

Report

Date November 19, 2025
Subject Community Land Trust – 2026 Grant-in-Aid

File:

PURPOSE

To recommend the grant-in-aid amount for Council’s consideration, pursuant to the June 28, 2022 invitation to Community Land Trust to apply for a grant-in-aid for a housing development at 3181 Sherman Road.

BACKGROUND

Council wrote to the Community Land Trust (CLT) on June 28, 2022 inviting them to apply for a grant-in-aid to support an affordable housing development at 3181 Sherman Road (curling club). The letter advised the following “...Council would like to invite the Cowichan Land Trust (CLT) to submit a 2023 grant-in-aid application for up to \$432,000. This would cover approximately half of the estimated building permit fees and Development Cost Charges (DCC) of the project. ...”. The full letter is included as Attachment 1.

The invitation followed a staff report presented to Council on June 15, 2022. That report is included as Attachment 2. The report recommended that a grant-in-aid of up to \$432,000 be considered by Council upon application. The report arrived at the \$432,000 amount based on 50% of an estimated building permit fee of \$215,000 and an estimate of DCCs equalling \$649,000 (for a total of \$864,000).

The 2025 project will consist of two new buildings located at 3181 Sherman Road on the vacant portion of the Glen Harper Curling Centre lands owned by the Municipality. One building is comprised of 58 units, and the other building has 34 units.



\$805,744 has been paid by TL Housing, the building contractor for CLT, to cover the building permit fee and DCC charges.

CLT has submitted a grant-in-aid request for \$432,000 (Attachment 4) but has also provided a letter requesting "waivers" totalling \$543,316 despite the clarity provided in the 2022 staff report and subsequent letter to CLT. Their letter is shown in Attachment 3. The \$543,316 amount is derived from DCC calculations that contained an error. The actual DCC amount is \$481,436. Thus, there is an overpayment of \$61,880 towards DCCs.

DISCUSSION

The 2025 building permit fees and corrected DCCs have been calculated and are summarized in Table 1

Description	2022 Estimated Amount	2025 Actual Amount
Building permit fee	\$215,000	\$262,428
DCC (BP009876, 58 units)	\$649,000	\$303,514
DCC (BP009877, 34 units)		\$177,922
TOTALS	\$864,000	\$743,864

The net amount owing if Council agrees to a 50% of building permit fees and 50% of DCCs grant-in-aid is shown in Table 2.

Description	Amount	Adjustment	Grant in Aid Amount
Building permit fee	\$262,428	50%	\$131,214
DCC (BP009876, 58 units)	\$303,514	50%	\$151,757
DCC (BP009877, 34 units)	\$177,922	50%	\$88,961
TOTALS	\$743,864		\$371,932

Since CLT has already paid \$805,744 based on an outdated calculation of DCC's, the overpayment of \$61,880 will need to be refunded and the DCC revenue recorded will be adjusted accordingly. As stated earlier, Council invited CLT to apply for a grant-in-aid covering 50% of the fees which total \$371,932. Staff are proposing, if approved by Council, that North Cowichan issue a grant-in-aid in the amount \$371,932, which was the initial intent of Council in 2022. This grant will be funded through the Growing Communities Reserve fund and will have no impact on taxation in the 2026 budget. There is enough funds in this reserve to cover the full amount requested by CLT, should Council want to increase the grant-in-aid.

CLT's request for a waiver of \$543,316 does not align with Council's established direction and is based on DCC calculations that contain an error.

Staff consider this project a good candidate for a contribution from the Cowichan Housing Association (CHA). The association's website states that it is committed to facilitating and developing permanent affordable housing opportunities within the Cowichan Valley. Through CHA, the "Regional Housing Fund is available to non-profit organizations, including registered charities and for-profit organizations or private development companies who intend to develop permanent affordable rental housing in the Cowichan Valley" ([quote from Cowichan housing website](#)). Council could provide support to this project through the CHA.

OPTIONS

1. **(Recommended Option 1)**

- (1) THAT Council approves a grant-in-aid for 50% of the Development Cost Charges and building permit fees for 3181 Sherman Road in the amount \$371,932 to Community Land Trust (CLT) and issue a refund to TL Housing in the amount of \$61,880.
 - (2) THAT Council provides a letter of support for a Letter of Intent by CLT to the Cowichan Housing Association Executive Director.
- This option aligns with the original invitation from Council to the CLT and provides the support envisioned for this project.
 - This may help support an application to the CHA that could top up the costs associated with the following.
 - Local government fees and costs for rezoning, bylaw amendments, development, and building permits/agreements
 - Architectural design costs and fees to obtain rezoning, bylaw amendments, development and building permits
 - Civil, Topographical, Landscape, Traffic, Development Consulting costs and fees to obtain rezoning, bylaw amendments, development and building permits
 - Construction management costs and fees
 - Legal and accounting costs and fees to obtain rezoning, bylaw amendments, development and building permits
 - Other

2. **(Recommended Option 2)** THAT Council directs staff to: *[insert alternate direction]*

IMPLICATIONS

The recommended option is consistent with the staff recommendations from 2022 and Council's goals to support the project as noted in the Council letter dated June 28, 2022.

Providing the grant-in-aid from the Growing Communities Reserve Fund will not impact taxation or the 2026 budget.

RECOMMENDATION

- (1) THAT Council approves a grant-in-aid for 50% of the Development Cost Charges and building permit fees for 3181 Sherman Road in the amount \$371,932 to Community Land Trust (CLT) and issue a refund to TL Housing in the amount of \$61,880.
- (2) THAT Council provide a letter of support for a Letter of Intent by CLT to the Cowichan Housing Association Executive Director.

Report prepared by:



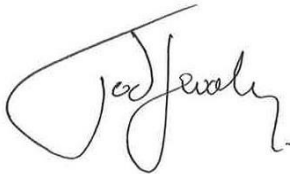
David Conway
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Report reviewed by:



George Farkas
General Manager, Planning, Development and
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Approved to be forwarded to Council:



Ted Swabey
Chief Administrative Officer

Attachments:

- (1) Attachment 1 – letter from Council to CLT dated June 28, 2022
- (2) Attachment 2 – Staff report titled Municipal Contributions to Affordable Housing Projects dated June 15, 2022
- (3) Attachment 3 – letter from Community Land Trust dated November 5, 2025
- (4) Attachment 4 – Community Land Trust GIA application
- (5) Attachment 5 – Colour drawing of the buildings taken from the building plans