

CAPITAL REGIONAL DISTRICT
Regional Planning Services Department

Staff Report to the Regional Planning Committee
Meeting of Wednesday, July 21, 2004

SUBJECT:

Regional Housing Affordability Strategy – Draft Trust Fund Business Case and Recommendations for Next Steps

BACKGROUND:

- October 15/03: Regional Planning Committee (RPC) directs staff to distribute to member municipalities and electoral areas for review and comment two reports: *The Final Consultants Report – A Proposed Housing Affordability Strategy for the Capital Region*; and, *Discussion Paper: Housing Trust Funds – Opportunities and Options*.
- April 21/04: RPC reviews comments received from Oak Bay, Victoria, Saanich, Colwood, Langford, Sooke, Sidney, North Saanich and Central Saanich. RPC recommended that the Board receive the comments for information, and advises the Board that the committee would examine the issues raised and report back with recommendations at a later date.
- May 19/04: RPC considers options for the establishment of a Regional Housing Trust Fund, one of three high priority regional initiatives recommended in the RHAS final consultants report. Although no resolution was taken, there was general agreement to continue the discussion at the June meeting on the option of a regional housing trust set up through a new service establishment bylaw, based on the principle of voluntary participation of municipalities.
- June 16/04: RPC directs staff to prepare a model Housing Trust Fund bylaw and covering business case letter to member municipalities, based on the results of the committee's discussions, including a description of the pros/cons of using the Housing Corporation's existing supplementary letters patent (SLP), or a new service establishment bylaw.

DISCUSSION:

This report has three purposes:

1. To provide an update on municipal comments received;
2. To present a business case and draft model bylaw for a regional housing trust fund service; and,
3. To make recommendations regarding the next steps in the process to review and finalize the RHAS.

Attachment A is an update of the chart first presented at the April 21st meeting, and includes a summary of the comments received subsequent to that meeting. The following general conclusions can be drawn from the municipal review of the RHAS:

- Eight municipalities (Central Saanich, North Saanich, Victoria, Highlands, Langford, Saanich, Metchosin and Sooke) express either support or partial support to the strategic directions of the RHAS.
- Some level of support was expressed for the RHAS proposal to establish a regional housing trust fund by eight member municipalities (Victoria, Saanich, Colwood, Metchosin, Sooke, North Saanich, Central Saanich, and Highlands).
- There was less support for the proposals to establish a Housing Resource Centre or a Housing Facilitator position. The general view is that these functions, if necessary at all, should be handled by existing programs and staff, in particular through the Capital Region Housing Corporation (CRHC), or as a purely web-based service.
- Only four municipalities commented on the proposals to harmonize development regulations (three negative, one support in principle) and only one municipality commented (support in principle) on the proposal to preserve the existing rental housing stock.
- Four municipalities expressed the view that local rather than regional strategies are a more appropriate response to the housing affordability issue.

On the basis of these findings, it seems that there is sufficient support to further consider the proposal to establish a Regional Housing Affordability Trust, and to take forward a revised RHAS for consideration for approval by the Board, with the provision that the proposals related to the Housing Resource Centre and Housing Facilitator either be eliminated from the RHAS or that they be clearly identified as functions that should be handled through existing CRHC programs, or by a non-government body such as the Housing Affordability Partnership. Further, it should be clarified in a revised RHAS that

the proposals related to the harmonization of local development regulations, and the preservation of the existing rental housing stock, should be undertaken by municipalities acting alone or in partnership with their neighbours.

Attachment B presents a draft business case for a regional housing affordability trust fund (RHTF), including a draft service establishment bylaw. A summary of the pros & cons of proceeding under either the existing supplementary letters patent (SLP) or the draft service establishment bylaw, and an estimated timeline for the review and approval of the proposed RHTF under both the SLP and the draft new bylaw will be presented at the meeting.

The business case and draft service establishment bylaw for a RHTF should be reviewed by the regional solicitor and if necessary revised on the basis of that input, prior to circulation for comment to member municipalities and electoral area directors. It is recommended that the RHAS be revised to include a regional plan for action and distributed for broader public review and input, following the Board's consideration of comments received from member councils on the RHTF proposal.

RECOMMENDATIONS:

That the Regional Planning Committee recommend to the Board that:

1. The Regional Affordable Housing Trust Fund Business Case and Draft Model Bylaw be referred to the regional solicitor for review and comment on any necessary amendments prior to broader circulation;
2. The Regional Affordable Housing Trust Fund Business Case and Draft Model Bylaw be circulated to member municipalities and electoral areas for review and comment, specifically to determine the level of support for the proposed service;
3. Staff be directed to prepare a final draft of the Regional Housing Affordability Strategy revised as recommended in this report, including an action plan for the implementation of regional district initiatives identified in the Strategy, following the completion and report-back on the results of recommendation 1; and,
4. Staff be directed to prepare a process for public review of the draft final Regional Housing Affordability Strategy to obtain feedback from the broader regional public.

RGS CONSISTENCY:

RHAS is an implementation initiative of the RGS, and responds to its direction in initiative

3.2.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION:

Financial implications of a housing trust fund established through the municipal requisition are identified in Attachment B.

Mark Hornell, MCIP
Director of Regional Planning Services

DIRECTOR OF FINANCE'S COMMENTS:

Diana Lokken, CMA
Director of Finance and Corporate Services

EXECUTIVE DIRECTOR'S COMMENTS:

W.M. Jordan, Executive Director

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