

## AFFORDABLE HOUSING

DECEMBER 9, 2024

### BACKGROUND

At the September 23, 2024, Special Committee of the Whole, the Committee recommended that Council direct staff to report back with an impact assessment on Affordable Housing. This motion was ratified at the October 7, 2024, Council meeting.

Council has consistently articulated that there is a need for more affordable housing in Esquimalt. This need was reinforced by then Housing Minister, Ravi Kahlon, in his June 26, 2024, letter to Mayor Desjardins outlining Esquimalt’s five-year housing target. While the overall target is a net increase of 754 units by June 30, 2029, the target also includes a non-binding target of 267 affordable housing rental units and 16 supportive housing units.

In addition to the targets set by the Province, the latest Interim Housing Needs Report (endorsed by Council in November 2024) further clarifies affordable housing needs for the next 5- and 20-years. These needs are summarized in the table below:

Component	5-Year Need	20-Year Need
Extreme Core Housing Need	153.32	613.29
Persons Experiencing Homelessness	43.49	86.99
Suppressed Household Formation	120.32	481.29
Total	317.13	1181.57

Although the Township has had some success in securing below-market housing through density bonusing, the number of units achieved through this method is low compared to the scale of the problem. The density bonusing system also increases the cost of the market housing in proposed housing projects. If the cost rises above what the market will bear, developers and builders will stop building housing and further exacerbate the situation.

An assessment of Township resources (both capacity and capability) confirms that directly supporting the work required to increase affordable housing without significantly impacting current commitments is not achievable. To meet affordable housing needs, Esquimalt would need to partner with non-profit housing organizations, developers, and other levels of government to pool resources to help develop these units.

The ultimate goal of this initiative is to describe both policy and legislative tools that can be used by Council and Development Services to increase the number of non-market housing units

available to residents of Esquimalt. This will inevitably involve combining resources with developers, other levels of government, and non-profit housing organizations to take advantage of synergies to access available resources to get non-market housing built in Esquimalt while at the same time meeting the non-binding target set out in Esquimalt's Housing Target Order and meeting the number of non-market units identified in the Housing Needs Report.

## PROJECT SCOPE

The development of an "Affordable Housing Strategy" will examine the following:

- Define "Affordable Housing"
- Confirm policy context and jurisdictions:
  - o Federal policy
  - o Provincial policy
  - o Regional policy
  - o Neighbouring municipalities policy
- Review results of the Housing Needs Assessment
- Review other data sources
- Data analysis
- Focus group of affordable housing providers and users
- Prepare Draft Affordable Housing Strategy generally as follows:
  - o Vision and Mission
  - o Issues identification
  - o Emerging trends
  - o Gap analysis
  - o Strategic Objectives
  - o Strategic Directions
  - o Tactical Plan
  - o Benchmarking
  - o Implementation
  - o Review and adaptation
- Draft Affordable Housing Strategy circulated to Committee of the Whole, Advisory Planning Commission and the public for comments
- Draft Affordable Housing Strategy amended based on public comments
- Draft Affordable Housing Strategy presented to Council for ratification
- Implementation as directed by Council

## PROJECT SCHEDULE

Based on current and anticipated workloads, the tentative schedule for this project is outlined below. If Council wishes to advance the schedule, it may require other projects to be set aside.

	Start Date	End Date
Request for Proposals and Consultant Contract Award	Q3 2025	Q1 2026
Collect and analyze existing data and identify data gaps	Q1 2026	Q2 2026
Conduct additional research (key informant interviews, focus groups, surveys, open houses)	Q2 2026	Q3 2026
Analyze data from additional research	Q4 2026	Q4 2026
Prepare draft strategy including presenting results to Council	Q1 2027	Q1 2027
Prepare final Affordable Housing Strategy	Q2 2027	Q2 2027

### STAFF IMPACT

Staff does not have the capacity to undertake this work, therefore, a consulting group will need to be hired. Development Services staff will prepare the request for proposals, review the proposals, and negotiate the contract with the successful bidder; however, the bulk of the data collection and analysis will be done by the consulting team. Development Services will take the lead role with support from the Engineering Department.

## STAKEHOLDERS/POTENTIAL PARTICIPANTS OR DEPENDENCIES

Stakeholders include:

- Federal government (e.g. CFB Esquimalt and the CMHC)
- Provincial government (BC Ministry of Housing and Municipal Affairs and BC Housing)
- Regional housing authority (e.g. CRD)
- Non-profit housing providers (e.g. Greater Victoria Housing Society)
- Non-profit organizations that work in the affordable housing sector (Community Social Planning Council of Greater Victoria)
- Immigrant organizations
- Esquimalt residents at risk of homelessness
- Architects and Designers
- Seniors' organizations (e.g. Esquimalt Neighbourhood House)
- Religious organizations.
- Developers

## PROJECT RISK MANAGEMENT

Development Services is a lean team currently committed to significant Council Priority Projects. The team's ability to deliver can vary due to unpredictable demands, including increases in development proposals submitted to the Township. This project would have high schedule risk (ie potential delays or slippage) as a result.

## FINANCIAL IMPACT

A supplementary operating budget request of \$75,000 is anticipated.