

Attachment 3: Overview of Revisions to Draft Affordable Housing Policy

The following tables provides the details and rationales for the revisions recommended to the draft Affordable Housing Policy and Implementation Plan compared to the version reviewed by Committee of the Whole in fall of 2023. Minor revisions are not highlighted.

Policy Section	Overview of Revisions	Rationale
1. Purpose	<ul style="list-style-type: none"> Deleted reference to housing CACs. 	<ul style="list-style-type: none"> Housing related CACs are no longer included in this policy (see below for additional explanation).
2. Scope	<ul style="list-style-type: none"> Deleted reference to applicability of policy to development applications. 	<ul style="list-style-type: none"> Housing related CACs are no longer included in this policy (see below for additional explanation).
3. Acronyms & Definitions	<ul style="list-style-type: none"> Amends the definition of "affordable housing development" to include rental housing owned and operated by a non-profit society or government agency. 	<ul style="list-style-type: none"> Even when a development does not initially achieve deep levels of affordability, the not-for-profit model of ownership means that any savings and rental returns will often be reinvested into reducing costs for residents. Over time the units should become more affordable relative to comparable units owned/operated on a for-profit basis.
	<ul style="list-style-type: none"> Amends the definition of "affordable housing development to reduce the required threshold from 40% of units to 25% of units. 	<ul style="list-style-type: none"> The 25% threshold may be more achievable for private developers want to provide affordable housing units as a way to access the incentives identified elsewhere in the policy.
	<ul style="list-style-type: none"> Amends the definition of "affordable housing unit" for a rental unit from "average rent" to "10% below the average rent". 	<ul style="list-style-type: none"> Deeper level of affordability will be affordable for more households. Change slightly offsets the change in required percentage of units for a development to meet the threshold to be considered an "affordable housing development".
	<ul style="list-style-type: none"> Adds a definition of "housing cooperative" 	<ul style="list-style-type: none"> Acknowledges that this model of housing that is increasingly being encouraged/funded by other levels of government.

		<ul style="list-style-type: none"> • A housing cooperative, as defined, would meet the definition of an Affordable Housing Development.
4. Partnerships & Advocacy	<ul style="list-style-type: none"> • Adds emphasis to urgent need for temporary housing solutions and shelter spaces. 	<ul style="list-style-type: none"> • Additional focus on addressing homelessness has been added throughout the policy.
5. Delivering Affordable Housing (NEW SECTION)	<ul style="list-style-type: none"> • More direct and clear that the Municipality will work to partner on delivering affordable housing projects. • Provides standing direction for staff to make applications to the Regional Housing Fund administered by the CHA and CVRD. 	<ul style="list-style-type: none"> • Shift in overall policy to be “inward facing” with de-emphasis on contributions of affordable housing from private development. • The Regional Housing Fund can be an important funding source, especially for “seed money” intended to attract other funding and the fund is supported by the North Cowichan property tax base.
6. Addressing Homelessness (NEW SECTION)	<ul style="list-style-type: none"> • New policies reflect the urgent need to addressing homelessness and identifies steps the Municipality can take. 	<ul style="list-style-type: none"> • Additional focus on addressing homelessness has been added throughout the policy. • Reflects the housing aspects of “THE WAY OUT: Cowichan Vision for Wellness” which was presented to Council November 20, 2024.
7. Using the Affordable Housing Reserve Fund	<ul style="list-style-type: none"> • Clarifies that the Affordable Housing Reserve Fund can be used to pay DCCs for Affordable Housing Developments. 	<ul style="list-style-type: none"> • DCCs can and have been paid from the reserve fund, change in policy is to state it more directly.
	<ul style="list-style-type: none"> • Encourages projects to apply for other funding sources such as the CHA’s “Regional Housing Fund”. 	<ul style="list-style-type: none"> • Multiple funding sources are often needed to make Affordable Housing Developments viable.
	<ul style="list-style-type: none"> • Adds direction to publish information about the amounts and goals of the Affordable Housing Fund. 	<ul style="list-style-type: none"> • Suggestion came from the public engagement on the Interim CAC Policy. • The goal is to make sure people understand what they are paying into and working towards rather than “just another tax or fee”.

8. Leveraging Municipal Real Estate	<ul style="list-style-type: none"> • Simplifies the section and focuses solely on housing. 	<ul style="list-style-type: none"> • Property Management Strategy is under development meaning there is less need for placeholder policies for this topic.
9. Co-locating Housing with Municipal Facilities	<ul style="list-style-type: none"> • Adds direction to review OCP and zoning to facilitate this type of mixed use. 	<ul style="list-style-type: none"> • OCP does not directly support/contemplate this scenario. • It may be reasonable to “pre-zone” civic land uses to allow housing as an accessory use.
10. Providing Financial Incentives for Affordable Housing	<ul style="list-style-type: none"> • Adds direction to review Permissive Tax Exemption Policy. 	<ul style="list-style-type: none"> • Although the existing policy is broad enough to capture affordable housing projects, it may be warranted to set more specific eligibility requirements for affordable housing developments.
11. Providing Non-Financial Supports for Affordable Housing	<ul style="list-style-type: none"> • Adds direction to consider developing differential zoning provisions for affordable housing developments and/or affordable housing units. 	<ul style="list-style-type: none"> • Derived from 2023 Land Economics study recommendation which highlighted the very high cost of providing on-site parking (especially underground parking).
12. Protecting Existing Rental Units	<ul style="list-style-type: none"> • Changes to terminology. 	<ul style="list-style-type: none"> • Reflects changes to LGA. • Ensures that follow up work can consider manufactured home park pad rentals
	<ul style="list-style-type: none"> • Amends policies related to short-term rentals. 	<ul style="list-style-type: none"> • Reflects changes to Provincial regulations (e.g., Short-Term Rental Accommodation Act).
	<ul style="list-style-type: none"> • Acknowledges informal housing in the community and adds direction to explore ways to reduce harms associated with tenants being dislocated from illegal residences. 	<ul style="list-style-type: none"> • Informal housing (e.g., long-term stays in recreational vehicles; illegal suites) exists in the community. • Tenant evictions can result from bylaw enforcement actions related to violations of the Zoning and Building Bylaws. The Municipality sometimes must take action due to safety concerns, however this can have profound impacts on the residents who have often done nothing wrong and believed that the housing was legal.
13. Encouraging Development of	<ul style="list-style-type: none"> • Adds reference to small-scale multi-unit developments. 	<ul style="list-style-type: none"> • Reflects the Bill 44 changes, and the related zoning bylaw amendments completed, including:

<p>Accessory Dwelling Units (ADUs) and Small-Scale Multi-Unit Housing</p>	<ul style="list-style-type: none"> • Deletes/modifies/updates several aspects of the follow up work. 	<ul style="list-style-type: none"> ○ Permission for small-scale multi-unit developments in many zones. ○ Expanded permission for modular housing (previously identified as an implementation item). ○ Expanded permission for detached ADUs without need for a development permit (previously identified as implementation items). • Section was also scaled back since previous version hoped that grant applications would fund aspects of the work.
<p>14. Requesting Housing Related Contributions from New Development</p>	<ul style="list-style-type: none"> • Removed targets for housing CACs and instead references the draft Interim CAC Policy. • Adds direction to review “inclusionary zoning” 	<ul style="list-style-type: none"> • The findings of the 2023 Land Economist study were that the proposed housing CACs were affordable for some but not all types of development and that they absorbed most of the available CAC room. Now that we need significant CAC contributions towards infrastructure, the housing CAC rates proposed in 2023 are likely not affordable for developments, at least in the immediate term. • The draft Interim CAC Policy includes a more modest request for an affordable housing contribution which can be adjusted ore replaced in the future as conditions change. • Reflects new zoning powers for “inclusionary zoning” from the LGA.
<p>15. Monitoring and Evaluation</p>	<ul style="list-style-type: none"> • Removes reference to updating Housing Needs Report. 	<ul style="list-style-type: none"> • Timing of Housing Needs Reports is now legislated through the LGA.

	<ul style="list-style-type: none"> • Changes to reflect revisions to other sections of the policy. 	<ul style="list-style-type: none"> • The policy direction related to ADUs and short-term rentals has changed/been removed, however tracking will still be beneficial. • Housing related CACs are no longer included in this policy, likely resulting in fewer housing agreements that are not part of affordable housing developments.
16. Affordable Housing Implementation Plan	<ul style="list-style-type: none"> • Adds a list of in-stream affordable housing projects and need for non-market units as identified in the 2024 Interim Housing Needs Report. 	<ul style="list-style-type: none"> • Consistent with the policy being more direct and clearer that the Municipality will work on delivering affordable housing projects.
	<ul style="list-style-type: none"> • Updated and reprioritized list of implementation actions and projects. 	<ul style="list-style-type: none"> • List of actions and projects was updated to match changes throughout the policy. • Prioritization was updated to reflect work that is underway/in the immediate business plan (the first four priorities) and to reflect the input from the public engagement (tenant protection) and recent discussions at Council (financial incentives for affordable housing developments).