more than 50 percent of their income on shelter costs.

Source: Regional Affordable Housing Directorate



Fast Facts

In the CVRD,
 6,017 (20% of 30,070) households spend 30-99% of their income on housing.
 40% of 6,030 or 2,412 are rental tenants
 15% of 24,035 or 3,605 are owner occupied homes
 Source: 2006 Census Profiles (Pg 3 of 31), BC Stats

Figure 1 - Number of Households spending 30% to 99% of household income on Monthly costs

Number of Households spending 30% to 99% of household income on monthly housing costs		
	Tenant-Occupied Households	Owner-Occupied Households
CVRD	2430	3720
City of Duncan	515	250
District of North Cowichan	1020	1280
Town of Lake Cowichan	90	175
Town of Ladysmith	270	375
Area A: Mill Bay/Malahat	75	255
Area B: Shawnigan Lake	140	460
Area C: Cobble Hill	35	220
Area D: Cowichan Bay	95	125
Area E: Cowichan Station/Sahtlam/Glenora	70	185
Area F: Cowichan Lake South/Skutz Falls	50	90
Area G: Saltair/Gulf Islands	30	100
Area H: North Oyster/Diamond	20	140
Area I: Youbou/Meade Creek	25	70

Source: 2006 Census Profiles (Pg 30 of 31), BC Stats

Affordable/Subsidized Housing units currently in the CVRD:
324 Senior Units (all occupied)
723 seniors pay **more than 30%** of their income for housing.
27 Family Units (all occupied)
127 Ma'kola Housing Units (all occupied)

Figure 2 – Average Monthly Payments on Homes in 2006

Average Monthly Payments on Homes in 2006				
	Single Occupancy		One-Family	
	Rent	Owner Major Payments	Rent	Owner Major Payments
CVRD	\$669	\$849	\$734	\$916
City of Duncan	\$659	\$659	\$640	\$767
District of North Cowichan	\$646	\$847	\$706	\$903
Town of Lake Cowichan	\$613	\$709	\$709	\$759
Town of Ladysmith	\$703	\$785	\$785	\$910
Area A: Mill Bay/Malahat	\$762	\$883	\$776	\$964
Area B: Shawnigan Lake	\$754	\$1,100	\$791	\$1,136
Area C: Cobble Hill	\$1,012	\$848	\$1,105	\$931
Area D: Cowichan Bay	\$909	\$869	\$1,056	\$1,010
Area E: Cowichan Station/Sahtlam/Glenora	\$537	\$896	\$653	\$951
Area F: Cowichan Lake South/Skutz Falls	\$423	\$692	\$448	\$712
Area G: Saltair/Gulf Islands	\$625	\$665	\$718	\$708
Area H: North Oyster/Diamond	\$577	\$887	\$542	\$949
Area I: Youbou/Meade Creek	\$639	\$734	\$679	\$767

Source: 2006 Census Profiles (Pg 30 of 31), BC Stats

<p>2006 CVRD Home Purchasing</p> <p>Median house cost was \$339,400</p> <p>Mortgage qualifying income was (with 10% down & 5% interest) \$67,940</p> <p>Median income was \$28,405</p> <p>Shortfall to qualify was \$39,535</p>	<p>CVRD Housing Status</p> <p>In 2006, of 31,262 houses</p> <p>8.4% needed major repair</p> <p>8.8% were built before 1946</p> <p>10.6% were built between 1946 and 1960</p> <p>1200 were movable dwellings</p>
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Figure 3 – CVRD Property Listings Snapshot

CVRD Property Listings				
	\$0 - \$100,000	\$100,000 - \$200,000	\$200,000 - \$350,000	\$350,000 & above
Lots	51	167	84	83
Mobile Home (on Pad)	37	18	1	0
Mobile Home (on Land)	0	0	0	0
Apartment/Condo	3	51	20	1
Row /Townhouse	0	14	36	11
Duplex	0	1	26	9
House	0	18	180	460

Source: www.mls.ca in March 2010

1 (Duplex) under \$200,000 listed as not habitable

Figure 4 – 2006 Employment by Industry

2006 Employment by Industry												
	Retail		Manufacturing		Health Care & Social Assistance		Construction		Education		Accommodation & Food Services	
	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total
BC	11.2%	248,955	8.5%	189,120	9.6%	213,085	7.5%	166,095	6.9%	152,565	8.1%	180,055
CVRD	13.0%	4955	9.1%	3470	10.7%	4080	9.1%	3455	6.9%	2625	7.8%	2975
City of Duncan	20.0%	405	9.1%	185	10.8%	220	11.3%	230	3.4%	70	12.6%	255
District of North Cowichan	15.2%	2075	10.3%	1405	11.6%	1580	7.5%	1025	5.6%	760	8.5%	1165
Town of Lake Cowichan	14.9%	215	6.3%	90	6.9%	100	9.7%	140	5.2%	75	13.5%	195
Town of Ladysmith	11.3%	405	13.8%	495	9.8%	350	7.3%	260	6.8%	245	7.3%	260
Area A: Mill Bay / Malahat	11.8%	240	4.7%	95	10.3%	210	8.9%	180	11.6%	235	5.2%	105
Area B: Shawnigan Lake	11.2%	490	6.4%	280	10.2%	445	13.7%	600	11.1%	485	5.8%	255
Area C: Cobble Hill	12.6%	270	8.2%	175	12.6%	270	10.3%	220	5.6%	120	7.9%	170
Area D: Cowichan Bay	12.4%	180	7.6%	110	12.4%	180	8.6%	125	9.6%	140	6.2%	90
Area E: Cowichan Station / Sahtlam / Glenora	8.8%	200	7.5%	170	10.7%	245	8.1%	185	6.6%	150	6.1%	140
Area F: Cowichan Lake South / Skutz Falls	12.1%	105	7.5%	65	11.6%	100	15.0%	130	1.7%	15	3.5%	30
Area G: Saltair / Gulf Islands	9.4%	110	9.9%	115	10.3%	120	6.4%	75	12.4%	145	9.4%	110
Area H: North Oyster / Diamond	7.4%	90	13.9%	170	8.2%	100	8.6%	105	5.3%	65	7.0%	85
Area I: Youbou / Meade Creek	15.6%	85	6.4%	35	4.6%	25	10.1%	55	2.8%	15	7.3%	40

Source: 2006 Census Profiles (Pg 23 of 31), BC Stats

CVRD Differently-abled People

1468 differently-abled people have open files
 The highest percentage (18%) by population in BC
 Income is \$906 per month
 \$375 of the \$906 is allocated to housing costs

CVRD Immigrant Population:

Total population 10,205 in 2006
 The majority have settled in North Cowichan
 89% have a certificate, diploma or university degree
 11.9% a Bachelor Degree
 4.5% a Master's Degree
 1.7% a Doctorate
 22.1% are underemployed in the Sales and Service Sector

Vancouver Island & Victoria Wages			
	Low Wage \$/Hour	Yearly Low Wage	Average Wage \$/Hour
Accounting & Related Clerk	\$10.50	\$21,840.00	\$16.87
Registered Nurse	\$19.23	\$39,998.40	\$31.06
Licensed Practical Nurses	\$19.16	\$39,852.80	\$22.74
Secondary School Teachers	\$14.79	\$30,763.20	\$28.80
Elementary School and Kindergarten Teachers	\$11.88	\$24,710.40	\$24.28
Early Childhood Educators and Assistants	\$10.54	\$21,923.20	\$14.62
Retail Salespersons and Sales Clerks	\$8.83	\$18,366.40	\$13.00
Food and Beverage Servers	\$8.00	\$16,640.00	\$9.32
Elementary and Secondary School Teacher Assistants	\$9.20	\$19,136.00	\$19.59
Cashiers	\$8.21	\$17,076.80	\$10.43
Plumbers	\$13.00	\$27,040.00	\$18.20
Carpenters	\$14.35	\$29,848.00	\$19.71
Electricians	\$13.75	\$28,600.00	\$20.00
Heavy-Duty Equipment Mechanics	\$15.00	\$31,200.00	\$25.41
Saw mill Machine Operators	\$14.89	\$30,971.20	\$23.18
Furniture and Fixture Assemblers and Inspectors	\$10.50	\$21,840.00	\$14.50
Woodworking Machine Operators	\$10.00	\$20,800.00	\$16.96
* Yearly wages are based on working 40 hour work weeks, & 52 weeks per year.			
* Through looking at job postings, Low Wage appears to be the starting point in the Cowichan			

Figure 5 – Vancouver Island & Victoria Wages

Source: <http://www.labourmarketinformation.ca> - select Wages & Salaries, British Columbia, Vancouver Island and Victoria, Wage Report, then click on the link provided (Hourly Wage by Industry).

Figure 6 – Using After Tax Income for CVRD

Using After-Tax Income for CVRD				
	Individuals 15 + Years		Male Lone- parent	Female Lone- parent
	Male	Female		
2006 Median Income	\$29,410	\$18,077	\$40,143	\$30,710
Affordable Monthly Rent for Median Income	\$735	\$452	\$1,004	\$768
2006 Average Income	\$33,419	\$21,657	\$50,852	\$36,103
Affordable Monthly Rent for Average Income	\$835	\$541	\$1,271	\$903

Source: 2006 Census Profiles (Pg 26 of 31), BC Stats

Figure 7 - Recipients of Income Assistance and Employment Insurance in the CVRD

Recipients in the CVRD										
	Total Population 19-64	Basic Income Assistance					Employment Insurance			
		19-64	Children <19 yrs in Families	Young Adults 19-24	Mid' Group 25-54	Single Parent Women 19-64	19-64	Young Adults 19-24	'Mid' Group 25-54	Older' Group 55-64
June '07							1.4%	1.7%	1.6%	0.8%
September '07		1.8%	3.0%	2.1%	1.6%	0.9%	1.5%	1.5%	1.8%	1.0%
December '07		1.7%	2.9%	2.1%	1.6%	0.5%	1.9%	2.2%	2.1%	1.3%
March '08		1.8%	3.0%	2.1%	1.7%	0.5%	2.1%	2.2%	2.3%	1.7%
June '08		1.9%	3.2%	2.2%	1.7%	0.5%	3.3%	2.5%	3.7%	2.6%
September '08		1.8%	3.1%	1.9%	1.7%	0.5%	1.7%	1.6%	1.9%	1.2%
December '08		1.9%	3.2%	1.9%	1.9%	0.9%	2.8%	3.1%	3.1%	1.9%
March '09		2.3%	3.5%	2.5%	2.3%	1.0%	4.7%	5.0%	5.2%	3.0%
June '09	48,716	2.3% or 1120	3.6%	2.7%	2.3%	1.0%	3.4% or 1667	3.9%	3.8%	2.1%
September '09		2.4%	3.8%	2.5%	2.2%	1.1%				

Source: BC Statistics, 2009 Regional Quarterly Report,
 IA Data does not include Aboriginal people living on Reserve,
 The EI figures reported above do not include persons claiming parental/adoption leave.

Figure 8 - Incidence of Low Income

Incidence of Low Income (2006)			
Area	Low Income Families	Low-Income Single-Parent Female	Low Income Senior
B.C	1,112,810 (13.3%)	41,520 (33.5%)	
CVRD	1,853 (8.4%)	715 (30.5%)	
Area A-MillBay / Malahat	55	20	0
Area B-Shawnigan Lk	130	49	25
Area C-CobbleHill	59	10	30
Area D-Cowichan Bay	45	20	25
Area E-Cowichan Station / Koksilah	90	15	25
Area F-Cowichan Lk.South / Skutz Falls	20	Not available	25
Area G - Saltair / Gulf Islands	65	19	Not available
Area H- North Oyster / Diamond	55	22	Not available
Area I - Youbou / Meade Ck	35	18	Not available
Duncan	245	120	185
Ladysmith	174	70	119
Lake Cowichan	120	60	28
North Cowichan	751	296	261
CVRD Affordable Housing Needs	Total	Total	Total
	1,844	719	723



Section One

Affordable Housing Strategy Project Goals

As part of the Visions 20/20 outcomes, and within the “Housing and the Built Environment” category of outcomes, the Affordable Housing Strategy goals offer the opportunity to “encompass distinct and vibrant planned neighbourhood communities that work collaboratively to ensure socially, environmentally friendly development, including appropriate infra-structure, affordable housing and green recreation spaces.” The goals are to:

1. *increase* the understanding of housing as it relates to the health, safety and well being of individuals and community.
2. *build* partnerships between local government and community groups by using the strategies gathered from research to ensure that local governments are enabled to work together collaboratively with the community in the development of stable neighbourhoods and a range of life cycle options responding to residents’ housing needs for access, affordability, choice and diversity.
3. *identify* options for developing affordable housing that is innovative, adaptive and sustainable. The options will be designed in a way that they meet the unique needs of the residents of the Cowichan Region.

2006 Households and Affordable Housing

In 2006 the majority populations within the Cowichan Region could be seen in three categories. The predominant group ranged in age from 30 years to 64 years making up 49.2% of the overall population. The next was from birth to 29 years of age (young families) totaling 33.1% of residents. The final group, 65+ years of age represented 26.3% of residents.

There were 30,070 households. Forty percent of households were renters paying more than 30% of their income on housing. 3,605 owner occupied households were also paying more than 30% of their income for housing. The two populations (renters and home owner occupants) were **6,017 or 19%** of all households.

While the degree of need for affordable housing was obvious in 2006, the economic decline of the last few years has added to the need for affordable housing. The number of Cowichan Valley residents supported by Income Assistance and Employment Insurance has risen.

Those households sustained by fixed incomes are struggling as well. Seniors and Persons With Disabilities should be included in this affordable housing needs population.

Our recent Status of the Community Report states no new affordable rental housing has been built since the late 1970s and early 1980’s yet the population within the region has increased by 49% in that same time period. About 24% of housing in the Cowichan Region was built between 1971 and 1980. Housing built from 1950 to 1969 makes up an additional large segment of properties - an additional 24%. Affordable housing in a state of good repair is lacking in the region.

NOTE: Affordable Housing Continuum

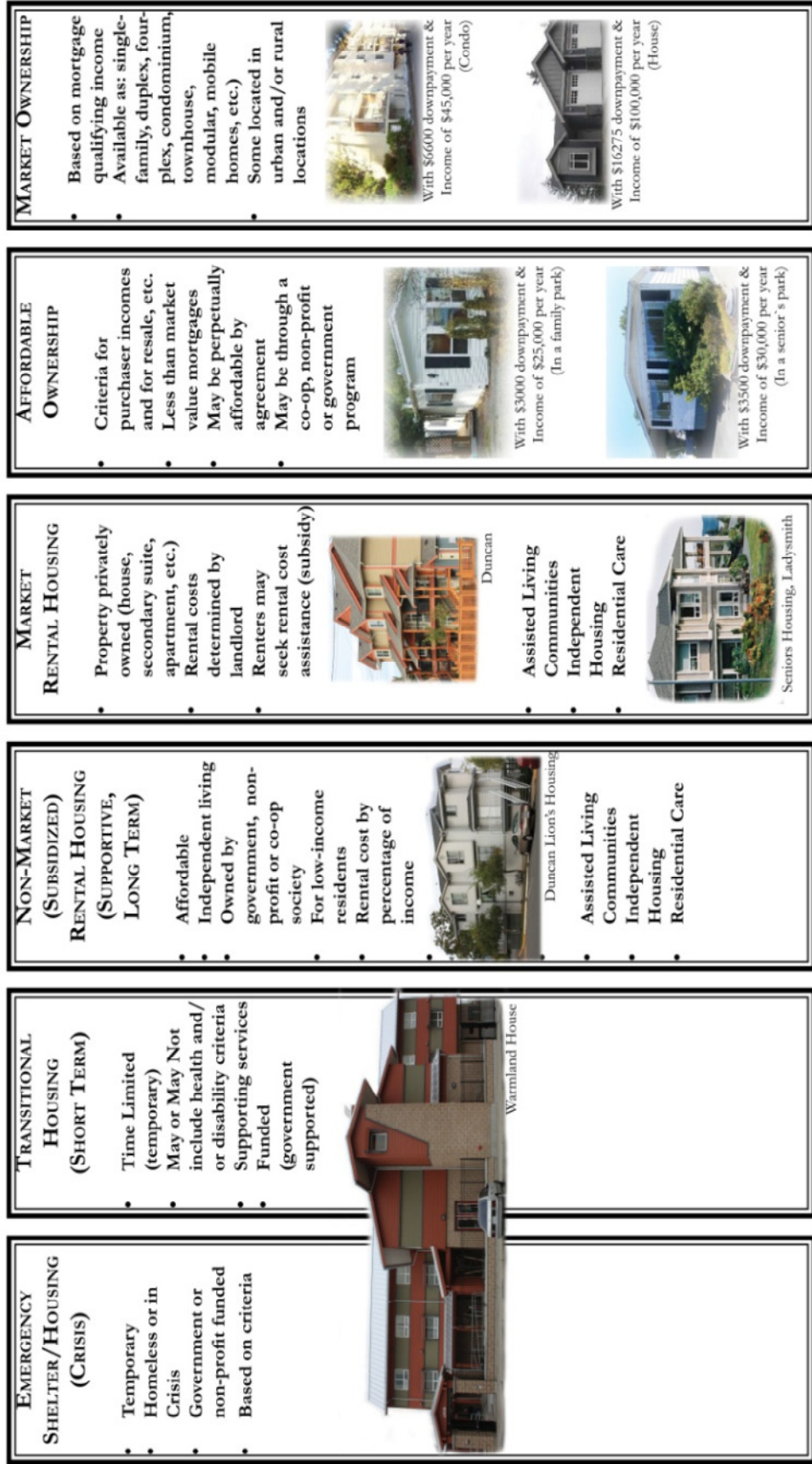
This chart provides a breakdown of six housing categories that range from total public assistance for the resident to total financial independence. Housing has two primary origins – market and non-market. Market housing is available to the entire marketplace of community residents from renters to home owners. Non-market housing is funded by non-profit or government sources and residents must meet criteria before they can access its use.

Figure 9 - The Affordable Housing Continuum

The Affordable Housing Continuum

More Public Assistance

Total Financial Dependence



Populations in Need of Affordable Housing (2006 Census)

Low-income groups (See Figure 8 – Incidence of Low Income on page 13)

Population growth within the CVRD was 6.8% between 2001 and 2006; 71% of households were occupied by a single family, and 2% by multiple families; Single individuals made up another 28% and seniors made up the final 17% of the overall population.

Figure 10 – 2006 Employment by Industry - CVRD

2006 Employment by Industry - CVRD		
	Total	%
Total Labour Force 15yrs & over	38,105	100.0%
Industry - Not applicable	745	2.0%
All Industries	37,365	98.1%
Agriculture, Forestry, Fishing, Hunting	2,425	6.4%
Mining and Oil & Gas Extraction	135	0.4%
Utilities	185	0.5%
Construction	3,455	9.1%
Manufacturing	3,470	9.1%
Wholesale Trade	935	2.5%
Retail trade	4,955	13.0%
Transportation & Warehousing	1,305	3.4%
Information & Cultural Industries	535	1.4%
Finance & Insurance	1,130	3.0%
Real Estate & Rental & Leasing	780	2.0%
Professional, Scientific & Tech. Services	1,595	4.2%
Management of Companies & Enterprises	25	0.1%
Admin. & Support, Waste Management & Remediation	1,390	3.6%
Educational Services	2,625	6.9%
Health Care & Social Assistance	4,080	10.7%
Arts, Entertainment & Recreation	880	2.3%
Accommodations & Food Services	2,975	7.8%
Other Services (exc. Public Admin.)	1,955	5.1%
Public Administration	2,510	6.6%
<i>Source: 2006 Census Profiles (Pg 23 of 31), BC Stats</i>		

There were 715 of the region's female lone-parent families spending more than 30% of income for housing. 2,795 single males and females were also cited as low-income; 770 persons 65 years of age and older were in this same category;

When costs for housing (rent or mortgage) are more than 30% of household income, the occupants cannot meet other financial obligations such as food, transportation, medications, etc. Fifty percent of Cowichan Region residents had (2006) incomes below \$28,405 annually. Nineteen percent of households reported spending more than 30% of their incomes for housing. Rents in 2006 ranged from \$537 to \$1,012. Those with incomes of \$28,405 could by affordable housing standards, afford to pay \$710 per month, but amid the population living on less than \$28,405, the capacity to pay 2006 rents was problematic. The median sale price of a home was \$339,400 requiring a qualifying income of \$76,160. Median income households were short by \$47,775 to qualify for a mortgage.

Unemployed and underemployed

In June of 2009, the Cowichan Region had **1,667** active Employment Insurance claims. This represented 3.4% of employable residents and was a decrease of 1.3% from 4.7% in March of 2009. Typical unemployment claims rates previous to 2009 ranged from 1.4% in June of 2007 through to 3.3% in June of 2008. The June of 2009 rate of 4.7% was the highest rate of claims since 2007. When a claimant cannot find employment and his/her claim support ends, they may qualify for Income Assistance. (See Figure 7 – Recipients of Income Assistance and Employment Insurance in the CVRD on page 13)

Income Assistance

In September 2009, **1,169** files were open in the region for Income Assistance support. That represented 2.4% of residents between 19 and

64 years of age. The growth of Income Assistance files ranged from 1.8% to 2.3% from September of 2007 to March of 2009. The June 2009 rate is the highest in that period of time. (See Figure 7 – Recipients of Income Assistance and Employment Insurance in the CVRD on page 13)

Employment Opportunities (Full Time and Part-time)

42,075 residents in 2006 had income from employment in 2006. 44% had full time employment and 47% worked only part-time or a part of the year. Many residents may have unsuccessfully sought full time work. The trend in Canada in the last two decades has been for many workers to exceed full time hours in multiple jobs at low wages.

Full time employed males in the region earned an average \$32,805 while females earned only \$18,924. Seeing that 47% of earners only worked part of the year in 2006 or only held part time employment, we can see that “living wage” levels were not earned by all workers.

Persons With Disabilities

Amid the funding supplements available to the region’s residents, Persons With Disabilities funds are being paid through **1,441** claims within the region. The volume of case files has increased since 2009 resulting from several factors including an expanded definition that includes mental illness as a disability. Monthly supplements for housing for this Persons With Disabilities range from \$375 to \$820 based upon numbers (1-7) of family members per household.¹

BC Ministry of Education provides School District 79 information about students with “special needs.”

Figure 11 – Students with “Special Needs” in School District 79

Disability	2005/06	2007/09	2009/10
Sensory Disabilities	18	19	22
Learning Disability	281	359	353
Behavior Disabilities	214	222	226
Other Special Needs	226	230	242

NOTE: These stats do not reflect children with Fetal Alcohol Spectrum Disorder (FASD) unless the child presents with sensory issues, has been tested for learning disabilities or demonstrates behaviour problems or other identified disabilities.

Youth

Staff at Warmland House have reported the need for more youth housing in the region. No one under the age of 19 years can access emergency or transitional units at Warmland. At this time (March 2010) Vancouver Island Regional Health Authority has cited 75 youth with “drug and associated issues.” 65 youth are living at home, five are in care and 5 live independently. There may be other youth couch surfing and/or struggling to find temporary housing while they work through lifestyle issues or family related challenges. They are currently serviced by the Community Options Society in Duncan.

High School Completion rates reflect future employability and income capacity.

Figure 12 – High School Completion Rate

Student Population	6-Year Grad Rate (2008/09)
All students	70.1%
Female	74.2%
Male	66.4%
Aboriginal	34.5%
ESL	29.7%
Special Needs	33.7%

¹ www.eia.gov.bc.ca/mhr/da.htm

Student Performance in reading, writing and numeracy before high school are indicators of possible challenges to high school performance. The date shown is from February 2009, www.bced.gov.bc.ca

Figure 13 - Student Performance

<u>Category</u> <u>Meeting</u>	<u>Not Yet Meeting Standard</u>	<u>Unknown Performance</u>	
Reading (All Students)	17%	15%	60%
Male	19%	14%	60%
Female	15%	16%	60%
ESL	4%	86%	10%
Aboriginal	15%	46%	38%
Numeracy (All Students)	25%	16%	55%
Male	25%	15%	55%
Female	26%	17%	54%
ESL	10%	88%	2%
Aboriginal	23%	48%	28%

Fixed Income Facts

Income Assistance

BC's shelter rates are second highest (of 8 provinces reporting) for single adults and third highest for couples and families with children in Canada. In June of 2009, 1,112 regional residents were on income assistance. Payments for housing are the same for this group as for those on PWD support, \$375 to \$820 per month, based upon household member numbers.²

Hardship Support

Many Hardship applicants are disabled, and the rates for this housing support are once again, \$375 to \$925 (household of 10 persons).³

Old Age Security Rates

The following table shows how to calculate the Senior's Supplement (SS) based on October 1, 2008 federal (OAS)/ (GIS)/Allowance payment levels.

Figure 14 - Old Age Security Rates

	Single or married to spouse not on OAS/GIS/Allowance	Married (both on OAS/GIS) (each) x 2 = Couple	Married (Spouse on Allowance)	
			Pensioner	Spouse
OAS	\$516.96	\$516.96	\$516.96	\$516.96
GIS	+\$652.51	+\$430.90	+\$430.90	+\$430.90
	\$1,169.47	\$947.86	\$947.86	\$947.86
Senior's Supplement	\$49.30	+\$60.25	+\$60.25	+\$49.83
			\$1008.11	\$977.69
Guaranteed Totals	=\$1,218.77	=\$2,016.22		=\$2,005.80

² www.cia.gov.bc.ca/mhr/ia.htm

³ www.eia.gov.bc.ca/mhr/hardship_pwd.htm

OAS/GIS/Allowance are reviewed for adjustment quarterly.

Note:

In cases where the family unit consists of a couple where one adult only receives OAS/GIS/Allowance and the SS and the family receives top up from BCEA, the Management Information System (MIS) will automatically deduct these payments. Deductions are first taken from the family's support portion, then the shelter portion. Any remaining entitlement will be paid by the MIS.

Rental Assistance Program

Regardless of actual amount of rent paid, the Program only supports households with incomes of \$35,000 or less and to qualify a household must have one or more dependent children. Subsidy is calculated based on rental costs up to maximum rent levels (maximum \$940):

A family of 4 or more is subsidized up to \$621. If the household pays out more than \$940 for rent, they will not be compensated more than \$621.⁴

Employment Insurance Benefits

In June of 2009, 1,667 residents were supported by Employment Insurance benefits. The maximum amount is \$457 per week.⁵ Many Cowichan Region residents will not qualify for maximum payments because amounts are based on previous wages.

Worker's Compensation Benefits

WCB benefits are paid out at 90% of net earnings, dependent on income topping out at \$71,200. Workers having earned from \$18,500 to \$23,400 are paid their maximum of \$355.34. If earnings are below \$18,528.30 the worker receives 100% of earnings at \$280.00 per week.⁶

Moderate-Income Households and Affordability

Stated earlier the median income for the region in the 2006 Census was \$28,400. This means half the regional population had more income and half had less income.

The major categories of employment at that time were the following sectors: retail, manufacturing, accommodation/food services, education, health care/social assistance and construction. A review of the Table 2006 Employment by Industry provides specific details about each employment category.

Wages Required to Meet Home Ownership Costs

Figure 15 - Costs of Lots & Property

Increasing Cost of Lots and Property

Property Type	2006	2009
Residential Lot	\$113,000	\$134,250
Condominium	\$115,000	\$150,000
Townhouse	\$155,000	\$229,900
Patio Home		\$277,000
Detached House	\$282,000	\$345,000
Qualifying Income (2009)		
Lot	\$134,250	\$45,000 with 10% down payment
Detached House	\$345,000	\$90,000 with 10% down payment

⁴ www.bchousing.org/programs/RAP/calculation

⁵ www.hrsdc.gc.ca/eng/employment/ei/premium_rate/2010/appendix_6.shtml

⁶ www.worksafebc.com/claims/worker_benefits/wage_loss_benefits/net.compensation/default.asp select PDF 2010 net compensation table.

In 2006, about 16.6% of the region's population could not qualify to purchase even the lot. By 2008 the forestry sector and the overall economy began to decline in the region. At that time the eight primary occupations within the region, in descending order of employee numbers, were: sales and services; clerical; retail sales and sales clerks; construction trades; managers in retail, food, accommodations and other firms; transport equipment operators; teachers and professors. Only the last occupational category held the capacity to sustain purchasing costs of ownership of a detached house.

Other Populations Needing Housing Support

Homeowners and Landlords with homes in need of major repair

Within the Cowichan Region 8.7% of homes in the census year 2001 were in need of major repair.

Districts Exceeding 8.7%

Cowichan Lake South/Skutz Falls	14.2%
YouBou/Meade Creek	13%
Cowichan Bay	11.8%

By 2006 the overall per cent of Cowichan Valley homes in need of major repair was down to 8.4%

Districts Exceeding 8.4%

Lake Cowichan	11.9%
City of Duncan	11.9%
Ladysmith	9.1%
Cowichan Station/Sahtlam/Glenora	10.3%
Saltair/Gulf Islands	9.9%
North Oyster/Diamond	10.3%
Youbou/Meade Creek	10.2%
Cowichan Lake South/Skutz Falls	10.1%



A barn or other building can be converted to an Accessory Dwelling Unit.

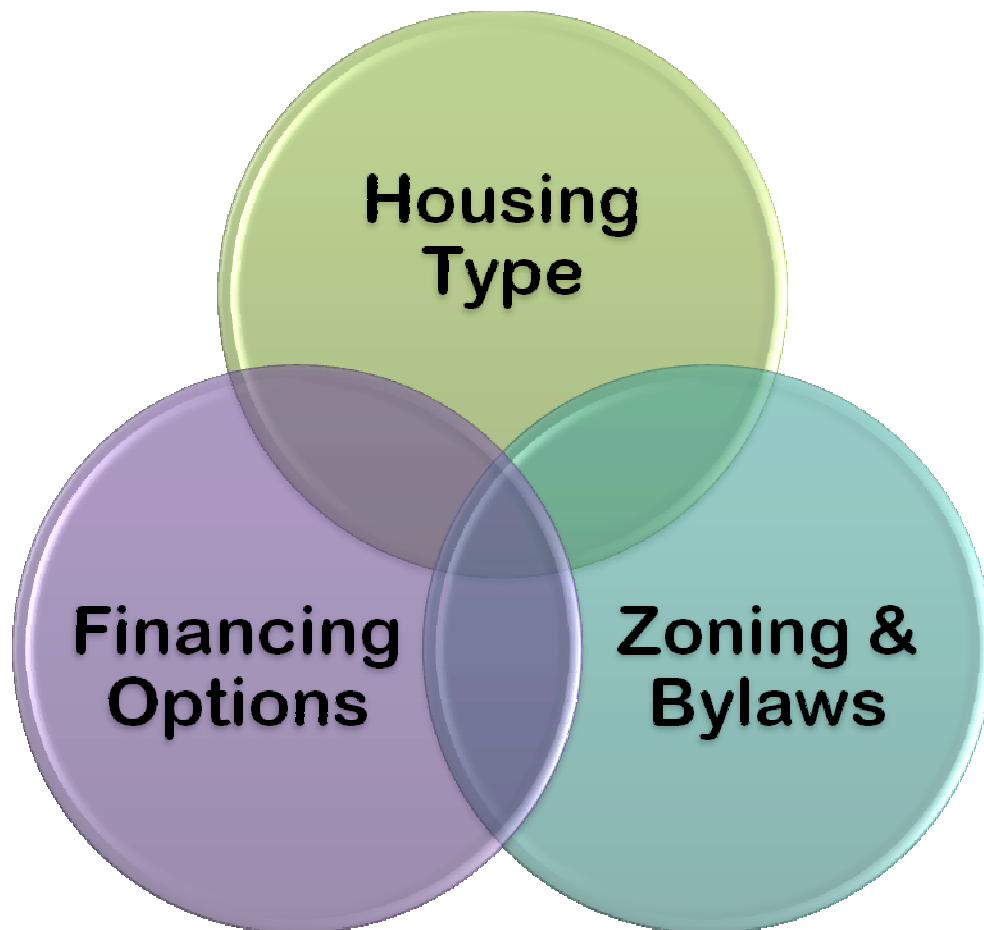
Residential Rehabilitation Assistance Programs are in place to provide grants to homeowners,

persons with disabilities, qualified landlords and others. Grants range from \$24,000 to \$36,000 and applicants must meet qualifying criteria. (<http://www.cashsociety.net/newlinkspage.aspx>)

Community Rental Housing Available

Affordable housing costs are best viewed through the lens of rent costs as many householders seeking affordable housing don't own their homes. The least expensive rents in the region in 2006 were in Cowichan Lake South/Skutz Falls (\$423), Cowichan Station area (\$537) and North Oyster/Diamond (\$577). The highest prices for rent at that time were Cobble Hill (\$1,012), Cowichan Bay (\$909) and Mill Bay/Malahat (\$762).

Section Two



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Affordable Housing Action and Policy Options

Actions and policy options range from an increase by the Government of BC for shelter costs within the Income Assistance system to meeting current rental and mortgage costs and includes the construction of market and non-market rental housing units. Incentives to private developers might encourage their investment in rental housing. Partnerships (municipal, donor, provincial and federal governments) with non-profit organizations could also mean construction of more affordable housing. The following is a list of actions and policy options that Cowichan Valley residents may see as preferable and from which elected, local government officials may select priorities for amending OCP's, modifying bylaws, establishing or amending policies, etc.

A number of the definitions, advantages and disadvantages are taken from Smart Growth BC and SPARC (Social Planning and Research Council of British Columbia), others are taken from Affordable Housing strategies or planning documents from other provincial municipalities (Revelstoke, Nanaimo, Sooke, Salmon Arm, and Tofino). There are advantages and disadvantages cited for options and policies listed, but they are incomplete. We have chosen to leave other advantages and disadvantages for the final report because they are better addressed by elected local government officials and planners.

NOTE: This section is provided to bring various options in funding/finances, policies/bylaws and affordable housing models to the reader's attention. It is anticipated that if Cowichan Residents select various options as priorities in their affordable housing strategy decision making process, that each local government will make final determination as to their capacity to incorporate the options and then amend the Official Community Plans accordingly.



Housing Type

Accessory Dwelling Units may include coach or lane houses, mother-in-law units or suites located in or over a detached garage, or a detached accessory unit.

Advantage:

- inexpensive way to increase stock of rental housing
- mortgage helper
- creates units with limited impact to service infrastructure
- integrates affordable housing throughout all neighbourhoods

Disadvantage:

- possible increase parking need
- may permit accessory dwelling units on larger lots further from the core of the community rather than closer to downtown

Adaptable Housing is housing designed with built-in flexibility to integrate special needs groups and an aging population e.g. ground floor accessibility, wider doorways, wheelchair ramps, adjustable counters and cabinets.

Advantage:

- allows for varied mobility issues for the disabled or resident aging resident
- while higher costs at the time of construction, less to retrofit afterward

Disadvantage:

- higher costs during construction

Adaptive Reuse Project creates new housing in existing buildings once used for commercial, public or industrial purposes.

Advantage:

- may be an inexpensive way to increase stock of rental housing, may help to preserve older buildings
- creates units without adding to service infrastructure
- integrates affordable housing in established areas of a community

Disadvantage:

- may increase need for parking if converted to a multi-family dwelling
- may cost more to renovate than to tear down and build new housing
- may change demographics of a community mix

Co-Housing attracts mostly middle class households. Units in a co-housing project are owned, often through a strata-title arrangement. (See list of BC Co-Housing Groups - <http://www.cohousing.ca/cohsng4/bcforming.html>)

Advantage:

- contributes to neighbourhood household mix
- allows for affordable home ownership for a portion of the community

Disadvantage:

- owner has limiting resale advantages limited by agreement/covenant

Community Housing is a program that provides accommodation, generally for families on a rent-geared-to-income basis. Usually provided through a non-profit organization or a municipal government and funded in part through BC Housing. (Salt Spring Community Housing and Land Trust)

Advantage:

- supports low-income households or hard to house populations

Disadvantage:

- cost tax payer revenues when publicly funded

Co-ownership Housing enables housing to be sold at below market prices and are provided through housing societies. It allows for collective ownership and management. (See James Wong Realty – Richmond and Vancouver, see also <http://apmmanagement.com/co-ownership.html>)

Advantage:

- ownership increases housing stability
- costs are shared between two households

Disadvantage:

- legal cost obligations (maintenance, etc.)

Employee housing units are used exclusively for the residence of employees and their families. These units are not rented to seasonal staff. (Grand Motel has staff units on site; Whistler Employee Housing.)

Advantage:

- allows for secure housing to an employee

Disadvantage:

- may deter corporate investment If housing costs come from commercial/industrial development cost

Employer Assisted Housing provided by the employer benefits with the intention of assisting employees to become homeowners. Motivates employees to stay at the place of employment. (Wood Buffalo, AB Housing and Development Corporation)

Advantage:

- encourages employees to remain with a company
- facilitates home ownership

Disadvantage:

- may lead to lack of diversity to a participant if the employer only supports ownership for “cookie cutter” homes the firm has built for this purpose in only one area of a community

Equity Co-ops provide a form of limited equity homeownership as an alternative form of tenure for families and seniors. The co-ops operate on a non-profit basis so housing costs are affordable. Purchasers get ownership of unit and security of tenure. Members manage the project and control who can join. The sponsor non-profit company retains ownership of the building exterior and all common property, including the recreation, meeting and parking facilities. (<http://web.uvic.ca/bcics/FActs/housing.html>- Housing Co-ops in BC)

Advantage:

- generates ownership opportunities and strengthens communities
- affordability to units is available for the long term

Disadvantage:

- funding sources are limited currently
- resale price is fixed thereby limiting equity building for the owner

Flexible Housing designs that offer a range of incremental adaptation to either the interior and/or exterior and will better facilitate the disabled or “aging in place” seniors.

Advantage:

- creates opportunity for diversity and cost saving (smaller homes amid larger ones)

Disadvantage:

- may change visual neighbourhood make-up with considerations as ramps for wheelchair or easy entry

Perpetual Affordable Housing is created when agreements/covenants that restrict resale capital gains, rent increases, conversion opportunities, etc. are put in place (e.g. Revelstoke, Tofino, Lanford)

Advantage:

- secures affordable housing units for periods of time
- encourages a healthy community income mix while supporting the housing needs of entry level families, single parent female families, seniors, etc.

Disadvantage:

- limits profitability in affordable housing projects for developers, owners, etc

Secondary Suites are self-contained unites in a building (typically a single family home). These can also be called basement apartments, in-law suites and illegal suites.

Advantage:

- inexpensive way to increase stock of rental housing
- mortgage helper
- creates units without adding to service infrastructure
- integrates affordable housing throughout all neighbourhoods

Disadvantage:

- increase need for parking

Shell Housing allows a homeowner to build while living within a semi-finished property. (*The Tye*, Do It Yourself Housing Lauded by Minister Coleman, March 2009)

Advantage:

- facilitates housing construction as funds become available within their budget

Disadvantage:

- requires municipalities to ensure housing is completed and shells are not abandoned
- could have neighborhoods with incomplete housing if pre-construction agreements are not met

Zoning & Bylaws

Accessory Dwelling Units **may include coach or lane houses, mother-in-law units or suites located in or over a detached garage, or a detached accessory unit.**

Advantage:

- inexpensive way to increase stock of rental housing
- mortgage helper
- creates units with limited impact to service infrastructure
- integrates affordable housing throughout all neighbourhoods

Disadvantage:

- possible increase parking need
- may permit accessory dwelling units on larger lots further from the core of the community rather than closer to downtown

Adaptable Housing is housing designed with built-in flexibility to integrate special needs groups and an aging population e.g. ground floor accessibility, wider doorways, wheelchair ramps, adjustable counters and cabinets.

Advantage:

- allows for varied mobility issues for the disabled or resident aging resident
- while higher costs at the time of construction, less to retrofit afterward

Disadvantage:

- higher costs during construction

Adaptive Reuse Project creates new housing in existing buildings once used for commercial, public or industrial purposes.

Advantage:

- may be an inexpensive way to increase stock of rental housing, may help to preserve older buildings
- creates units without adding to service infrastructure
- integrates affordable housing in established areas of a community

Disadvantage:

- may increase need for parking if converted to a multi-family dwelling
- may cost more to renovate than to tear down and build new housing
- may change demographics of a community mix

Agreement/ Covenants (Housing Agreements/Covenants) are legal documents registered on title of a property that are used to ensure that a house or property will remain affordable over the long-term. (Langford's affordable housing model)

Advantage:

- owners have clarity about resale rights or values
- units remain affordable over the long term (10-25 years)

Disadvantage:

- owners have limited capital gains
- requires administrative structure and review (by local government or non-profit, etc.)

Alternate Development Standards may reduce servicing costs to developers, examples include: smaller lots, narrower roads, reduced sidewalk requirements, storm water systems that rely more on surface drainage, and the use of common utility connections.

Advantage:

- allows local government to partner with a developer in saving costs while facilitating more units (sidewalks on only one side of street not both sides, lot sizes, street layout, drainage systems, etc.)
- allows greater flexibility for infrastructure development and design

Disadvantage:

- neighbourhood may be seen as having fewer amenities
- approval process may be deterred if standards are not consistently applied

Co-Housing attracts mostly middle class households. Units in a co-housing project are owned, often through a strata-title arrangement. (See list of BC Co-Housing Groups - <http://www.cohousing.ca/cohsng4/bcforming.html>)

Advantage:

- contributes to neighbourhood household mix
- allows for affordable home ownership for a portion of the community

Disadvantage:

- owner has limiting resale advantages limited by agreement/covenant

Commercial – large commercial developments (e.g. in excess of 4000 sq. ft.) provide an affordable housing component as a stipulation of approval. Housing can be provided on site, off-site, through a donation of land, or cash-in-lieu. These properties are then usually deed restricted through agreements, covenants, etc.

Advantage:

- increases density in areas that otherwise don't have full value
- contributes to affordable housing units

Disadvantage:

- may discourage commercial development

Community Housing is a program that provides accommodation, generally for families on a rent-geared-to-income basis. Usually provided through a non-profit organization or a municipal government and funded in part through BC Housing. (Salt Spring Community Housing and Land Trust)

Advantage:

- supports low-income households or hard to house populations

Disadvantage:

- cost tax payer revenues when publicly funded

Comprehensive Development Plans gives developers an increased flexibility (for cash-in-lieu fees, amenities or affordable housing units) in the overall design of residential projects in exchange for higher volume of development units. These allow opportunities for mixing housing types, densities, land uses (including some commercial) and in some cases grant density over that normally allowed in the zoning ordinance. This is both a development style and a regulatory process. (City of Richmond)

Advantage:

- ensures a healthy community demographic mix of household incomes
- may provide additional amenities for the larger community

Disadvantage:

- requires municipal office administration
- may discourage some development projects
- needs larger amounts of green field land to be available for development

Co-ownership Housing enables housing to be sold at below market prices and are provided through housing societies. It allows for collective ownership and management. (See James Wong Realty – Richmond and Vancouver, see also <http://apmmanagement.com/co-ownership.html>)

Advantage:

- ownership increases housing stability
- costs are shared between two households

Disadvantage:

- legal cost obligations (maintenance, etc.)

Core or Housing Adequacy means that it does requires major repairs and/or is lacking the necessary services and basic facilities. Major repairs refer to plumbing, electrical, ventilation systems, disposal systems, and the structural components of a house that would warrant it being unsafe (hot and cold running water, indoor toilet, not insect or rodent infestation).

Advantage:

- maintains housing quality

Disadvantage:

- administrative and enforcement costs

Deferred taxes can act as an incentive to construct affordable housing. Deferring taxes can be continued until the housing or non-profit society begins to make a profit on the housing.

Advantage:

- financial benefit to the non-profit and/or the developer

Disadvantage:

- cuts government revenues
- costs tax revenues

Density bonus allows developers to opt into building to a higher density in return for providing amenities, such as affordable housing, to the community. If it is not feasible for the developer to include affordable units on site, she or he may provide units off-site or replace them with a cash-in-lieu contribution to a housing fund. (See *Bowen Island Housing Project*)

Advantage:

- can deliver affordable housing opportunities within the context of ongoing residential development
- promotes more efficient use of available land
- may facilitate mixed neighborhood demographics

Disadvantage:

- is controversial in low to medium density neighbourhoods

- must be overseen to avoid creating ghettos when housing is permitted offsite

Density transfers allow for the sale and transfer of unused development rights of one building or parcel of land to another. Often, municipalities will sell or donate the development rights in municipally owned land to a developer assuming a proportion of the units constructed are affordable.

Advantage:

- gives flexibility in land use planning by encouraging growth in areas close to shopping, schools, services, etc. rather than using heritage sites, environmentally or wildlife sensitive areas

Disadvantage:

- local government costs for management
- tax revenues may be required

Employee housing units are used exclusively for the residence of employees and their families. These units are not rented to seasonal staff. (Grand Motel has staff units on site; Whistler Employee Housing.)

Advantage:

- allows for secure housing to an employee

Disadvantage:

- may deter corporate investment if housing costs come with commercial/industrial development costs

Equity Co-ops provide a form of limited equity homeownership as an alternative form of tenure for families and seniors. The co-ops operate on a non-profit basis so housing costs are affordable. Purchasers get ownership of unit and security of tenure. Members manage the project and control who can join. The sponsor non-profit company retains ownership of the building exterior and all common property, including the recreation, meeting and parking facilities. (<http://web.uvic.ca/bcics/FActs/housing.html>- Housing Co-ops in BC)

Advantage:

- generates ownership opportunities and strengthens communities
- affordability to units is available for the long term

Disadvantage:

- funding sources are limited currently
- resale price is fixed thereby limiting equity building for the owner

Expedited Fee Waivers/Permitting range from permit fees associated with new development applications to impact fees associated with new units- building permits, development charges, parks fees, etc. (Vancouver – Station Street project.)

Advantage:

- cuts development time and costs

Disadvantage:

- requires tax based revenues
- may create errors without due diligence

Flexible Housing designs that offer a range of incremental adaptation to either the interior and/or exterior and will better facilitate the disabled or “aging in place” seniors.

Advantage:

- creates opportunity for diversity and cost saving (smaller homes amid larger ones)

Disadvantage:

- may change visual neighbourhood make-up with considerations as ramps for wheelchair or easy entry

Housing Authority is a legal entity such as a community group, municipal service or non-profit agency that facilitates the construction of affordable housing, manages after development and oversees ongoing affordability of the properties. (Tofino Housing Corporation)

Advantage:

- a community agent (or more than one) is given authority to ensure affordable housing exists for a segment of the population
- various authorities may be organized for diverse needs populations

Disadvantage

- costs of operation if formed by a local government and affiliated with a planning department

Housing Reserve Fund or Trust Fund is an account set up by a non-profit, local government to receive funds that are dedicated to the creation of affordable housing. Funding comes from property taxes, cash-in-lieu from developers upon rezoning, and amenity density bonus contributions and donations.

Advantage:

- provides non-profit housing organizations with secure equity assistance for projects
- creates a pool of funds
- facilitates partnerships

Disadvantage:

- usually does not provide enough funding to construct the project

Housing Suitability/Adequacy refers to the size of the home in bedrooms compared to the size of the family living in that home. Room sharing must meet Housing Act standards. These are often issues for large low-income or moderate income families since they may not be able to afford rents or mortgages on larger homes.

Advantage:

- creates housing diversity

Disadvantage:

- demands affordable housing flexibility by ensuring there are homes built with more than three bedrooms, larger dining rooms, etc

Inclusionary Zoning means zoning regulations that require an applicant to contribute to affordable housing as part of rezoning application. It can include a percentage of the developed units that must be affordable, off-site construction of the affordable units, or cash-in-lieu paid into a housing fund. (City of Langford)

Advantage:

- secures commitment to build affordable housing at time of rezoning, before development begins
- ties the impact of new development to affordability of the community as a whole

Disadvantage:

- perception that it may drive desired development to other communities
- may increase the cost of market units

Infill Development occurs on parcels of land that have been bypassed by previous development. Lot sizes are often smaller or may have been transitional areas between land uses, underdeveloped sites and irregular sites. The infra-structure is often in close proximity thereby allowing for more affordable housing prices.

Advantage:

- eliminates empty lots; allows for integrated affordable housing

Disadvantage:

- community resident displeasure

Land Lease allows municipalities, organizations, donors or others to lease their land, usually for non-profit co-operative or government-assisted rental housing purposes. Generally it is leased at 75% of its market value for 60 years. Maximum rent increases or limited resale prices are imposed.

Advantage:

- land remains municipally (tax payer) owned

Disadvantage:

- leasee doesn't own the property

Land Trust or Bank or Reserve is the dedication of land for affordable housing or related amenity purposes by an organization or a local government when there is no immediate plan to develop the property. (See Ucluelet planning and bylaws)

Advantage:

- provides sites for housing projects at little or no cost to non-profit housing providers (*see Vernon and District Community Land Trust*)

Disadvantage:

- low cost or no cost sites with development potential are scarce

Minimum Lot Size & Set Backs is setting lot sizes or set back restrictions within a given zoning to allow for the development of more units in an area. (Squamish, Regional District of Nanaimo)

Advantage:

- increases density without significant increases to infrastructure costs

Disadvantage:

- may increase parking requirements

Mixed Use is a combination of retail/commercial, institutional and housing units of various types on one parcel or in one project. An example is apartments for rent or condominiums for sale above commercial (e.g. hotel) or retail space. (Quayside Village Co-housing, North Vancouver)

Advantage:

- increases density without increased infrastructure costs
- creates a more vibrant community at different hours of the day

Disadvantage:

- parking challenges if commercial parking was not originally adequate for both residential and commercial use
- changes commercial 24-hour use from empty after hours to possibly used for extended hours of the day/week, etc. that may require additional security and other planning

Residential – fee payment to the municipality which contributes to an affordable housing fund. Larger homes may be required to provide an ancillary dwelling unit or a secondary suite.

Advantage:

- contributes to affordable housing units
- facilitates a healthy community demographic mix

Disadvantage:

- adds costs to a residential development

Secondary Suites are self-contained unites in a building (typically a single family home). These can also be called basement apartments, in-law suites and illegal suites.

Advantage:

- inexpensive way to increase stock of rental housing
- mortgage helper
- creates units without adding to service infrastructure
- integrates affordable housing throughout all neighbourhoods

Disadvantage:

- increase need for parking

Shell Housing allows a homeowner to build while living within a semi-finished property. (*The Tyee*, Do It Yourself Housing Lauded by Minister Coleman, March 2009)

Advantage:

- facilitates housing construction as funds become available within their budget

Disadvantage:

- requires municipalities to ensure housing is completed and shells are not abandoned
- could have neighborhoods with incomplete housing if pre-construction agreements are not met



Agreement/ Covenants (Housing Agreements/Covenants) are legal documents registered on title of a property that are used to ensure that a house or property will remain affordable over the long-term. (Langford's affordable housing model)

Advantage:

- owners have clarity about resale rights or values
- units remain affordable over the long term (10-25 years)

Disadvantage:

- owners have limited capital gains
- requires administrative structure and review (by local government or non-profit, etc.)

Alternate Development Standards may reduce servicing costs to developers, examples include: smaller lots, narrower roads, reduced sidewalk requirements, storm water systems that rely more on surface drainage, and the use of common utility connections.

Advantage:

- allows local government to partner with a developer in saving costs while facilitating more units (sidewalks on only one side of street not both sides, lot sizes, street layout, drainage systems, etc.)
- allows greater flexibility for infrastructure development and design

Disadvantage:

- neighbourhood may be seen as having fewer amenities
- approval process may be deterred if standards are not consistently applied

Co-Housing attracts mostly middle class households. Units in a co-housing project are owned, often through a strata-title arrangement. (See list of BC Co-Housing Groups - <http://www.cohousing.ca/cohsng4/bcforming.html>)

Advantage:

- contributes to neighbourhood household mix
- allows for affordable home ownership for a portion of the community

Disadvantage:

- owner has limiting resale advantages limited by agreement/covenant

Community Housing is a program that provides accommodation, generally for families on a rent-geared-to-income basis. Usually provided through a non-profit organization or a municipal government and funded in part through BC Housing. (Salt Spring Community Housing and Land Trust)

Advantage:

- supports low-income households or hard to house populations

Disadvantage:

- cost tax payer revenues when publicly funded

Co-ownership Housing enables housing to be sold at below market prices and are provided through housing societies. It allows for collective ownership and management. (See James Wong Realty – Richmond and Vancouver, see also <http://apmmanagement.com/co-ownership.html>)

Advantage:

- ownership increases housing stability
- costs are shared between two households

Disadvantage:

- legal cost obligations (maintenance, etc.)

Deferred taxes can act as an incentive to construct affordable housing. Deferring taxes can be continued until the housing or non-profit society begins to make a profit on the housing.

Advantage:

- financial benefit to the non-profit and/or the developer

Disadvantage:

- cuts government revenues
- costs tax revenues

Employee housing units are used exclusively for the residence of employees and their families. These units are not rented to seasonal staff. (Grand Motel has staff units on site; Whistler Employee Housing.)

Advantage:

- allows for secure housing to an employee

Disadvantage:

- may deter corporate investment

Employee housing units are used exclusively for the residence of employees and their families. These units are not rented to seasonal staff. (Grand Motel has staff units on site; Whistler Employee Housing.)

Advantage:

- allows for secure housing to an employee

Disadvantage:

- may deter corporate investment If housing costs come from commercial/industrial development cost

Equity Co-ops provide a form of limited equity homeownership as an alternative form of tenure for families and seniors. The co-ops operate on a non-profit basis so housing costs are affordable. Purchasers get ownership of unit and security of tenure. Members manage the project and control who can join. The sponsor non-profit company retains ownership of the building exterior and all common property, including the recreation, meeting and parking facilities. (<http://web.uvic.ca/bcics/FActs/housing.html>- Housing Co-ops in BC)

Advantage:

- generates ownership opportunities and strengthens communities
- affordability to units is available for the long term

Disadvantage:

- funding sources are limited currently
- resale price is fixed thereby limiting equity building for the owner

Expedited Fee Waivers/Permitting range from permit fees associated with new development applications to impact fees associated with new units- building permits, development charges, parks fees, etc. (Vancouver – Station Street project.)

Advantage:

- cuts development time and costs

Disadvantage:

- requires tax based revenues
- may create errors without due diligence

Home Purchase Assistance provides interest-free and low-interest loans to qualified low to moderate income homebuyers, which may be used for down payment or closing costs. Loans are forgivable over a number of years as long as the property remains the applicant's primary residence for a specified number of years. (BC down payment assistance programs – Alan Mah in Vancouver, and down payment assistance programs, http://www.chsicanada.com/program_dpap.htm)

Advantage:

- facilitates home ownership toward housing security

Disadvantage:

- may require non-profit donor dollars or tax revenue support

Housing Rehab Programs assistance may be provided as low-interest loans or government grants. (Federal Infrastructure Stimulus Funding; Homeowner RRAP; RRAP for Persons with Disabilities; HASI, Home Adaptations for Seniors' Independence; ERP, Emergency Repair Program; <http://www.cmhc-schl.gc.ca/en/co/prfinas/>)

Advantage:

- ensures adequate housing
- facilitates housing stability for varied income groups

Disadvantage:

- requires tax revenue spending

Housing Reserve Fund or Trust Fund is an account set up by a non-profit, local government to receive funds that are dedicated to the creation of affordable housing. Funding comes from property taxes, cash-in-lieu from developers upon rezoning, and amenity density bonus contributions and donations.

Advantage:

- provides non-profit housing organizations with secure equity assistance for projects
- creates a pool of funds
- facilitates partnerships

Disadvantage:

- usually does not provide enough funding to construct the project

Land Trust or Bank or Reserve is the dedication of land for affordable housing or related amenity purposes by an organization or a local government when there is no immediate plan to develop the property. (See Ucluelet planning and bylaws)

Advantage:

- provides sites for housing projects at little or no cost to non-profit housing providers (see *Vernon and District Community Land Trust*)

Disadvantage:

- low cost or no cost sites with development potential are scarce



Bowen Road, Nanaimo
Affordable Housing
Family Housing

There are twelve complexes in Nanaimo operated by non-profit societies which offer subsidized family housing. Seven of those complexes are open to all families and five are available only to families of First Nations status. **All projects have a waiting list and there is no emergency housing available at any of the complexes.** Most of the complexes are townhouse style.

Waiting Lists: When applications are received, they are scored for need based on the information provided. Applicants are offered units based on need and availability. Typically, applicants can be on the waiting list for 1 year or longer before a unit comes available.

Perpetual Affordable Housing is created when agreements/covenants that restrict resale capital gains, rent increases, conversion opportunities, etc. are put in place (e.g. Revelstoke, Tofino, Lanford)

Advantage:

- secures affordable housing units for periods of time
- encourages a healthy community income mix while supporting the housing needs of entry level families, single parent female families, seniors, etc.

Disadvantage:

- limits profitability in affordable housing projects for developers, owners, etc

Additional Affordable Housing Roles

Partnerships:

The value of partnerships involving local government, senior government agencies, housing organizations and the community is key to initiatives. Two roles related to the creation of partnerships are possible for governing bodies:

Active Partner:

A Municipality/District may choose to become an active partner in the actual development of rental housing units. A decision to provide land for housing would make a District or Municipality an active partner, as would a decision to initiate development through a District or Municipal housing office or authority.

Facilitator:

Be a matchmaker between possible partners, e.g. land owners, non-profit organizations, developers, funders, etc.