



STAFF REPORT TO COMMITTEE

DATE OF REPORT January 21, 2025
MEETING TYPE & DATE Committee of the Whole of February 26, 2025
FROM: Economic Development Division
Corporate Services Department
SUBJECT: Cowichan Region Workforce Housing Strategy
FILE: 6750-20 REG 2022-2023 Workforce Housing

PURPOSE/INTRODUCTION

The purpose of this report is to provide an update on the Cowichan Region Workforce Housing Strategy. It will be accompanied by a presentation from CitySpaces Consulting.

RECOMMENDED RESOLUTION

That it be recommended to the Board that:

- 1) The recommendations outlined in the updated Cowichan Region Workforce Housing Strategy be considered for implementation as resources and priorities allow; and
- 2) The CVRD send the updated Cowichan Region Workforce Housing Strategy to each member municipality.

BACKGROUND

Preparing the Strategy

At the December 8, 2021 CVRD Board meeting, a resolution was passed approving the development of a regional Workforce Housing Strategy (Resolution 21-21539). The goal of the project was to identify actions for increasing housing availability and affordability for the labour force. Economic Development Cowichan (EDC) led this project on behalf of the CVRD, with support from Cowichan Housing Association and CitySpaces Consulting.

Work on the project began in 2022 with the launch of the Workforce Housing Surveys for employers and workers. The results demonstrated the impacts that housing challenges were having on both businesses and workers, and pointed to a suite of potential solutions to the housing crisis, spanning local government, non-profit, and the private sector. The results were presented to the CVRD's Committee of the Whole on February 8, 2023.

In 2023, EDC and project consultants CitySpaces undertook additional research and engagement through multiple rounds of workshops and extensive one-on-one meetings with a large variety of stakeholders to inform the development of the Strategy. This process identified a multitude of underlying factors that were impacting workforce housing in the region, as well as potential solutions. The project team, in consultation with stakeholders and the CVRD Board, narrowed the focus of the project to four key areas for action:

- Enable industry-led workforce housing solutions

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- Accelerate housing development
 - Enhance short-term rental regulations
 - Establish a housing corporation

In the fall of 2023, as the project team was completing the first draft of the Workforce Housing Strategy, the Province of BC announced a suite of new legislation on housing and short-term rentals that had substantial impacts on the draft report. This necessitated a significant rewrite of the Strategy, and additional engagement, in particular with CVRD staff, to ensure alignment with the CVRD's response to the new legislation. Details on the roll-out of the new Provincial regulations continue to be announced, and the landscape continues to change, which has made it difficult to predict the impact of the new regulations. The Workforce Housing Strategy is in part designed to be an input into the CVRD and municipalities' response to the new legislation, while recognizing that there are still many unknowns.

The Cowichan Region Workforce Housing Strategy ("the Strategy") was presented to Committee of the Whole on June 26, 2024. The Committee made the following recommendations to the Board, which were passed at the July 10, 2024 Board meeting (resolution #24-356):

- 1) The recommendations outlined in the Cowichan Region Workforce Housing Strategy (Attachment A) under the "Four Strategy Areas" be considered for implementation as resources and priorities allows.
- 2) That the CVRD send a letter to each municipality and Electoral Area Services Committee planning staff, seeking feedback on the Cowichan Region Workforce Housing Strategy, prior to implementation; and offering that Economic Development staff visit their Council to discuss the recommendation.

Revising the Strategy

On July 15, 2024, Letters were sent to each municipality and an email was sent to Electoral Area Services Committee planning staff seeking feedback on the Strategy. Subsequently, the Strategy was presented to each municipality:

- City of Duncan Council on September 9, 2024
- Town of Ladysmith Committee of the Whole on September 10, 2024
- Municipality of North Cowichan Council on November 6, 2024
- Town of Lake Cowichan Committee of the Whole on November 12, 2024

Feedback received from staff and elected officials has been incorporated into the revised Cowichan Region Workforce Housing Strategy, which is included as Attachment A to this report. It is accompanied by three companion documents:

- Attachment B: Worker Snapshots, illustrates the diverse types of households experiencing a range of housing situations in the Cowichan region
- Attachment C: Case Studies, explores a range of housing solutions that have been implemented in other communities
- Attachment D: Context, provides the background content with respect to the approach and project phases, engagement process, as well as key indicators that demonstrate workforce housing needs and issues in Cowichan

Key Strategy Areas

The final Strategy has four key areas for action, summarized below.

Actions aiming to enable industry-led workforce housing solutions are to:

- Establish sites for seasonal workers accommodation, and
- Facilitate opportunities for groups of businesses to pursue joint workforce housing projects.

To accelerate housing development, the Strategy proposes to:

- Include temporary housing in Temporary Use Permit (TUP) guidelines;
- Educate the public on alternative housing forms;
- Encourage local businesses to participate in the Province's Standardized Housing Design Project;
- Host a Modular Housing Construction Summit;
- Investigate enabling policy to support industry-led solutions;
- Identify public lands that may support housing development;
- Expand areas zoned for manufactured home parks;
- Investigate labour shortage solutions in the construction and development industries;
- Explore the use of rental tenure zoning; and
- Collect data on modular housing construction.

Actions to enhance short-term rental (STR) regulations are to:

- Provide opportunities for legal STRs to support temporary worker housing and tourism;
- Develop a business licensing program for STRs;
- Enhance the availability of on-farm agri-tourism accommodations; and
- Monitor the impact of changing Provincial and local regulations.

As a first step to potentially establish a housing corporation, the Strategy proposes to:

- Conduct a feasibility study to identify the framework and process for transitioning Cowichan Housing Association to a Housing Corporation.

ANALYSIS

Municipal Feedback

In response to the letters sent and presentations made to municipalities, EDC received feedback on the Cowichan Region Workforce Housing Strategy in a number of ways, including emails and phone calls with municipal staff. Certified resolutions supporting the Strategy were provided by the Town of Ladysmith, Municipality of North Cowichan, and Town of Lake Cowichan, and are included as Attachment E to this report.

The following is a summary of the feedback received from municipalities:

- City of Duncan: Staff had concerns about the language around regional planning on page 32, and that endorsement of the Strategy would also signal the City's support for a regional planning service and regional growth strategy, when discussions on these topics were still underway.
- Town of Ladysmith: No changes requested, and council expressed a desire for the Town to be involved in the housing corporation feasibility study.
- Municipality of North Cowichan: Detailed feedback was provided as a council resolution (see Attachment E). The municipality supported the Strategy's recommendations on a "without prejudice" basis to any future decisions its council may make, and identified the

need for caution in considering temporary housing solutions. Verbally, council asked that housing needs data be updated to reflect the 2024 CVRD Interim Housing Needs Report for the Electoral Areas, and that the Strategy acknowledge that there are several sources of housing targets, resulting in some uncertainty around actual housing needs.

- Town of Lake Cowichan: Staff had concerns about the additional taxation required to fund a Regional Housing Coordinator position (proposed on page 32). Council supported the Strategy as long as there were no financial implications to the Town's tax base.

Strategy Revisions

Municipal feedback and updates from CVRD staff resulted in several revisions to the Cowichan Region Workforce Housing Strategy. Changes of significance are itemized in Attachment F: Change Register, and include:

- Clarified language around work already underway or completed to enable temporary use permits for short-term housing (page 13)
- Clarified language around work already underway at the CVRD to create a business license program for short-term rentals (page 23)
- Clarified language around recommendations for implementation, specifically around the development of a Regional Growth Strategy and the establishment of a regional planning service, as well as associated staffing (page 32)
- Updated language around the use of Online Accommodation Platform (OAP) Municipal and Regional District Tax (MRDT), as the CVRD has moved ahead with allocating these funds to affordable housing beginning in 2024 (pages 34-35)
- Recognition that there are several sources of housing needs projections, particularly for municipalities, which creates uncertainty for local governments as they work to meet the housing demands of their jurisdictions (Companion Document: Context, page 7)

While the Municipality of North Cowichan feedback expressed caution regarding the use of temporary housing solutions, it was recognized that the Strategy recommendations do not alter the development approvals process, and that any such developments would still require the approval of the Municipality to proceed.

From the Municipality of North Cowichan:

“The Municipality will exercise significant caution in considering proposals for modular or seasonal RV sites, expansion of campgrounds, or other temporary housing solutions. Establishment of such sites with any substantial degree of longevity, particularly outside the Urban Containment Boundary, does not necessarily address long-term housing challenges. This may also be contrary to OCP policy, particularly with regard to extending municipal servicing beyond established service areas. Such sites can also cause environmental, safety and waste disposal problems.”

Undertaking this final round of engagement has resulted in a delay in the initiation of implementation of the Strategy. As a result, several additional changes were made to the Strategy:

- Updated timing of recommended actions (see tables under each strategy area)
- Updated housing needs assessment data to reflect the 2024 CVRD Interim Housing Needs Report for the Electoral Areas (throughout)

It is important to note that no other data was updated since the Strategy was initially drafted in 2023, including job vacancy rates, average wages, average rents, mortgage interest rates, and housing prices.

Strategy Implementation Looking forward to implementation, organizational capacity is likely to be the most significant limiting factor in progressing the recommended actions. However, Board support of these recommendations will allow staff to advance initiatives as and when resources and priorities allow.

Implementation of EDC-specific elements of the Strategy, including the timelines suggested in the report, will be considered as part of the EDC Strategic Plan process. Furthermore, several of the recommendations have identified other CVRD divisions and municipalities as the lead for implementation. These recommendations are meant to inform and supplement work that is already underway to respond to the new Provincial legislation. Also, many of the recommendations will be advanced in partnership with industry stakeholders, some of which have already been identified by staff.

Throughout the project, staff and stakeholders recognized that the implementation of the actions within the Strategy would be enhanced by the establishment of a regional planning function. In particular, many stakeholders expressed a desire to see a collaborative, regional approach to servicing that is tied to land use planning and includes First Nations. Also, a regional housing coordinator position was noted as a potential outcome of the establishment of a regional planning function, and an opportunity to implement actions within the Workforce Housing Strategy and [Attainable Housing Strategy](#). The report includes a recommendation to this effect.

FINANCIAL CONSIDERATIONS

The Cowichan Workforce Housing Strategy was funded by \$27,000 from Function 121 – Economic Development, and \$50,000 from Function 100 – General Government Strategic Initiatives Fund.

There is currently no funding within Function 121 – Economic Development dedicated to implementing the recommendations in this report. Among options for implementation, staff will continue to monitor possible grant/partnership funding opportunities and bring those forward to the Board for consideration.

COMMUNICATION CONSIDERATIONS

A press release on the strategy will be released through the CVRD. The strategy will be available on the CVRD and EDC websites, and on the Plan Your Cowichan project page.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

This project supports objective 7 of the CVRD Corporate Strategic Plan: to make available a range of housing options and housing tenures at different income levels and stages of life. Specifically, it satisfies Action 7.2: complete the Workforce Housing Strategy.

Referred to (upon completion):

- Community Services (*Cowichan Community Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Facilities & Transit*)
- Corporate Services (*Finance, Human Resources, Information Technology, Legislative Services*)
- Operations (*Utilities, Parks & Trails, Recycling & Waste Management*)

-
- Land Use Services (*Community Planning, Strategic Initiatives, Development Services, Building Inspection & Bylaw Enforcement*)
 - Strategic Services (*Communications & Engagement, Economic Development, Emergency Management, Environmental Services*)

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Resolution:

Financial Considerations:

Corporate Officer

Chief Financial Officer

ATTACHMENTS:

- Attachment A – Cowichan Region Workforce Housing Strategy
- Attachment B – Companion Document: Worker Snapshots
- Attachment C – Companion Document: Case Studies
- Attachment D – Companion Document: Context
- Attachment E – Certified Resolutions from Municipalities
- Attachment F – Change Register



Cowichan Region Workforce Housing Strategy

A PLACE TO BUILD FUTURES

December 2024

LAND ACKNOWLEDGEMENT

We acknowledge that for thousands of years the Quw'utsun, Malahat, Ts'uubaa-asatx, Halalt, Penelakut, Stz'uminus, Lyackson, Pauquachin, Ditidaht, and Pacheedaht Peoples have walked gently on the unceded territories where this work has taken place.

APPRECIATION

On behalf of the Cowichan Valley Regional District (CVRD), CitySpaces Consulting led the Workforce Housing Strategy process and authored this Report. CVRD and CitySpaces are very appreciative of the participation, support, and advice from community stakeholders. We thank them.

Project Advisory Group

Representatives from:

- Cowichan Intercultural Society
- Cowichan Woodwork
- EllisDon
- Greyland Consulting
- Habitat for Humanity Mid-Vancouver Island
- Island Farmhouse Poultry
- Island Health
- Malahat Skywalk
- Municipality of North Cowichan
- Nexus Modular Solutions
- Realocity Realty and CoHo BC
- Viridian Energy Co-operative
- Western Forest Products
- WorkBC / ETHOS Career Management Group

Engagement Participants

Representatives from:

- 49th Parallel Grocery
- 4VI
- Aboriginal Housing Management Association
- Affordable Apartments
- AirDNA
- Alderlea Vineyards
- Arbutus Farms Kitchen
- Arbutus RV
- BC Housing
- Bell Group
- Khowutzun Development Corporation
- Knightway Mobile Haulers Ltd.
- Ladysmith Chamber of Commerce
- Live Edge Design
- Locum Home Inc.
- Malahat Nation
- Mann Group
- Mazzei Electric
- Merdyn Group
- Merridale Cidery and Distillery
- Municipality of North Cowichan

- Broadstreet Properties and Seymour Pacific Development
- Capital Region Housing Corporation
- City of Duncan
- City of Victoria
- Clements Centre Society
- Connective Support Society
- Cowichan Green Community
- Cowichan Housing Association
- Cowichan Housing Association (Board)
- Cowichan Lake District Chamber of Commerce
- Cowichan Tribes
- Cowichan Valley Regional District
- Duncan Meadows Golf Course
- Easybuildingplans.com
- EllisDon
- EMR Vancouver Rentals Inc.
- Ethos Career Management Group
- Evolv Modular
- Exp Realty
- Greater Victoria Housing Society
- Island Health
- Islands Trust
- Oak Gate Enterprises
- Oceanfront Suites at Cowichan Bay
- Pacifica Housing
- Paxar Technologies Corporation
- Redline Management Services Inc.
- Relish Studios
- Resort Municipality of Ucluelet
- Slegg Building Supplies
- Stz'uminus First Nation
- Sustainable Housing Solutions Cowichan
- The Practical Utopian
- The Verandah Partnership
- Tourism Cowichan Society (Board)
- Town Down Investments Inc.
- Town of Ladysmith
- Town of Lake Cowichan
- Ts'uubaa-asatx First Nation
- Two7 Building Company
- Union of BC Municipalities
- Unity Design
- Vancouver Island University
- White Cap Supply Canada
- WorkBC Cowichan

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EXECUTIVE SUMMARY

The Cowichan Region is taking bold action to address housing needs and to offer housing choices to workers, requiring new conditions in which housing development in the Cowichan Region takes place.

Outlined in this Workforce Housing Strategy are four strategy areas to address the acute housing situation impacting the ability to recruit and retain workers and foster a healthy economic environment and livable region:

- i. Enable Industry-Led Workforce Housing Solutions;
- ii. Accelerate Housing Development;
- iii. Enhance Short-Term Rental Regulations; and
- iv. Establish a Housing Corporation.

These strategies build on the already important housing initiatives spearheaded by the Cowichan Valley Regional District (CVRD), member municipalities, First Nations, non-profit organizations, and the development industry. They have been designed to adapt to new provincial initiatives and regulations, while reinforcing each other or being combined for greater impact.

- **Enable Industry-Led Workforce Housing Solutions** creates opportunities for various industries to initiate housing solutions within their own sphere of influence. In the Cowichan Region, industries that are being called to take action and be part of the solution include agriculture, tourism, construction, healthcare, and non-profits. These industries require a supportive planning and development environment in order to successfully participate, such as getting sites ready for development, contributing land, advocacy, and building relationships with industries.
- The strategy to **Accelerate Housing Development** aims to increase the number of housing units built in the Cowichan Region with a sense of urgency. Specific solutions to speedily deliver units to the market are: consider the inclusion of temporary housing (e.g., RVs for seasonal workers) in temporary use permit guidelines, create a public education package on alternative housing forms, encourage businesses to participate in the Province’s Standardized Housing Design Project, mobilize modular housing construction, identify publicly-owned land for housing development, expand areas zoned for manufactured home parks, address the labour shortage issues within the construction and development industries, and make use of rental tenure zoning.
- **Enhance Short-Term Rental Regulations** is a strategy that mitigates the diversion of rental housing units from the market by finding a balance between making short-term rentals (STRs) available to serve short-stay workers and tourists while ensuring rental housing is available for long-term residents. A focus on practical tools that align with new provincial legislation is the starting point for the first years of implementation. This includes reviewing zoning regulations to provide opportunities

to permit STRs, prioritize the development of a business licensing program for STRs, align zoning bylaws with Agricultural Land Reserve (ALR) regulations to enhance the availability of on-farm agri-tourism accommodations, as well as monitor and report on the impact of new provincial legislation and local regulations to support a healthy housing market and tourism industry.

- The strategy to **Establish a Housing Corporation (HC)** aims to scale-up and increase capacity to address workforce housing needs in the Cowichan Region. Exploring the opportunity to evolve and empower the existing Cowichan Housing Association is the core focus of this strategy and involves a due diligence process to ensure feasibility before endorsing the framework. If supported, the HC can take a lead role in the development of housing on behalf of the region and in partnership with other sectors.

Measuring the success of implementation is tied to the **desired outcomes** of each strategy, aimed to achieve after five years:

- For industry-led workforce housing solutions, the desired outcomes are to observe a substantial reduction in job vacancy rates for key industries (by 10%) leading to an improvement to businesses' ability to attract and retain workers (based on the ability for workers to find housing).
- To accelerate housing development, the desired outcomes are to see an increase in the uptake of Accessory Dwelling Unit (ADU) construction starts by 5%; see an increase in the uptake of modular housing construction projects by 5%; and increase the average development activity in the region to approximately 600 units per year.
- For enhancing short-term rental regulations, the desired outcomes are to see an improvement to the market rental vacancy rate in the order of 3% or greater; and to maintain a healthy STR industry.
- With respect to the Housing Corporation, the desired outcome is to complete a feasibility study in time for a possible referendum in 2026.

With increasing expectations and requirements placed upon local governments by the Province to meet housing unit estimates, the Workforce Housing Strategy positions the region to meet its obligations through self-direction while complementing other sectors to deliver units in the region. Enable Industry-Led Workforce Housing Solutions, Accelerate Housing Development, Enhance Short-Term Rental Regulations, and Establish a Housing Corporation are all strategies that can change the conditions of housing development in the region towards meeting the housing needs of workers and fostering sustained economic development.

INTRODUCTION

In November 2022, the Cowichan Valley Regional District (CVRD) engaged CitySpaces Consulting to prepare a Workforce Housing Strategy for the Cowichan Region. This Strategy responds to the *CVRD Regional Housing Needs Assessment Report (2021)*¹ and *Workforce Housing Surveys (2022)* that highlighted the tension between housing issues and the labour market in the Cowichan Region.

Companion Documents

The Cowichan Region Workforce Housing Strategy is complemented by three companion documents:

- i. **Worker Snapshots:** illustrates housing challenges experienced by different households in the Cowichan Region;
- ii. **Case Studies:** provides several examples of workforce housing solutions from other regions in the province and beyond that can be referenced for inspiration; and
- iii. **Context Report:** provides an overview of the process of developing the Strategy including project approach, engagement activities, and research that demonstrates the driving factors that support the need for the Strategy.

Purpose

The Cowichan Region Workforce Housing Strategy aims to address housing problems as it relates to employment. In particular, the shortage of housing has impacted the ability to attract and retain workers in the Cowichan Region, which has impaired operations and viability of businesses and services across multiple sectors. It is imperative that housing is made available to workers in order for the region to grow in a sustainable and livable way. It is within this context that the purpose of this Strategy is to:

- Identify a collaborative and regional solution to workforce housing;
- Identify potential solutions to attract and retain staff within various industries; and
- Foster sustainable economic development in the Cowichan Region.

Why a Workforce Housing Strategy?

The Cowichan Region is a place where initiatives to support housing development are already being explored and implemented. Many achievements can be celebrated including housing policies and regulations, with additional initiatives in motion. There is a strong appetite from the development industry to build more units across the region, and a healthy curiosity from all sectors and the public to explore more solutions. The Workforce Housing Strategy complements other initiatives by implementing transformative strategies for housing development.

¹ Since this project was initiated, the CVRD has released an updated housing needs assessment, the *CVRD Interim Housing Needs Report for the Electoral Areas (2024)*. However, this project still responds to the *CVRD Regional Housing Needs Assessment Report (2021)*.

The magnitude of housing need is being fueled by rapid change and is surpassing the collective capacity to respond. Some of the core issues illustrating this problem include:

- **Housing development is not keeping pace with population growth and demographic changes:** The regional population has increased 12% over the past decade and is projected to grow by another 15% in six years² through a combination of new people moving to the region as well as natural family formation. At the same time, the aging population is creating a reverse population pyramid meaning there are more seniors than young people. This issue may amplify the shortage of workers if there are not enough people to replace retirees. The region requires over 1,000 more housing units per year to accommodate growth and demographic changes, however only half that amount is being delivered on an annual basis.
- **Development constraints are limiting construction activity:** The current economic environment creates complexity and risk to building housing projects in the Cowichan Region. Many of these are large-scale issues, including inflation, supply chain issues, high interest rates, and financing challenges. The lengthy development approvals process is a concern shared by government planning departments and the development industry, suggesting that the volume of development activity and capacity to process applications may be contributing factors. Other issues include the perception of an insufficient land supply, infrastructure constraints and un-serviced land, and public perception (e.g., NIMBY-ism³). Municipal growth containment boundaries together with a large concentration of undevelopable land (located within the Agricultural Land Reserve, forestry/resource holdings, environmentally sensitive areas, and parkland) are all signals that the Cowichan Region is entering a new era of development – less greenfield development and more scaling up, densification, infill development, and possibly redevelopment of some areas.
- **Limited housing supply and high housing costs are influencing workers' job decisions and impacting the viability of businesses:** There are currently not enough housing units for workers in the region and there is a mismatch between the types of housing available and what workers are seeking. Employers have reported incidences where job offers are being rejected by potential candidates because of limited housing options – which is supported by previous research that indicates a need for more smaller units (e.g., one-bedroom units) and starter homes for people moving to the region (a small and affordable unit). There is also a mismatch between housing costs and what employees' wages provide. Businesses are considering wage increases but are trying to

Additional research can be found in the companion *Context Report and CVRD Regional Housing Needs Assessment Report (2021)*.

² CVRD Regional Housing Needs Assessment Report (2021).

³ NIMBY-ism is a term used to describe when residents oppose new developments or changes in their community. The acronym stands for "Not in My Back Yard".

balance the increasing cost of business and their services. Overall, the limited housing supply, high housing costs, and stagnant wages are hindering economic activity in the region.

MEETING THE NEEDS OF THE COWICHAN REGION'S WORKFORCE

Vision

“The Cowichan Region is taking bold action towards offering housing choices for workers at all income levels and stages of their vocations.”

Four Strategy Areas

The Vision translates into four strategy areas that incorporate desired outcomes, actions, responsibility, timing, and investment required for implementation. Each strategy addresses workforce housing needs, and is supported by the background research and what was heard from engagement. The intention of each strategy is to focus on the overall goal and outcomes, rather than specific mechanisms. Case study examples from other jurisdictions are available in a Companion document. These include examples of housing construction workers, hospital staff, and agricultural workers as well as housing corporations and temporary use permits. Preliminary investments required to implement each action have been identified, however the source of investment is still to be determined.

Now is the time to take bold action on addressing housing needs; this requires new conditions and working together under a shared vision to initiate change.

Strategy #1: Enable Industry-Led Workforce Housing Solutions

STRATEGY	GOAL	DESIRED OUTCOMES IN 3 YEARS	
<p>Enable Industry-Led Workforce Housing Solutions</p>	<p>Empower industries and employers to lead the creation of workforce housing projects</p>	<ul style="list-style-type: none"> Job vacancy rates for key industries are reduced by 10% 	
ACTIONS	RESPONSIBILITY	TIMING	INVESTMENT REQUIRED
<p>1. Identify and secure lands to establish sites for seasonal workers accommodation (e.g. agriculture, tourism, and construction sectors)</p>	<p>Private sector industry and property owners</p> <p>Economic Development Cowichan (support)</p> <p>Tourism Cowichan (support)</p>	<p>Q4 2025 - 2026, in advance of the seasonal influx of tourism and agricultural workers</p>	<ul style="list-style-type: none"> Enabling policy (local government) may be required to open lands for temporary workers accommodation. For example, support for existing campsites to support temporary workforce housing On-site servicing (water and sewer) – could be temporary or permanent May require social servicing to address social concerns Permits may be required by local government, with additional requirements

<p>2. Create an opportunity for businesses to pool resources and pursue a workforce housing project collaboratively</p>	<p>Business Community</p> <p>Economic Development Cowichan (support)</p>	<p>Q3 2025</p>	<ul style="list-style-type: none"> • Legal services • Financing (private lender, low-interest loan, grants) • Rotating capital (invested by businesses)
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The Strategy

Industries in the Cowichan Region particularly challenged with attracting, retaining, and supporting workers include healthcare, tourism, agriculture, construction, and non-profit organizations. These are priority industries that could pursue solutions within their own sphere of influence. The aim of this strategy is to empower industries and employers to lead the creation of workforce housing projects. The desired outcome is to see a sizable reduction in the number of job vacancies in the Cowichan Region. Employers should observe an improvement to their recruitment process (e.g., time it takes to fill a position, retention and duration of tenure) due to the increased availability of workforce housing. As an example, a reduction in the job vacancy rate in the construction industry from 9.0% to 8.1% (a 10% reduction) would indicate that conditions are improving.

Industry leaders report that short-term rental housing such as Airbnbs serve to accommodate temporary workers in Cowichan Region.

What Housing Types are Needed for Workers in Priority Industries?

Workers who live permanently in the Cowichan Region comprise a mix of household arrangements, including single persons, roommates, and families, and as such would benefit from having a range of housing types available – including a mix of one-, two-, and three-bedroom units that can be configured in various housing types such as apartments, townhouses, and accessory dwelling units. The companion document, *Worker Snapshots*, illustrates diverse types of households experiencing a range of housing situations in the Cowichan Region, including families, First Nations, temporary workers, and others working in a variety of priority industries.

Affordable rent ranges for workers depends on the occupation and annual salary. In the healthcare sector, for example, registered nurses can afford market rental rates, whereas custodial positions would benefit from housing that is below market rates. Housing costs that are affordable for agricultural workers can vary depending on the job position, however, are generally low (below market rates) for farm labourers, which is representative of temporary and seasonal agricultural workers in the Cowichan

Region. Also, it is common for farms to offer room and board as part of a worker’s compensation package, to offset the cost of paying high enough wages for workers to afford to rent off-site.

Rent ranges are also applicable to seasonal and temporary workers with the same occupations; however, the housing forms are different given the nature of short-stay workers. Nearly every priority industry has some form of temporary worker situation. Healthcare recruits travelling nurses, locums, and medical students. Agriculture has temporary and foreign workers during peak production seasons. The construction industry hires labour from outside the region to temporarily scale-up and build projects. In addition, many industries have temporary contract workers to cover employment leaves (e.g., family leave, stress leave), time limited job positions (e.g., non-profits that receive a grant to hire a worker related to a temporary program), or special studies (e.g., field research).

The table below outlines the types of housing for both permanent and temporary workers, by industry, along with a sample of job positions and their applicable affordable rent ranges. This table can serve as a reference to industry leaders pursuing workforce housing projects. For additional information on the housing types that workers need, please see the companion report *Worker Snapshots*.

Industry	Job Positions	Affordable Rent Ranges Per Month	Housing Types (Permanent)	Housing Types (Seasonal/ Temporary)
Agriculture	Farm Labourer Fish Farmer Crop Production Technician	\$770 – \$1,170 \$750 – \$2,270 \$815 – \$2,000	<ul style="list-style-type: none"> One-bedroom units ADUs, apartments 	<ul style="list-style-type: none"> Campsites RVs One-bedroom
Construction	Construction Worker Construction Manager Construction Electricians & Repairers Foreperson	\$750 – \$1,500 \$1,100 – \$3,000 \$1,300 – \$2,400	<ul style="list-style-type: none"> One-, two-, three-bedroom units ADUs, townhouses, apartments 	<ul style="list-style-type: none"> One-bedroom Multi-unit modular
Healthcare	Health Care Aide Registered Nurse Doctor	\$900 – \$1,200 \$1,500 – \$2,300 \$1,600 – \$7,600	<ul style="list-style-type: none"> One-, two-, three-bedroom ADUs, townhouses, apartments 	<ul style="list-style-type: none"> One-bedroom Multi-unit modular
Non-profit	Administrative Clerk Labour Policy Officer Data Administrator	\$950 – \$1,620 \$1,400 – \$2,560 \$1,150 – \$2,900	<ul style="list-style-type: none"> One-, two-, three-bedroom units 	<ul style="list-style-type: none"> One-bedroom

			<ul style="list-style-type: none"> • ADUs, townhouses, apartments 	
Tourism	Hotel Clerk Food Service Worker Housekeeper Retail Sales Associate Retail Sales Manager	\$750 – \$1,030 \$750 – \$960 \$750 – \$1,060 \$750 – \$1,200 \$865 – \$3,120	<ul style="list-style-type: none"> • One-, two-, three-bedroom units • ADUs, townhouses, apartments 	<ul style="list-style-type: none"> • One-bedroom • Multi-unit modular • RVs

What Can Industries Do to Address Housing?

Detailed examples from other jurisdictions where industries led the development of housing projects or programs can be found in the companion document *Case Studies*. Drawing from this inspiration, some considerations for the Cowichan Region’s industries include:

- Identify and secure lands to establish sites for seasonal workers accommodation:** depending on the size of the site, this concept could accommodate dozens of workers employed in multiple industries (e.g., agriculture, tourism, construction). Fees can be charged to the workers to cover the cost of site maintenance and operations, yet at low enough rates to remain affordable to workers. If lands identified are within the ALR, then it is required to make an application to the Agricultural Land Commission for workers accommodation. The Regional District of Okanagan-Similkameen demonstrated this concept when it opened a 125-site agricultural workers campsite in 2021 to house temporary agricultural workers throughout the harvest season from May to October (see the companion document *Case Studies*).
- Create an opportunity for businesses to pool resources and pursue a collaborative workforce housing project:** this can look like an agreement amongst several businesses to purchase a shared building for housing workers, or to develop new workforce housing if a suitable building is not available within the community. The partner businesses could make a financial contribution and, in return, gain access to one or more units of the building that is shared with other businesses. This innovative solution requires capital and operating funding, which can come from a variety of sources (capital injection from each business, accessing low-cost financing and loans, etc.). Businesses can rent their allocated unit to a new recruit in need of temporary housing until long-term housing is found, and continuously use the unit for this purpose. Businesses have options for how they structure the arrangement with their employees. For example, they can create employment agreements to cover the cost of rent as a prerequisite to the employee (which they can claim as a taxable benefit). Alternatively, businesses can subtract the cost of rent from an employee’s pay (either partially or in-full). This solution requires an organization of some form to manage operations, which can be an

existing non-profit housing society, forming a new society, or potentially being part of the proposed Housing Corporation. The Cube Hotel in Revelstoke is a good example of multiple employers coming together to solve their workforce housing challenges (see the companion document *Case Studies*).

Workforce housing projects pursued by businesses and organizations across priority industries could benefit from strategies #2, #3, and #4, which includes potentially forming partnerships with the proposed Housing Corporation, as well as applying accelerated housing development tools such as temporary use permits and modular housing construction.

Strategy #2: Accelerate Housing Development

STRATEGY	GOAL	DESIRED OUTCOMES IN 3 YEARS	
<p style="text-align: center;">Accelerate Housing Development</p>	<p>To increase the number of housing units built in the Cowichan Region</p>	<ul style="list-style-type: none"> • Increase uptake in ADU construction starts (5% target) • Increase uptake in modular housing construction (minimum 5% target) • Average 600 total housing units built per year 	
ACTIONS	RESPONSIBILITY	TIMING	INVESTMENT REQUIRED
<p>1. Consider the inclusion of temporary housing in TUP guidelines for CVRD electoral areas and municipalities</p>	<p>CVRD Member municipalities</p>	<p>Ongoing</p>	<ul style="list-style-type: none"> • Internal staff time • Public consultation • OCP amendment and/or zoning amendment for TUPs • Communication to businesses
<p>2. Create a public education package on alternative housing forms, including the minimum requirements for a legal (code-compliant) “tiny home”</p>	<p>Economic Development Cowichan (lead) CVRD Land Use Services (support) CVRD Communications and Engagement (support)</p>	<p>Q4 2025 - Q1 2026</p>	<ul style="list-style-type: none"> • Internal staff time • Graphic designer • Communications budget
<p>3. Encourage Cowichan-based businesses to participate in the Province’s Standardized Housing Design Project, particularly around standardized ADU designs</p>	<p>Economic Development Cowichan (lead) Industry (partners)</p>	<p>Ongoing</p>	<ul style="list-style-type: none"> • Internal staff time
<p>4. Plan and host a Modular Housing Construction Summit to raise awareness of the benefits of modular housing and assist with sector development</p>	<p>Economic Development Cowichan (lead) Industry (partners)</p>	<p>2026</p>	<ul style="list-style-type: none"> • Internal staff time • Budget allocation for venue and marketing

5. Investigate enabling policy to support industry-led workforce housing solutions	CVRD Member municipalities	Ongoing	<ul style="list-style-type: none"> Internal staff time
6. Identify publicly-owned land that could be leveraged to support housing development	Economic Development Cowichan and CVRD GIS (lead) CVRD, member municipalities, Cowichan Housing Association (support)	2025 - 2026	<ul style="list-style-type: none"> Internal staff time
7. Expand areas zoned for manufactured home parks	CVRD Member municipalities	Ongoing	<ul style="list-style-type: none"> Internal staff time Zoning updates
8. Investigate actions to address labour shortage issues within the construction and development industries as part of the EDC Strategic Plan	Economic Development Cowichan	Q1-Q2 2025	<ul style="list-style-type: none"> Internal staff time
9. Make use of rental tenure zoning where appropriate	CVRD Member municipalities	Ongoing	<ul style="list-style-type: none"> Internal staff time
10. Collect data on modular housing unit construction (i.e. data sharing agreement)	Private industry	Ongoing	<ul style="list-style-type: none"> Internal staff time

The Strategy

Enabling accelerated development of housing aims to address the shortfall of new housing units needed per year in the Cowichan Region. With an extremely low rental vacancy rate and a pattern of delivering approximately half of what the region needs on an annual basis, it is necessary to fast-track development to get units delivered to the market with a sense of urgency through a solutions package: temporary housing, accessory dwelling units, and modular housing construction. These solutions can help facilitate different housing typologies (e.g. multi-unit, ground-oriented infill, small single units, etc.) as well as support various housing tenures (affordable homeownership like shared equity homeownership and rent to own, co-ops, market rental, low-end of market rental, and affordable housing). Pursuing these solutions through the support of public education, identifying publicly-owned land for housing development, and

addressing the labour shortage issues within the construction and development industries can all help accelerate development forward in a beneficial way.

The common path to creating a workforce housing project typically takes three to four years to complete. Workforce housing projects can potentially be developed much faster when enabling conditions are created to support this type of development. There are many tools that can help fast-track the development of workforce housing including policies, zoning, programs, funding, incentives, bylaws, collaboration, regulations, and initiatives. A combination of accelerated housing tools can offer different solutions to a variety of land/development situations.

It is unrealistic to double the construction of housing units in a few years, and as such this strategy intends to close the shortfall gap by increasing the number of housing units delivered annually from an average of 516 units per year to an average of 600 units per year; an increase of approximately 15% in construction activity. More favourable environmental conditions can help increase the amount of permitting and drive construction activity. Ultimately, this strategy seeks to ramp-up the volume of construction in the housing industry to the levels required to accommodate the growing population and ensure there are housing units available to attract and retain the labour force. Local government will also need to create an enabling environment to facilitate the industry-led workforce housing solutions outlined in Strategy #1.

Scope of Accelerated Housing Development

It is envisioned that this strategy will create the conditions to accelerate housing development in the Cowichan Region, encompassing the following solutions:

- **Consider the inclusion of temporary housing in TUP guidelines for CVRD electoral areas and municipalities:** TUPs allow temporary land uses not permitted under current zoning. On the ground, this can look like a RV, modular unit, or repurposed/renovated container ranging in scale from one-unit sharing land with a single-detached home to larger tracks of land that can accommodate a collection of units (e.g., 8–12 RVs). TUPs are a practical tool that the local government can implement at the regional and municipal level and requires investment into OCP amendments, the creation of permit/schedules, administration, inspection, and enforcement. Some municipalities within the Cowichan region already have policies in place to consider TUP for short-term housing. The CVRD Board has already directed staff to prepare amendments to its OCP to enable TUPs across all electoral areas, and to draft new TUP guidelines (including guidelines for temporary housing) for inclusion in the upcoming Comprehensive Zoning Bylaw update. TUPs can provide employers with an

option to install one or more units on-site to house seasonal workers, as well as any landowner with the option to utilize their land for temporary housing for workers. TUPs could also be used for project-specific employment such as agricultural works and construction workers living in the Cowichan Region temporarily during a specific project. TUPs also provide flexibility to the system to accommodate fluctuating housing demand not only related to seasonal workers but also the influx of temporary construction workers needed to build major projects such as the Cowichan District Hospital. To speed up the process even more, local governments should consider delegating the authority to issue TUPs for housing to staff. Guidelines would benefit potential applicants and, once established, will need to be communicated to the broader community.

More regions are embracing 'tiny homes' as a housing option suitable for one- or two-person households able to live independently. The Regional District of Central Kootenay has published a guide, "Tiny Homes in the RDCK-What You Need to Know", summarizing the various forms of 'tiny homes' and how they relate to the relevant regulations.

- **Educating Alternative Housing Forms:** throughout this process, engagement participants shared stories of alternative forms of housing that already exist in the Cowichan Region, such as tiny homes, RVs, yurts, and others. Some of these housing forms are not "up to code", creating an unstable housing environment for the occupants. This action aims to create a public education package on alternative housing forms, including the minimum requirements for a legal (code-compliant) "tiny home".
- **Encourage Uptake in the Province's Standardized Housing Design Project:** ADUs are attached or detached housing units, including secondary suites, garden suites, tiny homes or laneway homes, that can be made available for rental (both short-term accommodation and long-term housing). The CVRD is already spearheading actions to enable new ADUs to be built in electoral areas, and the Province of BC has recently made significant legislative changes that further progress ADU development. This action encourages Cowichan-based business to participate in the Province's Standardized Housing Design Project, particularly around standardized ADU designs. The resulting standardized designs may also be adjusted to comply with local zoning regulations. This action requires collaboration between Economic Development Cowichan and industry, as partners, to implement these designs.
- **Modular housing construction:** allows for housing to be designed to-code, and constructed off-site, under controlled conditions, but delivered on an accelerated timeline. This solution was not only widely supported by engagement participants during the development of this strategy, but also

revealed the potential to scale-up the existing modular housing sector in the Cowichan Region. As a starting point, the region could plan and host a Modular Housing Construction Summit to raise awareness of the benefits of modular housing and assist with sector development. It is recommended that the Summit include discussions that will help the Cowichan Region prepare to apply for upcoming modular housing funding opportunities by identifying land, partnerships, and concepts. Other potential topic discussions could include prefabricated wall units and innovative servicing solutions.

- **Identify publicly-owned land that could be leveraged to support housing development:** securing land for housing development is a critical step to shift an idea into a tangible concept. Leveraging publicly owned land can create certainty around the project and attract potential partners including funders.
- **Expand areas zoned for manufactured home parks:** manufactured home parks offer high unit yield development with typically less infrastructure requirements compared to multi-unit housing development at the same density. The price points, livability and accessibility would benefit many workers in the Cowichan Region. The CVRD and member municipalities will need to review existing Zoning Bylaws to identify opportunities for manufactured home parks, and consider requirements such as lot size.
- **Investigate actions to address labour shortage issues within the construction and development industries as part of the EDC Strategic Plan update:** while more housing options would benefit construction and development industry workers looking for a home, more is needed to address the acute shortfall of workers in this industry. The EDC Strategic Plan should investigate ideas to address the labour shortage, towards increasing capacity of the sector that is ultimately needed to deliver the housing required to meet the region's unit need estimate.
- **Make use of rental tenure zoning where appropriate:** rental tenure zoning restricts tenure to rental only. Local governments can apply this regulatory tool to an area, a building, or units within a building which have a residential use⁴. Adopting this tool across the region, where appropriate, can support the retention of existing rental housing and secure areas for future rental housing to meet the needs of the workforce.

Alignment

- ✓ CVRD Interim Housing Needs Report for the Electoral Areas (2024)
- ✓ *Housing Supply Act* (applies to municipalities within the CVRD)
- ✓ Bill 44: *Housing Statutes Amendment Act*

⁴ The exception to this application of rental tenure zoning is where a unit is already occupied by an owner at the time that the zoning is put into place. In such a case the owner, and all future owners, would continue to have a right to occupy the residential unit.

Desired Outcomes – How To Measure Success

Implementing the actions outlined in this strategy has the potential to create an enabling environment in which housing can be developed at an accelerated pace. It also gives options to all sectors to be a part of the solution – local governments, private sector development, the construction industry, non-profit organizations, and potentially others. The desired outcomes outlined below are ways to measure success of this strategy in the first five years:

- **Increase uptake in ADU construction starts (5% target):** there are already ADUs being developed sparsely in the region where permitted and infrastructure supports intensification at this scale. A marker of success would be observing a moderate increase in the uptake of ADU construction across the region of 5%.
- **Increase uptake in modular housing construction (minimum 5% target):** a number of modular housing projects have been undertaken in the Cowichan Region over the last number of years. With additional support to bring attention to and foster the development of this industry, a 5% increase in modular housing construction should be well within the realm of possibility. The data will need to be obtained from manufacturers in order to measure the uptake over time.
- **Average 600 total housing units built per year:** within five years, a desired outcome is to see a substantial increase in the number of housing units being delivered in the Cowichan Region, alleviating pressures on the market and helping workers find the housing they need. An approximate 15% increase in the average number of new units permitted per year (i.e., 516 units to 600 units) would be an indication that the enabling environment for accelerated housing development is moving in the right direction.

Province of BC [ADU guidelines](#) (December 2023)

- ✓ A minimum of 1 secondary suite and/or 1 detached accessory dwelling unit (ADU) must be permitted in Restricted Zones in all municipalities and regional district electoral areas. Local governments must implement these new regulations, and may choose to do any of the following for single-detached residential lots to which the higher density requirements for a minimum of 3 to 6 units do not apply:
 - Permit only one secondary suite;
 - Permit only one ADU;
 - Allow landowners to choose either a secondary suite or an ADU; or,
 - Permit the construction of both a secondary suite and an ADU.
- ✓ Local governments should ensure requirements of other provincial legislation and regulations are met.
- ✓ Only secondary suites (not ADUs) should be permitted on properties less than one hectare in size that are not serviced by sewer systems operated by a local government.
- ✓ Recommended regulation: rear lot line setback minimum 1.5 metres.
- ✓ **Province's suggested ways to streamline the ADU approvals process:**
 - Eliminate requirements for a business license or covenant concerning the rental of secondary suites and ADUs;
 - Waive tree-cutting permit requirements for secondary suites and ADUs if none are required for single-detached dwellings.

What Additional Enabling Policy is Required to Support Industries to Pursue Workforce Housing Solutions?

Conditions need to be favorable for industries to consider taking bold action to address workforce housing needs. In addition to the actions above, local governments can support the work outlined in Strategy #1 through enabling policy, specifically:

- Implement the Cowichan Region Attainable Housing Strategy, specifically *Objective 5 – Enhance Local Government Policy Frameworks that Promote Increased Supply and Improved Housing Affordability*. Proposed strategies within this objective aim to streamline the development approvals process through action such as: fast tracking applications for affordable housing projects, creating property tax exemptions for projects, pre-zone land, reduce parking requirements, consider density bonus provisions, support mixed-use development, and support small housing development including micro-units.
- Establishing a positive relationship between the business or organization pursuing a workforce housing project and the local government sets the stage for all other supports and actions to occur. Relationship building includes exchanging information about respective needs and perspectives and instilling political support from Municipal Council or the Regional District Board. For example, the local government would benefit from understanding the vision, concept, and needs of the project and the group would benefit from understanding the development procedures process and local government expectations. Identifying mutual goals can enhance the relationship. Establishing relationships before a project is envisioned can inform the local government to take action on creating an enabling environment, such as pre-zoning land or adopting policy that supports workforce housing projects.
- Industry-led solutions outlined in strategy #1 are site-specific, and as such, the planning and development requirements will be dependent on each site (e.g., is a rezoning required?). Workforce housing projects that are led by industry often experience better success when incentives or tools are applied. Within this context, local governments can explore opportunities to identify sites and get them ready in anticipation of industries pursuing workforce housing projects.

Successful workforce housing projects typically receive tangible incentives and utilize a wide range of tools to implement a project from vision to completion, including enabling policies and bylaws:

- ✓ **Site readiness:** attributes that enhance a site's readiness to develop workforce housing include already meeting the land use designation (OCP) and zoning (or pre-zoned). It can also mean existing infrastructure (e.g., water, sewer, fire flow) does not need to be upgraded or only minor upgrades are required. Projects that require land use changes add time to the process. Infrastructure upgrades increase costs.
- ✓ **Housing agreements:** section 483 of the *Local Government Act* allows local governments to prepare housing agreements, and section 219 of the *Land Title Act* allows local governments to use covenants registered on title, in conjunction with rezoning applications, to ensure that a workforce housing project remains affordable.
- ✓ **Land contribution:** many local governments have policies that support the use of government-owned land for housing projects that address local housing gaps and meet the housing needs of residents. Local governments may consider contributing land to a workforce housing project through a land lease or land transfer agreement at a discounted rate or at no-cost. Other financial supports within the municipal purview can help reduce the capital and operating costs of a workforce housing project such as waiving permit fees, offering property tax exemptions and making capital contributions by drawing from dedicated resources (e.g., an affordable housing reserve fund).
- ✓ **Advocacy:** local governments have established relationships with the Provincial and Federal governments, Ministries, and other agencies such as utility providers. Local governments can utilize these relationships to advocate for groups that may encounter roadblocks to project implementation.

Strategy #3: Enhance Short-Term Rental Regulations

STRATEGY	GOAL	DESIRED OUTCOMES IN 3 YEARS	
Enhance Short-Term Rental Regulations	To have market rental housing available to residents	<ul style="list-style-type: none"> Improved market vacancy rate (3% or greater) Maintain a healthy STR industry 	
ACTIONS	RESPONSIBILITY	TIMING	INVESTMENT REQUIRED
1. Review zoning regulations and provide opportunities for STRs through TUPs and rezonings, with consideration of the needs for temporary worker housing and the tourism industry	CVRD and member municipalities, in consultation with EDC and Tourism Cowichan	Ongoing, or per respective zoning amendment timelines for each jurisdiction	<ul style="list-style-type: none"> Internal staff time
2. Prioritize the development of a business licensing program for short-term rentals	CVRD	Q1 2025	<ul style="list-style-type: none"> Internal staff time
3. Align zoning bylaws with ALR regulations to enhance the availability of on-farm agri-tourism accommodations	CVRD Member Municipalities	Ongoing, or per respective zoning amendment timelines for each jurisdiction	<ul style="list-style-type: none"> Internal staff time Zoning updates
4. Monitor and report on the impact of new provincial legislation and local regulations to support a healthy housing market and tourism industry	Economic Development Cowichan (lead) Tourism Cowichan (partner)	Q2 2025	<ul style="list-style-type: none"> Internal staff time

The Strategy

Enhancing short-term rental regulations (STRs) aims to address issues related to the conversion of long-term housing (intended for permanent residents) into short-term accommodation (intended for short-stay residents and tourists). This tool, in the form of a bylaw and/or supporting regulations, is being adopted by many local governments in recent years in tandem with a shift in the market that is seeing rental units turning into places for people to temporarily stay.

With the growing tourism industry as well as increasing demand for short stay accommodations in the Cowichan Region, this strategy provides a practical tool to balance the interest, need, and demand for

short- and long-term accommodation. Enhancing short-term rental regulations can clarify the use of short-term rentals with the goal of maintaining more long-term rental housing.

The goal of this strategy is to enable the conditions where market rental housing is readily available to residents. Specifically, this strategy seeks to protect and retain the long-term rental housing supply to the point where the rental vacancy rate is within a healthy range (2 to 3%). This is a direct response to the persistently low rental vacancy rate in the region and limited availability of rental housing units, coinciding with units being listed to rent short-term. It is also intended to complement regional planning initiatives to address short-term rentals that are currently underway.

New Provincial Short-Term Rental Regulations

In October 2023, the Province of BC introduced new legislation to regulate short-term rentals that focuses on: increasing fines and strengthening tools for local governments; returning more short-term rentals to long-term homes; and establishing provincial rules and enforcement. These changes are timely for the Cowichan Region as it provides local governments with more options to address short-term rentals.

Province of BC *Short-Term Rental Accommodations Act* (October 2023)

- ✓ **Fines and Other Tools:** Increasing fines for operators breaking local rules to support local bylaws and requiring short-term rental platforms to share data to strengthen local enforcement; requiring online short-term rental platforms to share their data with the Province, so the Province can provide that information to local governments for enforcement and support of provincial and federal tax auditing; requiring short-term rental platforms to include businesses licence numbers on listings where they are used by a local government and to remove listings without them quickly to ensure local rules are being followed; giving regional districts the ability to issue business licences so they can more effectively regulate short-term rentals in rural areas.
- ✓ **Principal Residence and Non-Conforming:** requiring short-term rentals in BC to be offered only in the principal residence of a host in municipalities with a population of 10,000 people or more; specifying areas exempt from the principal residence requirement (e.g., municipalities under 10,000 population, except those within 15km of larger municipalities, and regional district electoral areas); and removing legal non-conforming use protections for short-term rentals being taken advantage of by investors to support local governments' efforts to set rules about where these units can operate in communities. Within the Cowichan region, the principal residence requirement will automatically apply to STRs within the Municipality of North Cowichan and the City of Duncan. The Town of Lake Cowichan, Town of Ladysmith, and CVRD Electoral Areas will have the option to opt into the requirement.
- ✓ **Enforcement:** establishing a provincial host and platform registry by late 2024 for stronger accountability; and launching a provincial short-term rental compliance and enforcement unit to make sure rules are being followed.

Scope of Regulating STRs

It is envisioned that this strategy will enhance short-term rental regulations in the Cowichan Region while not being overly onerous and avoid unintentionally hindering the positive attributes of STRs. Appropriate regulation can provide clear guidance to shape the growth of the sector in a way that balances the needs of long-term housing and property owner preferences with tourism and worker needs.

- **Review zoning regulations and provide opportunities for STRs through TUPs and rezonings, with consideration for the needs of temporary worker housing and the tourism industry:** member municipalities and the CVRD may consider preparing and adopting short-term rental regulations either through a stand-alone short-term rental regulation bylaw or through integrating within existing bylaws where applicable (i.e. Zoning Bylaw, Business License Bylaw, Fees and Charges Bylaw, and Enforcement Bylaw). Key considerations for drafting these regulations:

- Zoning can be amended to clearly define short-term rentals as a use. A section can also be added under general regulations that specify short-term rentals can only be operated in the principal residence with a valid business license, have a maximum number of patrons at one time (e.g., up to six patrons), and parking restrictions (e.g., on-site or off-street parking space).
- Under the Zoning Bylaw definitions section and supported by the General Regulations section, clearly define short-term rentals as a commercial use of a principal or accessory dwelling unit for the accommodation of short-term guests for periods of less than 90 days (period is necessary to distinguish the short-term rental from a residential tenancy that typically has a 90+ day term)⁵.
- Regulate through financial measures (e.g., STR business license fees, fines for hosts operating out of compliance). It is recommended that penalty fees apply for any Bylaw offence. Consider tiered fees for business licenses (higher for tourist-oriented short-term rentals, lower for temporary worker accommodations).
- Areas in the Cowichan Region that have populations less than 10,000 may benefit by opting into regulating short-term rentals with the principal residence requirement. Opting-in is permitted under the new legislation, however caution should be exercised with consideration of developing local regulations instead that take the local context into account.

- **Prioritize the development of a business licensing program for short-term rentals:** in alignment with the new tool available to regional districts, the CVRD has already begun exploring the implementation of a business license program for STRs, which would allow for more nuanced regulations. As part of new legislation, online hosts are required to display their business license number on their listings. If a short-term rental listing does not include a valid business license, local

Alignment

- ✓ CVRD Interim Housing Needs Report for the Electoral Areas (2024)
- ✓ *Short-Term Rental Accommodations Act*

⁵ The Province of BC defines short-term rentals up to 90 days.

governments can request the platform remove the listing. This is a practical enforcement tool the CVRD can exercise.

- **Align Zoning Bylaws with ALR regulations to enhance the availability of on-farm agri-tourism accommodations:** exploring on-farm agri-tourism accommodation can divert some tourists from occupying short-term rental accommodation and make more STRs available for workers. Within the existing legislation, permitted residential uses on ALR land include: a principal residence and secondary suite, farm worker housing, and seasonal/short-term agri-tourism accommodation (limited to 10 sleeping units, and on properties that have a farm status).
- **Monitor and report on the impact of new provincial legislation and local regulations to support a healthy housing market and tourism industry:** the Province is currently developing a data sharing program on STRs. A monitoring approach for the Cowichan Region can be developed once the Province releases details of this program.
- **Hotel accommodation:** explore new hotel accommodation development in the Cowichan Region to address the shortage of rooms, aligning with Tourism Cowichan and the CVRD's draft Accommodation Needs Assessment which identified an opportunity to deliver an additional 175 rooms to the region.

Desired Outcomes – How To Measure Success

Recognizing that short-term rentals have a role to play with respect to providing tourism accommodation and accommodation for the workforce looking for short-stay options, regulating short-term rentals can mitigate some undesirable issues such as diverting a large quantity of the rental housing stock, contributing to extremely low vacancy rates. The desired outcomes outlined below are ways to measure success in the first five years of pursuing STR regulation.

- **Market rental vacancy rate of 3% or greater:** improving the availability of rental housing for residents is a desired outcome of this strategy. This can be measured by monitoring the rental vacancy rate that is currently nearly 0% for all categories. An increasing rental vacancy rate is a marker of improvement. A rental vacancy rate of 2% – 3% is an indicator of a healthy, balanced rental housing supply. It will require complementary initiatives to address the rental vacancy rate, such as the development of purpose-built market rental housing and affordable housing. However, regulating short-term rentals is expected to have a meaningful impact if enforced.
- **Maintain a healthy STR industry:** monitoring STRs in the Cowichan Region can be achieved once the Province releases details on its data sharing program.

Strategy #4: Establish a Housing Corporation

STRATEGY	GOAL	DESIRED OUTCOMES IN 3 YEARS	
Establish a Housing Corporation	Increase capacity and resources to develop housing projects	<ul style="list-style-type: none"> Complete feasibility study in time for possible 2026 referendum 	
ACTIONS	RESPONSIBILITY	TIMING	INVESTMENT REQUIRED
1. Conduct a feasibility study to identify the framework and process for transitioning CHA to a HC	CVRD (lead) CHA (partner)	2025	<ul style="list-style-type: none"> Consultant Capital

The Strategy

Establishing a Housing Corporation (HC) aims to address the limited collective capacity and resources to develop new housing in the region. Akin to authorities such as the Whistler Housing Authority and Capital Region Housing Corporation, the proposed HC intends to be the vehicle by which the Regional District and member municipalities can take a leadership role in meeting their estimated housing unit needs by developing new affordable housing projects, acquiring units, and managing housing agreements. With increasing expectations and requirements placed upon local governments by the Province to meet housing targets (i.e., the *Housing Supply Act*), this strategy positions the region to meet its obligations through self-direction while complementing other sectors to deliver units in the region.

Housing Corporation vs Housing Authority

A housing authority is an independent, government-owned agency that provides a range of housing services, funding, and programs to help people in the greatest housing need.

Housing authorities tend to comprise a Board, Director, and staff, and play a lead role in the development of housing policies on behalf of local government. A housing corporation follows a similar model to a housing authority but operates at an 'arm's length' from local government.

The goal of this strategy is to scale-up and increase capacity to address workforce housing needs in the Cowichan Region. This is directly responding to a core issue heard throughout the engagement process for a need and desire to address the limited capacity and resources required to meet the housing crisis in the region. Specifically, capacity limitations in the region are widespread:

- At the local government level (e.g., to process applications, respond to funding calls, and opportunities for partnerships);
- Within the private sector builder / developer sector (e.g., to close the unit shortfall gap, diversify the types of housing being built etc.); and
- Non-profit sector (e.g., to meet the growing need and emerging social issues).

The proposed HC can knit these pieces together through direct integration of development processes as well as partnerships. Key benefits of setting up a housing corporation include:

- **Integrated development approvals** process with the CVRD and member municipalities. This also aids in creating confidence and certainty with the approvals process, making partnering with the HC an attractive option for private developers, non-profits, First Nations, and senior levels of government.
- Opportunity to **partner with First Nations** through capacity-building, sharing of knowledge and resources, and pursuing joint development projects.
- Being in a position to attract partnerships and increase competitiveness for investment from funders. The opportunity includes simplified **partnerships with senior levels of government**, such as potentially establishing a Memorandum of Understanding, which is becoming more common between housing authorities or corporations and the Province of BC.
- As a government-owned agency, the HC would have **access to long-term borrowing** through the Municipal Finance Authority of BC. This borrowing power is a competitive advantage with respect to interest rates and creates the opportunity to make a substantial investment in the capital and operating expenditures required to launch a corporation and to pursue initial development projects until a self-sustaining revenue model can be established.
- Provide a **vehicle for local governments to combine resources and directly address housing unit estimates** by leading housing development projects, while supporting other sectors to also pursue housing development projects.

Housing corporations typically take several years to become established and require investment to launch. The return on investment is not typically seen for several years or longer. Once established with a portfolio and demonstrated experience, financial benefits and broad community value can be observed. As such, **establishing a housing corporation is a long-term strategy** that transforms the environment in which new projects can be realized in Cowichan.

Positioning CHA to Evolve into the HC

There are different pathways to creating a housing corporation. The region is already served by Cowichan Housing Association (CHA), a non-profit society that provides community development, research, and programming to support the creation of affordable housing options, protect the existing housing stock, and reduce homelessness. Consequently, this process explored three high-level options for creating a housing corporation for the Cowichan Region:

- (i) Establish a new housing corporation entity, and CHA continues business as usual;
- (ii) CHA is empowered and evolves into a housing corporation; and
- (iii) CHA remains operating as a non-profit society and continues business as usual, and potentially restructures. The housing corporation is not pursued.

Case study research and interviews with other housing authorities revealed that establishing a new organization from the ground-up requires significant investment from local and senior levels of government, and it may take several years before the corporation can be in a position to pursue development projects or acquire housing units. Alternatively, expanding the services of an existing organization to take on the role of a corporation can effectively bypass the start-up phase and accelerate the implementation of this strategy. Engagement with the CHA Board of Directors, as well as research,

helped inform the decision to investigate the path of elevating and empowering the existing CHA to evolve into a housing corporation.

CHA has a good reputation and is well known for its positive social impact, and as such is the best suited organization to potentially take on a development corporation role. Many participants from the engagement process also suggested that CHA is a natural fit for this scope of work. In addition, social issues have magnified since the COVID-19 pandemic and surpassed CHA's capacity to meet the needs of the community – this is an opportunity to restructure CHA to have more capacity, resources, and tools required to meet the current and emerging acute challenges. In short, this strategy focuses on investigating the feasibility of transforming CHA into a corporation, towards expanding services while staying aligned with its values and mandate.

Alignment

- ✓ CVRD Regional Housing Needs Assessment Report
- ✓ Cowichan Attainable Housing Strategy
- ✓ *Housing Supply Act*

Desired Outcomes – How To Measure Success

The HC has broad potential, including attracting investment from senior levels of government, generating confidence and certainty within the development approvals process, connecting partners and unlocking land, and fostering partnerships with First Nations. The desired outcome outlined below is the key step required to understand the opportunities and risks with moving forward on this strategy:

- **Complete feasibility study in time for possible 2026 referendum:** while the scope of the feasibility study is still yet to be determined, possible components may include: further exploring if CHA should evolve into the HC, or if a new entity should be established, and the cost-benefits of not pursuing the HC; roles and responsibilities of the CVRD and member municipalities (including interjurisdictional collaboration); and investigating the HC's operational scope (i.e. retaining existing services of the CHA, pursuing housing development programs, acquiring units, and inheriting housing agreements, etc.). Budget is also a substantial consideration for a Housing Corporation that should be explored as part of the feasibility study, given that upfront capital investment such as land and cash is typically required to support operations and initial development projects. Subject to the feasibility study, potential funding sources may include options from the following table:

Housing Corporation – Preliminary Potential Funding Sources

Start-Up Funding	Self-Sustaining Funding
<ul style="list-style-type: none"> • Borrow from Municipal Finance Authority of BC • Cowichan Housing Association Financial Contribution Service annual financial contribution (transfer to HC) • Housing Trust Fund (HTF) • Municipal land contribution • Online Accommodation Platforms portion of the Municipal and Regional District Tax • Provincial and Federal Programs (stackable funding for projects) • Rental Housing Capital Contribution Fund • Taxation 	<ul style="list-style-type: none"> • Affordable Housing Reserve Fund • Commercial lease revenue from mixed-use developments • Community Amenity Contributions (CACs) • MoU with Senior Level Governments • Provincial and Federal Programs (stackable funding for projects) • Rent revenue from housing projects

IMPLEMENTATION

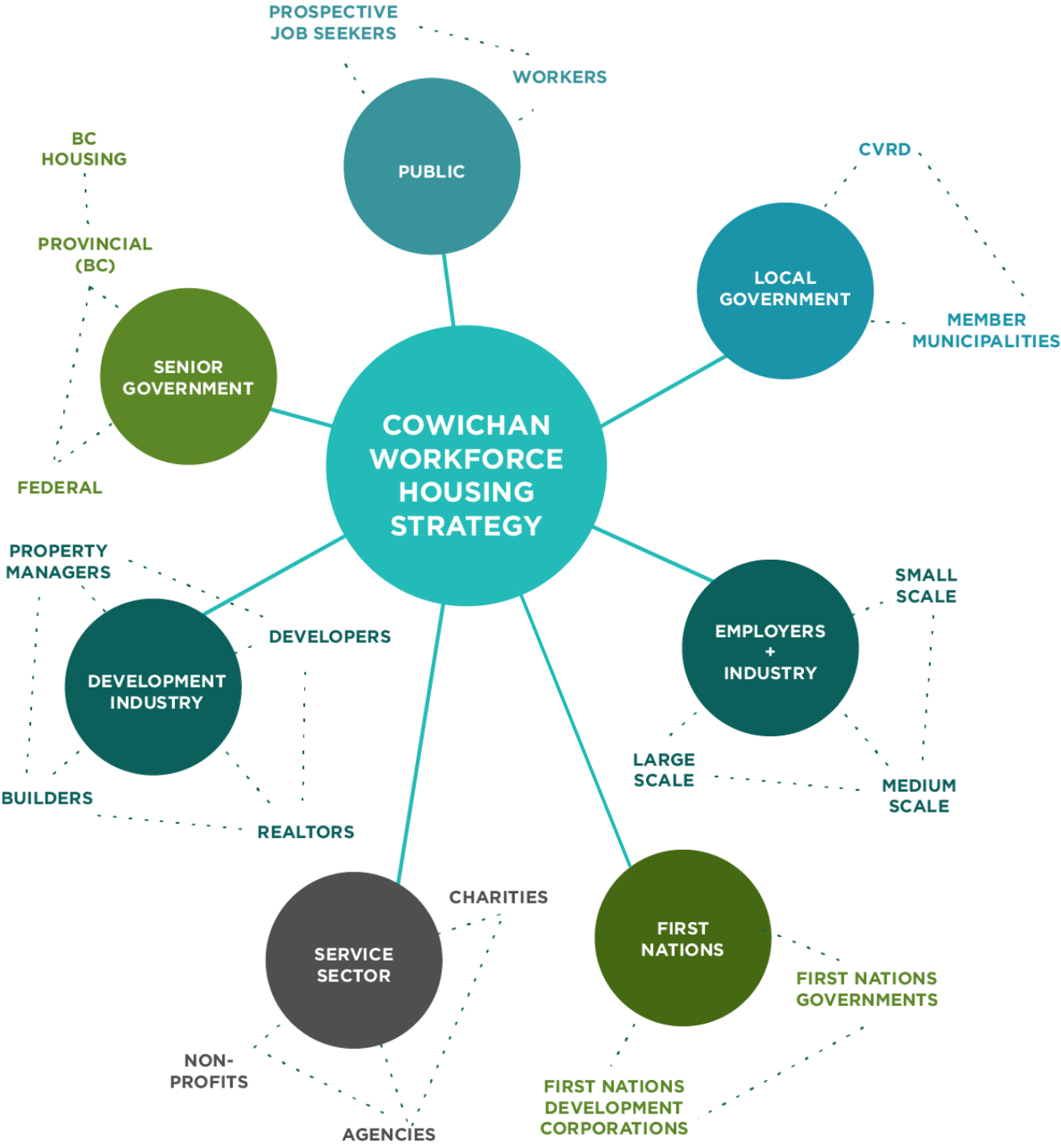
Collaborative Responsibility

Following a Collaborative Responsibility approach, success of the Cowichan Region Workforce Housing Strategy relies on having a supportive infrastructure in-place at the outset of implementation. Specifically, backbone organizations and sectors form a collaborative network for shared responsibility and play a crucial role during implementation, which includes the following responsibilities:

- **Guide Vision and Strategy:** building a common understanding of the issues and actions that are required to address workforce housing needs.
- **Support aligned activities:** implementing aligned and mutually reinforcing actions to achieve the shared Vision.
- **Establish shared measurement practices:** regularly reporting indicators that represent desired outcomes to monitor and evaluate impacts and shifting conditions over time.
- **Build public will:** gathering community buy-in and commitment.
- **Mobilize funding and resources:** securing public and private funding to turn the Strategy's proposed actions into reality.

The backbone organizations and sectors that will support this Strategy's implementation are: Cowichan Valley Regional District; member municipalities; Cowichan Housing Association and Housing Corporation; the development sector; and employers and key industries. There are also opportunities to collaborate and partner with First Nations, the Provincial Government, and the Federal Government.

Figure 1: Workforce Housing Strategy Implementation Shared Responsibility Collaborative Network



Specific Recommendations

1. The CVRD is in the pre-planning stages of developing a Regional Growth Strategy (RGS) in partnership with the region's member municipalities, and has begun initial discussions at the Board level on the establishment of a regional planning service. A RGS and/or regional planning service would be beneficial to the implementation of several of the recommendations in this Strategy. In particular, recognizing the CVRD's Utilities Division is not a regional or electoral area-wide function, this Strategy recommends exploring regional servicing in relation to housing, including monitoring new residential construction as part of these processes.
2. If a regional planning service is established in the future, then consider creating a position within the service for a Regional Housing Coordinator to lead the implementation of the Workforce Housing Strategy as well as the Cowichan Attainable Housing Strategy. Dedicating a staff person to oversee this work will help move the strategies forward in an environment where capacity is already strained.
3. Update OCPs and Zoning Bylaws throughout the region to support the development of a variety of housing forms and tenures that support the development of workforce housing.
4. Identify a budget and lead organizational responsibility within the CVRD for the Housing Corporation feasibility study.

Tracking Success

Tracking success can assist the Cowichan Region with monitoring the success of the Workforce Housing Strategy over the next five years. It will also help with having information readily available to report on progress and respond to various inquiries from stakeholders, potential funders, investors, builders, partners, and the media.

- **Project Tracker:** document workforce housing projects under construction/delivered in the Cowichan Region where possible, especially where the HC is involved. Information can include: a brief project description, target population, total number of units, typology (e.g., townhouse, apartment, etc.), tenure / affordability mix, funding program(s), and partners.
- **Desired Outcomes Tracker:** desired outcomes, which are informed by the data summarized in the Context Companion Report, should be tracked to monitor the implementation of the strategies over the next five years:

Desired Outcomes Tracker	
Indicator	Source
1. Job vacancy rates for key industries are reduced by 10%	<ul style="list-style-type: none"> Job Vacancies, Statistics Canada
2. Increase uptake in ADU construction starts (5% target)	<ul style="list-style-type: none"> Building permit data (CVRD, Member Municipalities)
3. Increase uptake in modular housing construction (minimum 5% target)	<ul style="list-style-type: none"> Project Tracker
4. Average 600 total housing units built per year	<ul style="list-style-type: none"> Building permit data (CVRD, Member Municipalities)
5. Improved market vacancy rate (3% or greater)	<ul style="list-style-type: none"> Market Rental Report, CMHC
6. Maintain a healthy STR industry	<ul style="list-style-type: none"> Provincial data sharing program (anticipated 2024)
7. Complete feasibility study in time for possible 2026 referendum	<ul style="list-style-type: none"> TBD

Funding the Strategy

Funding is required to implement the Cowichan Region Workforce Housing Strategy. While details are subject to further refinement, initial opportunities to fund the implementation of the Strategy include:

- Direct funds generated from the Municipal and Regional District Tax (MRDT) on Online Accommodation Platforms (OAP) towards implementing the Strategy in 2026;
- Apply to CHA’s Project Development Fund (PDF) to implement specific recommendations within the Strategy. The PDF is funded by the CVRD as part of CHA’s annual contribution agreement;

- Consider a potential increase to the MRDT rate (i.e., from 2% to 3%). Increasing the rate creates an opportunity to generate more revenue to be shared between Tourism Cowichan Society and the HC. Engagement with hotel operators must be undertaken to gain support for increasing the tax rate; and
- Leverage existing resources by applying for additional funding.

Utilizing MRDT for Housing

The Municipal and Regional District Tax (MRDT) provides funding for local tourism marketing programs and projects, including sport hosting marketing programs and projects, and destination enhancement initiatives, such as capital and non-capital investments in operation and tourism attractions. In 2018, amendments to the MRDT regulations added affordable housing as a permissible use of funds to help address local housing needs as well as to ensure tourism and temporary workers can find housing in the communities in which they live and work. This change was introduced along with formal MRDT collection from Online Accommodation Platforms (OAP). While the general MRDT revenues are collected from traditional accommodation providers such as hotels, motels, and B&Bs, OAP MRDT is designed to tax transactions for renting short-term accommodation, such as Airbnb, and typically list basement suites, cabins, and cottages.

Under certain circumstances, designated recipients have the flexibility to define, identify, and fund affordable housing initiatives deemed appropriate to meet local needs. Typically, local governments leverage MRDT funds to secure additional funding for capital construction costs of affordable and workforce housing development projects. Designated recipients may use MRDT revenues for the following affordable housing purposes:

- Acquiring or improving land used for, or intended to be used for, housing or shelters;
- Acquiring, constructing, maintaining, or renovating housing or shelters;
- Paying expenses related to the administration or disposal of housing, shelter, or land acquired with money paid out of MRDT revenues;
- Supporting housing, rental, or shelter programs; and/or
- Supporting the acquisition, construction, maintenance, renovation, or retention of housing or shelter; or the acquisition or improvement of land intended to be used for housing or shelters.

The CVRD Board began reallocating OAP MRDT revenues from tourism marketing to affordable housing in 2024. This creates the opportunity to provide affordable housing for workers in the tourism, accommodation, and service sectors, as well as support the recruitment and

In Tofino, MRDT revenue facilitated the development of 86 units of affordable housing.

In the Resort Municipality of Whistler, MRDT revenue facilitated the development of 664 affordable and workforce housing units.

retention of workers for sustained tourism operations and programs. This direction is in-line with preferences of employers and employees throughout the Cowichan Region indicated in an Economic Development Cowichan 2022 survey. The survey included questions around short-term rentals and MRDT where both employers (71%) and employees (80%) indicated a clear preference for redirecting revenues from OAP MRDT towards affordable housing initiatives.

In 2024, the CVRD began adding OAP MRDT funds to the annual financial contribution given to Cowichan Housing Association, which is used to support affordable housing projects within the region through CHA's established grant programs. However, given the investment required to implement this Workforce Housing Strategy, it is recommended that the CVRD consider directing OAP MRDT funds towards Strategy implementation in 2026.

The revenue from MRDT can be further enhanced by increasing the tax rate. The maximum rate of tax under MRDT is 3% of the purchase price of accommodation. In the Cowichan Region, MRDT funds are currently collected at a 2% rate. Designated recipients can request a change to the tax rate by submitting a complete application that meets the requirements. If approved, the tax will be renewed at the new rate for a five-year period. Increasing the rate creates an opportunity to generate more revenue to be shared between tourism marketing and affordable housing initiatives.

Concluding Comments

Guided by the Workforce Housing Strategy, the Cowichan Region remains committed to meeting the needs of the workforce. Housing the workforce is a complex issue that cannot be addressed in isolation and requires partnerships between all sectors and levels of government. Organizations across the region are already working closely and collaboratively on many local initiatives, and leveraging these strong community ties will support the implementation of this Strategy.





Cowichan Region Workforce Housing Context

A PLACE TO BUILD FUTURES

LAND ACKNOWLEDGEMENT

We acknowledge that for thousands of years the Quw'utsun, Malahat, Ts'uubaa-asatx, Halalt, Penelakut, Stz'uminus, Lyackson, Pauquachin, Ditidaht, and Pacheedaht Peoples have walked gently on the unceded territories where this work has taken place.

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INTRODUCTION

On behalf of the Cowichan Valley Regional District (CVRD), CitySpaces Consulting prepared a Workforce Housing Strategy for the Cowichan region. The purpose of the Strategy is to address housing problems as it relates to employment.

This *Context Report* is a companion report to the Workforce Housing Strategy. It provides the background content with respect to the approach and project phases, engagement process, as well as key indicators that demonstrate workforce housing needs and issues in Cowichan.

THE DESIGN THINKING PROCESS

Project Phases

The Strategy process was formulated using a design thinking process – a method for engaging with the community in a way that creates conditions for personal, collective, and systemic transformation. Design thinking is the practice of naming and solving root problems and co-imagining new solutions with intention and action. In this respect, each phase of the project built-off previous tasks and were continuously adapted based on shared learning. In summary, the Strategy was implemented over five phases:

- **Phase 1 – Project Initiation:** this phase was about establishing relationships and kickstarting momentum. The outcome of this phase was creating a mutual understanding of the scope, tasks, expectations, and critical factors of success, as well as setting the container from which the process unfolded.
- **Phase 2 – Baseline Development:** this phase built-off the previous work already undertaken by the CVRD, member municipalities, and First Nations by offering new information to help define the problem statement. A framework was established to inform solution-seeking exercises in subsequent steps.
- **Phase 3 – The Big Brainstorm:** this phase was about creating and making choices. Activities were centred around being inclusive, open, curious, and strategically experimental. This phase evolved a short-listed number of strategies, researching case studies from elsewhere, and involved initial testing with stakeholders. Solutions were refined towards simple, clear, and tangible strategies. This is where the project team, with input from stakeholders, made decisions to endorse, scale up or down, or let go of ideas.
- **Phase 4 – Knitting Solutions Together:** this phase was about creating a credible Strategy to enable workforce housing solutions in the Cowichan Region. This is where the process materialized into a clear roadmap.
- **Phase 5 – Ready to Launch:** this phase integrates final inputs as well as enhancing the look-and-feel of the deliverable so that the community is ready to launch into action.

Figure 1: The Cowichan Workforce Housing Strategy Design Thinking Process



Project Participants

The design thinking process was made possible through multi-sector collaboration:

- **Project Team:** consisted of representatives from Economic Development Cowichan, Cowichan Valley Regional District, Cowichan Housing Association, and the Consulting Team. The Project Team met regularly to plan, coordinate, and implement the work plan.
- **Project Advisory Group:** comprised diverse stakeholders who provided strategic input at key milestones and also participated in various engagement activities.
- **Municipal and First Nations Technical Advisory Group:** comprised municipal and First Nations representatives who convened to provide technical input for ensuring strategies are grounded within the local context.
- **CVRD Regional Board:** comprised representatives from unincorporated electoral areas and municipalities, the Regional Board was engaged at key milestones of the project and offered contextual input and direction with respect to alignment with other regional initiatives. Board members also participated in various engagement activities.
- **Regional Planning:** interdepartmental staff from the four member municipalities (City of Duncan, Town of Ladysmith, Town of Lake Cowichan, and Municipality of North Cowichan) and CVRD planning staff participated in engagement activities and provided technical input on solution-building concepts.
- **Employers:** a cross-section of small businesses and major employers participated in various engagement activities, including representatives from healthcare, non-profit organizations, education, emergency services, tourism, construction, retail, food and beverage, agriculture, forestry, manufacturing, arts/culture, film, and technology.

- **Employees and Workers with Lived Experience of Housing Insecurity:** special outreach to workers who experienced challenges with finding and affording housing participated in various engagement activities. Engagement with workers with lived experience of housing insecurity gave space to solutions that are centred around the needs of workers.
- **Builders and Developers:** representatives from the development industry participated in this process, bringing critical perspective on technical challenges and opportunities to develop workforce housing including insight on strategy feasibility.
- **Service Providers:** comprising non-profit housing providers, employment / life skills and training programs, and youth services. Representatives from this group provided a unique perspective from supporting their clients through their programs and services.
- **Members of the Public:** interested members of the public participated in various engagement activities and provided input on workforce housing issues and helped generate ideas that informed Strategy development.

Meaningful Engagement
 Developing a workforce housing strategy requires authentic and accessible engagement to identify the best path forward. Every focus area had a depth of complexity, and as such, the engagement activities were designed to draw meaningful insight and perspective from everyone.

In total, 462 people participated in the Cowichan Workforce Housing Strategy process comprising eight workshops, 38 interviews with 61 stakeholders, and a survey.

Figure 2: Engagement at-a-Glance



Engagement Focused on Strategy

For any strategy, identifying roadblocks and pain-points is key to finding solutions. In the case of workforce housing in the Cowichan Region, there are numerous obstacles that need to be addressed in order to release the roadblocks and create an enabling and supportive environment to develop workforce housing.

Many of the roadblocks and pain-points identified by participants during engagement are already acknowledged and assigned to be remedied by either a process, procedure, strategy, plan, policy, or bylaw. For example:

- **The Cowichan Attainable Housing Strategy (2019):** outlines 13 strategies to address regional housing needs including enhancing community engagement, awareness and advocacy; enhancing local government policy frameworks that promote increased supply and improved housing affordability; fast tracking applications for affordable housing development projects; and revising land use to improve linkages between housing and transportation. These strategies target housing across the continuum including non-market housing, market rental housing, and homeownership.
- **Official Community Plans and Local Area Plans:** recently updated or are currently being updated across the region. Each plan has a high degree of focus on residential development. Through extensive community consultation, these plans also outline sustainable growth management including containment boundaries and opportunities for infill development and densification.
- **Development Intake and Review Process:** currently being modernized in some communities with digital systems to improve development application process including improving review and approval timelines.

In addition, some issues identified during the engagement process are relevant however outside of the scope of 'housing', including: global economic conditions and supply chain issues; stagnant wages that result in households having less spending power for renting and owning a home, and pressure on local businesses to increase wages while remaining viable.

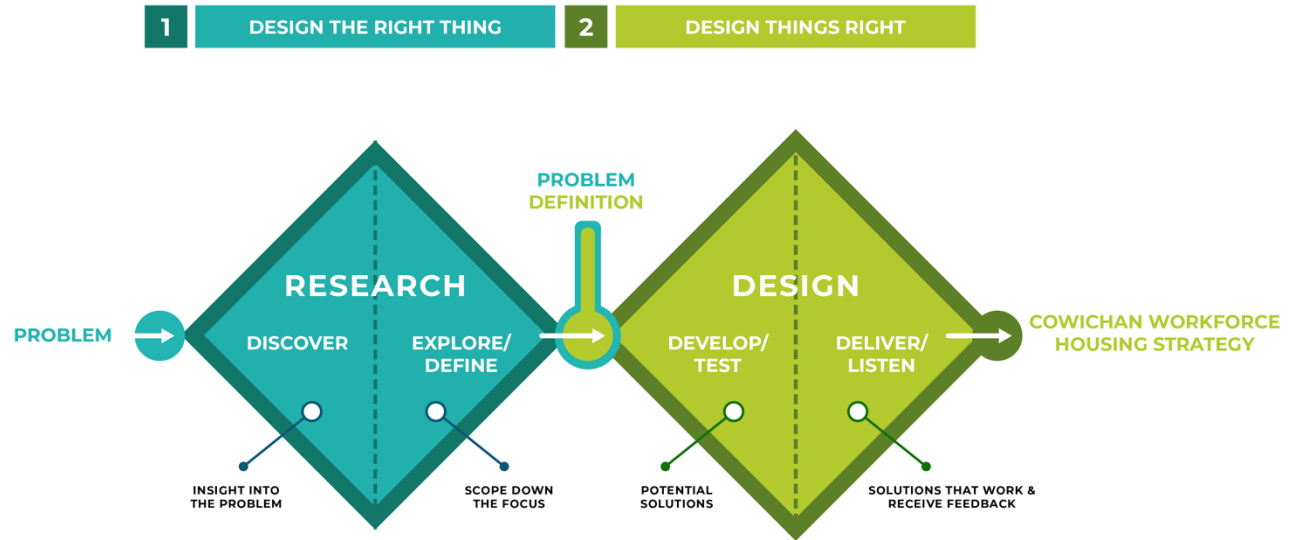
There are many layers of influence to workforce housing development in the Cowichan Region. It is a complex system and each layer needs to be nourished in order for the housing and labour market system to grow in a healthy, equitable, and prosperous way.

The intention of the Workforce Housing Strategy is to complement existing strategies, policies, and plans, and to transform the broader conditions in which housing development takes place.

The first round of engagement identified numerous root causes and a wide variety of potential solutions. This was a helpful starting point that underwent an evaluation exercise to ensure the Strategy focuses on the right opportunities rather than on every opportunity. Specifically, potential solutions were reviewed with respect to what could have the most meaningful impact, what the region has the capacity to address,

and what could be sustainably maintained alongside other initiatives. Good ideas had to be set aside in order to concentrate efforts on the most important pathways.

Figure 3: Design Thinking Process Evaluation



WORKFORCE PRESSURES AND ISSUES

The Workforce and Housing Linkage in the Cowichan Region

Housing is intrinsically tied to the economic health and vitality of a community. Although there has been substantial economic growth in British Columbia, communities have struggled to generate, attract, and retain a skilled and stable workforce. Numerous studies have concluded that limited and inadequate housing supply drive workforce away from regions.

The issues between jobs and housing are core issues being experienced in Cowichan— a region with natural amenities, connectivity to major transportation routes and centres such as Victoria and Nanaimo, and ancestral home and traditional territories of more than nine First Nations.

Figure 4: Cowichan Region – Member Municipalities and Electoral Areas



Households in the CVRD are expected to grow by 14% over the next Census period¹, which would be the fastest growth period observed for the region compared to the recent past. Population growth has outpaced the development of new housing stock. To illustrate, figures from Statistics Canada outline that from 2016 to 2021 there was a 5.7% increase in the number of houses in the CVRD. During that same period, the region's population grew by 6.3%.

According to the 2024 CVRD Interim Housing Needs Report for the Electoral Areas, the Cowichan Region needs 5,033 new housing units in the next 5 years to accommodate anticipated population growth (an average of 1,007 units per year). The development trend over the past 10 years produced an average of 516 new housing units per year, a significant shortfall of approximately 491 units per year. While construction activity has increased recently (with 919 units permitted in 2021 and 745 permitted in 2022), recent market indicators signal a slowdown and may be due to factors such as high interest rates and construction costs.

The effects of an imbalance between population growth and available housing are inflating housing prices, rent, and cost of living. It is also reducing the availability of housing and creating instability in the local workforce and economic environment. As more people are finding Cowichan an ideal place to call home, solutions are needed to ensure that community members and workforces have access to safe, affordable, and sustainable housing.

The volatility of the local workforce and economic conditions is also reflected by ongoing labour shortages. At present, BC has one of the highest job vacancy rates in Canada at 6.1%. Similarly, the Vancouver Island Economic Region has a 5.9% job vacancy rate. The 2022 Workforce Housing Survey illustrates that respondents identified housing instability – specifically affordability and availability – has resulted in prospective employees refusing job offers and relocating from the Cowichan region.

Housing Projections

There are several different sources of housing needs projections, calculated using different formulas and for different purposes. These include Housing Needs Assessments calculated by regional districts and municipalities, Provincial housing targets set by the Housing Supply Act, and projections calculated by BC Statistics. This creates uncertainty for local governments as they work to meet the housing demands of their jurisdictions.

1. CVRD Regional Housing Needs Report (2021).

Figure 5: Impact that Housing Issues Had on Businesses and Organizations

Source: CVRD Workforce Housing Survey (2022)

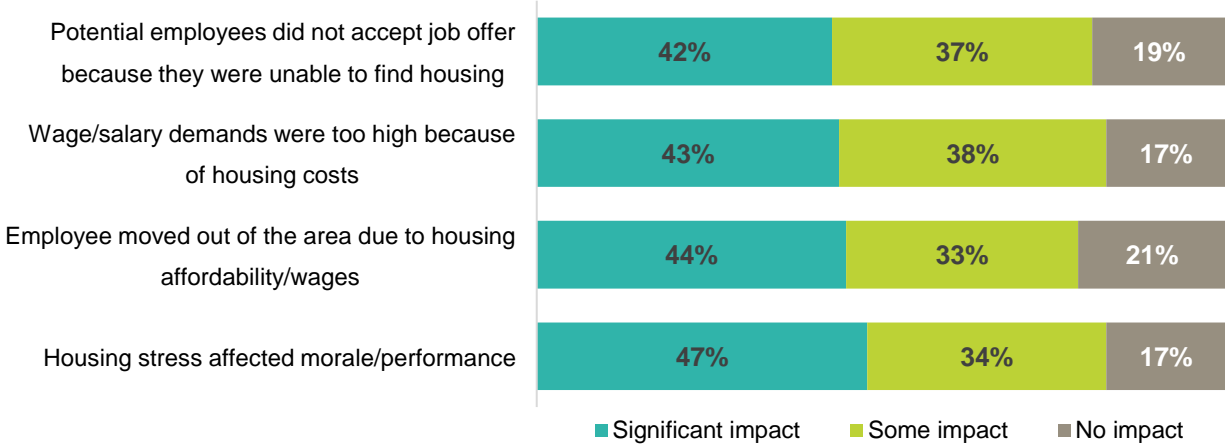
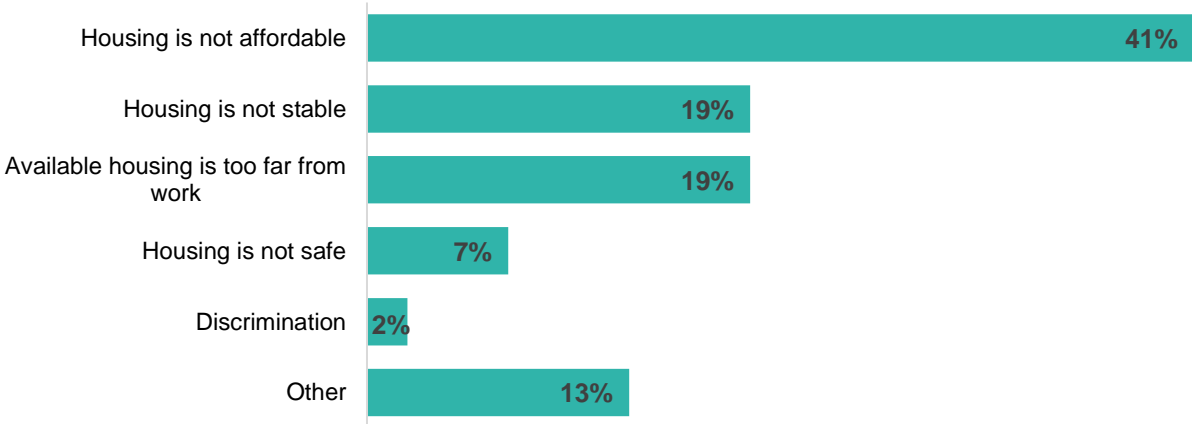


Figure 6: Housing Challenges Experienced by Employees

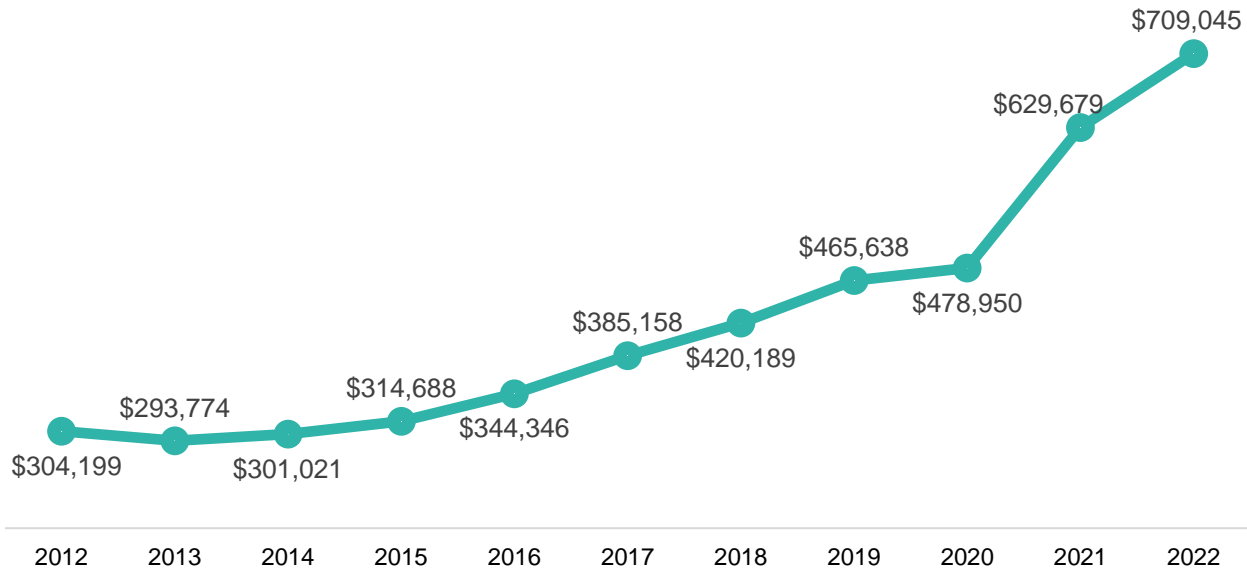
Source: CVRD Workforce Housing Survey (2022)



Findings from the Workforce Housing Survey is supported by data that demonstrates the cost of housing rising consistently year-over-year, with housing sale prices more than doubling over the past decade. The market has failed to provide the housing needed for all residents. As a result, there is a growing need to address the interrelationship between available, safe, and affordable housing to ensure the socio-economic vitality of the region. In addition, neighbouring markets such as Victoria are also experiencing substantial increases to their housing costs and, in comparison, the Cowichan Region is increasingly attractive to intra-regional migration given the relatively more affordable rental and ownership options.

Figure 7: Housing Sale Prices in the Cowichan Region, Over Time

Source: Vancouver Island Real Estate Board (2012 to 2022)



Infrastructure Upgrades Needed

Infrastructure constraints throughout the Cowichan Region, and in particular the electoral areas, was consistently raised by stakeholders and regional planners as a barrier to developing housing projects. Local governments restrict development to serviced areas and, within their growth containment boundaries, there remains a lack of developable land that meets this criteria. This is leading to a shift in development patterns including less greenfield development, more scaling-up (i.e., multi-unit housing projects), densification, infill development and some redevelopment. Upgrading infrastructure to meet higher density projects is costly and it is also challenging to expand infrastructure in areas outside the municipalities. In Cowichan’s electoral areas, privately-owned infrastructure systems were cited as challenging to coordinate. Further exploration on infrastructure upgrades is needed in order to support accelerated housing development in the Cowichan Region.

In addition to site servicing infrastructure constraints and environmental factors, there are a wide range of challenges to increasing construction activity in the region including issues with the development approvals process, increasing cost of construction, and capacity in all sectors (e.g., local government’s capacity to process applications). There is also a labour shortage within the construction industry (8.6%), and as such there needs to be opportunities for the development industry to be competitive in attracting talent including the provision of workforce housing for construction workers.

Short-Term Rentals Have a Major Influence

Private rentals through online platforms such as Airbnb or VRBO have grown as a popular alternative to traditional tourist accommodation (e.g., B&Bs or hotels), which can result in long-term housing being

converted into STRs. With 75% of STR users under the age of 45, the market is expected to grow significantly. Tourist destinations are especially concerned about the availability of rental accommodation for residents and the local workforce, which has led some authorities to implement regulations to manage the use of STRs.

- In BC, it is estimated that short-term rentals are removing nearly 16,000 rental units from the market². Research also demonstrates that for every housing accommodation diverted to the STR market, the average rent for 100 accommodations increased by \$49 per month³.
- The Cowichan Region has seen a significant increase in the number of STRs, with over 1,000 Cowichan rentals listed on Airbnb as of April 2023. Over 700 homes were listed for rent on Airbnb and HomeAway in January 2023.
- Short-term rentals are marketed through different suppliers such as Airbnb, VRBO, HomeAway, Flipkey, HometoGo, Facebook Marketplace, Booking.com, Expedia and TripAdvisor. Short-term rentals comprise a wide range of housing types including leisure vacation rentals (e.g., beach homes, lake houses, cabins chalets); urban rentals (e.g., city apartments); shared rentals (e.g., rooms in primary residence); or other unique properties (e.g., houseboats, campers, treehouses, RVs).

Rental vacancy rates in the Cowichan Region:

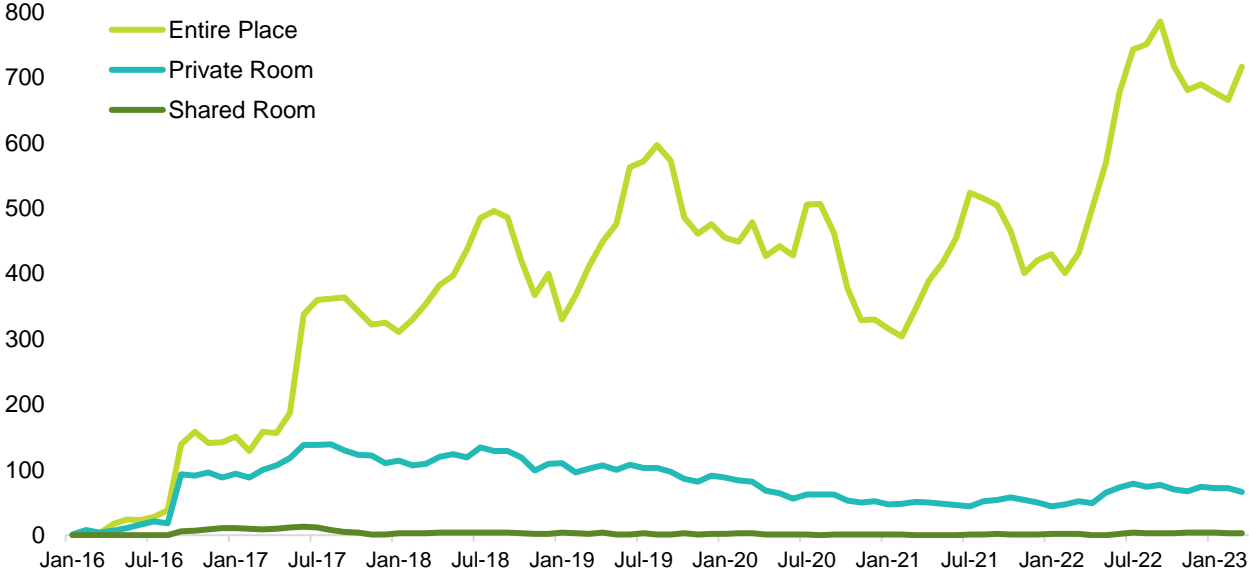
0%	2-bedroom units
0.3%	3-bedroom units

2. Source: Province of BC, Legislation introduced to rein in short-term rentals, deliver more homes for people (2023).

3. Ibid.

Figure 8: Airbnb and HomeAway Listings in the Cowichan Region

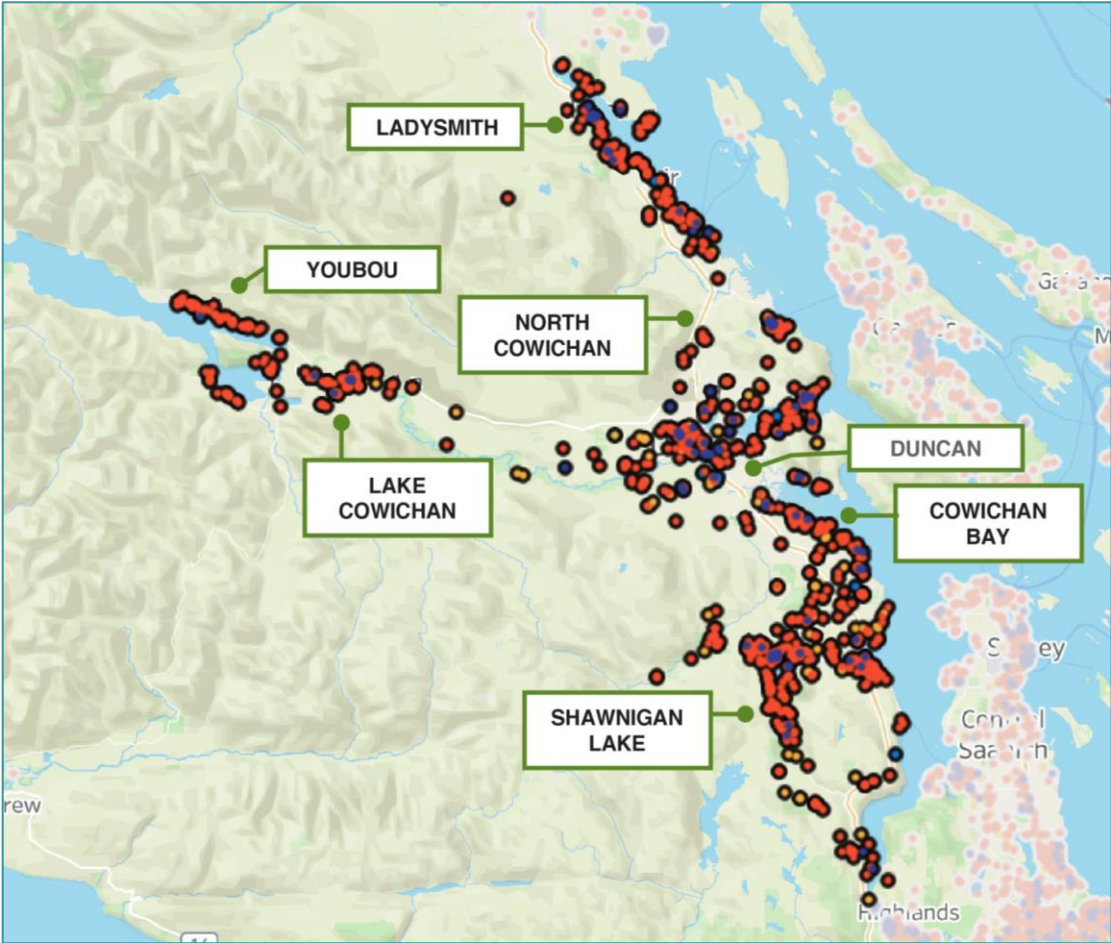
Source: AirDNA, 2016-2023



STRs have a role to play in the market – they are an accommodation of choice for many tourists, especially given the shortage of hotel and motel options in Cowichan. STRs are also a source of additional income for Cowichan residents, which helps offset the rising cost of living. STRs also tend to generate more revenue compared to long term rentals and is a driver for unit conversion. Engagement feedback also indicates that regulations under the *Residential Tenancy Act* are driving some landlords out of the long-term rental market and into short-term rentals. STRs also provide short-term accommodation for workers needing a place to stay – temporary workers, contract and seasonal workers, and newly recruited workers moving to the region needing an interim home before finding something more permanent as they become settled into their new job. As such, this strategy aims to find a balance between making short-term rentals available to serve workers and tourists in this way and ensure security and availability of housing units for residents needing long-term housing. It also aligns with recent legislative changes issued by the Province.

Figure 9: Cowichan Region Short-Term Rental Listings

Source: AirDNA (2023)



‘Who’ is the Workforce?

‘Workforce’ is a broad term that describes people who occupy jobs that ensure a community functions in good order – which can vary greatly from place-to-place given that every community has its own context and workforce needs. In the Cowichan Region, engagement participants conveyed a shared value that the workforce comprises not only people currently participating in the labour market, but also people closing their careers and starting new chapters in their lives, as well as people transitioning into the labour market after completing their studies or acquiring new skills. As such, Cowichan’s workforce can be described as:

- **Workers Transitioning into the Workforce:** this cohort has the potential to join the regional labour market and includes students and people receiving job skills training;
- **Active Workers in Current and Expanding Industries:** this cohort includes workers already living and working in the Cowichan Region across the full range of occupations. It also includes jobs with

high vacancy rates (e.g., construction, healthcare) and expanding industries that may add more jobs in the future (e.g., technology); and

- **Workers Transitioning out of the Workforce:** this cohort includes workers leaving the workforce such as retirees and semi-retired residents.

Figure 10: The Cowichan Region Workforce Cohorts



The target population for this Strategy differs from a traditional Attainable Housing Strategy and, as such, there is a distinct approach to referencing incomes. Specifically, this Strategy references occupational wages typically found in the industries experiencing acute attraction and retention issues, and generally range between minimum wage, living wage, median wage, and moderate- to high-income earners. See Appendix A for occupational wages.

There are over 38,000 workers in the Cowichan Region⁴. Compared to other parts of the Province, Vancouver Island has the highest projected employment growth rate over the next decade (1.5%), expecting a total of over 176,000 job openings by the year 2032⁵. Housing the workforce should consider the diversity of the workforce itself – which means providing housing options that meet the needs of temporary workers, singles and families, workers with disabilities or people experiencing barriers to accessing employment, new workers to the area and workers retiring and looking to downsize.

4. Labour Force Status, Statistics Canada (2021).

5. BC Labour Market Outline 2022-2032 Forecast.

Table 1: Vancouver Island/Coast Top 10 Industries by Forecasted Job Openings

Source: BC Labour Market Outline 2022-2032 Forecast

Industry	Job Openings 2022–2032		
	Expansion	Replacement	Total
Ambulatory health care services	4,830	4,940	9,770
Business and building support services (excluding travel)	5,430	5,060	10,480
Computer systems design and related services	7,020	2,940	9,950
Food services and drinking places	3,900	4,670	8,560
Hospitals	2,440	5,760	8,200
Nursing and residential care facilities	4,510	3,320	7,830
Personal, non-automotive repair and non-profit services	4,630	3,810	8,440
Provincial and territorial public administration	1,320	5,650	6,970
Retail trade (excl. cars, online shopping, and personal care)	5,620	8,820	14,430
Speciality trade contractors	2,050	5,560	7,600

Some industries experiencing growth are already experiencing high job vacancy rates. Industries experiencing the most pressure between current and future demands include accommodation and food services, construction, service sector, and manufacturing. We heard through engagement that industries particularly challenged with attracting, retaining, and supporting workers include healthcare, tourism, agriculture, construction, and non-profit organizations. For the Cowichan Region, it is expected that these industries will continue to grow and attract new workers to the region, all of whom will require suitable housing. Further adding pressure to this situation is the observed decline in the labour force from the last census in manufacturing, accommodation, and food services.

- Healthcare:** The healthcare sector employs the most people in the Cowichan Region and is expected to continue growing. The BC Labour Market forecast estimates that Vancouver Island’s healthcare sector is going to require thousands of more workers in the coming decade: more than 3,000 job openings for nursing and residential care facilities, nearly 5,000 more ambulance related jobs like paramedics and drivers,

Key industries facing labour shortage require workers in order to meet the needs of the community, and workers need housing in order to participate in the labour market. The housing-job linkage is integral to the social fabric of the Cowichan Region.

and nearly 6,000 more jobs opening in hospitals including administrative roles. There is already a widespread shortage of healthcare workers across BC and it is a highly competitive environment to attract and retain these workers. In Cowichan, this is particularly a challenge given the Cowichan District Hospital Replacement Project and anticipated need for healthcare workers once in operation. Workers in the healthcare sector are as diverse as the general population. Roles range from entry-level administration to highly paid physicians. Some workers are single, some have families. Workers may already be living in the region and some may be looking to relocate. Job positions can include full-time, part-time, auxiliary, and even short-term contracts (e.g., travelling nurses). There are also healthcare students out of Vancouver Island University and the new hospital may be a training hospital for UBC medical students, who will also need to be housed.

- **Construction:** The vitality of the construction industry is fundamental to all aspects of implementing the Workforce Housing Strategy. First, there is a need to provide housing for construction workers as a means to address the high job vacancy rate in the construction sector (8.6%). The second is to ensure that the construction industry is in the position to match the scaling-up of development activity needed to address the housing unit estimates needed in Cowichan. This is a tall order, especially given the anticipated new job openings for specialty trade contractors is estimated to grow by 5,000 positions on Vancouver Island in the coming decade⁶. Some construction workers live and work year-round in Cowichan and require long-term housing, and may be single or have families, and at different life stages (entry-level, family-formation years, nearly retired). A key challenge emerging for the Cowichan Region is identifying solutions to accommodate the anticipated influx of temporary construction workers needed for building major projects such as the Cowichan District Hospital. There is already an influx of demand for construction workers during the building phase of the hospital. There is currently a process of actively seeking candidates to fill these positions, which includes efforts to attract individuals within 100-kilometre driving distance of the project. Options for accommodating these workers in the region are currently being evaluated. With an extremely low rental vacancy rate and existing residents already challenged to find housing, the current housing inventory cannot accommodate significant surges in housing demand.
- **Agriculture:** The Cowichan Region is situated within a highly productive agricultural land base. There are over 32,000 hectares of arable land in Cowichan, with nearly a third of this considered prime agricultural land⁷. Over 5% of land in the Cowichan Region is designated and protected as Agricultural Land Reserve (ALR). There are restrictions on what uses and activities can take place on ALR lands, including the provision of housing. The nature of agricultural operations requires seasonal workers, including temporary foreign workers. This creates seasonal fluctuation in housing demand, as many workers move to the region in the summer for agriculture-based jobs (as well as tourism).

6. BC Labour Market Forecast (2022-2023).

7. Cowichan Region Area Agricultural Plan (2010).

Temporary, seasonal, and foreign workers help BC producers meet their labour needs during peak agricultural periods. Agricultural businesses are challenged to fill their positions and are often operating short-staffed (with a job vacancy rate of 7.6%) and the lack of temporary and affordable housing options is a key challenge. Agricultural workers who move into the Cowichan Region require temporary housing solutions that are affordable and typically located on-site or in close proximity to their place of work. The vast majority of these temporary workers are single persons.

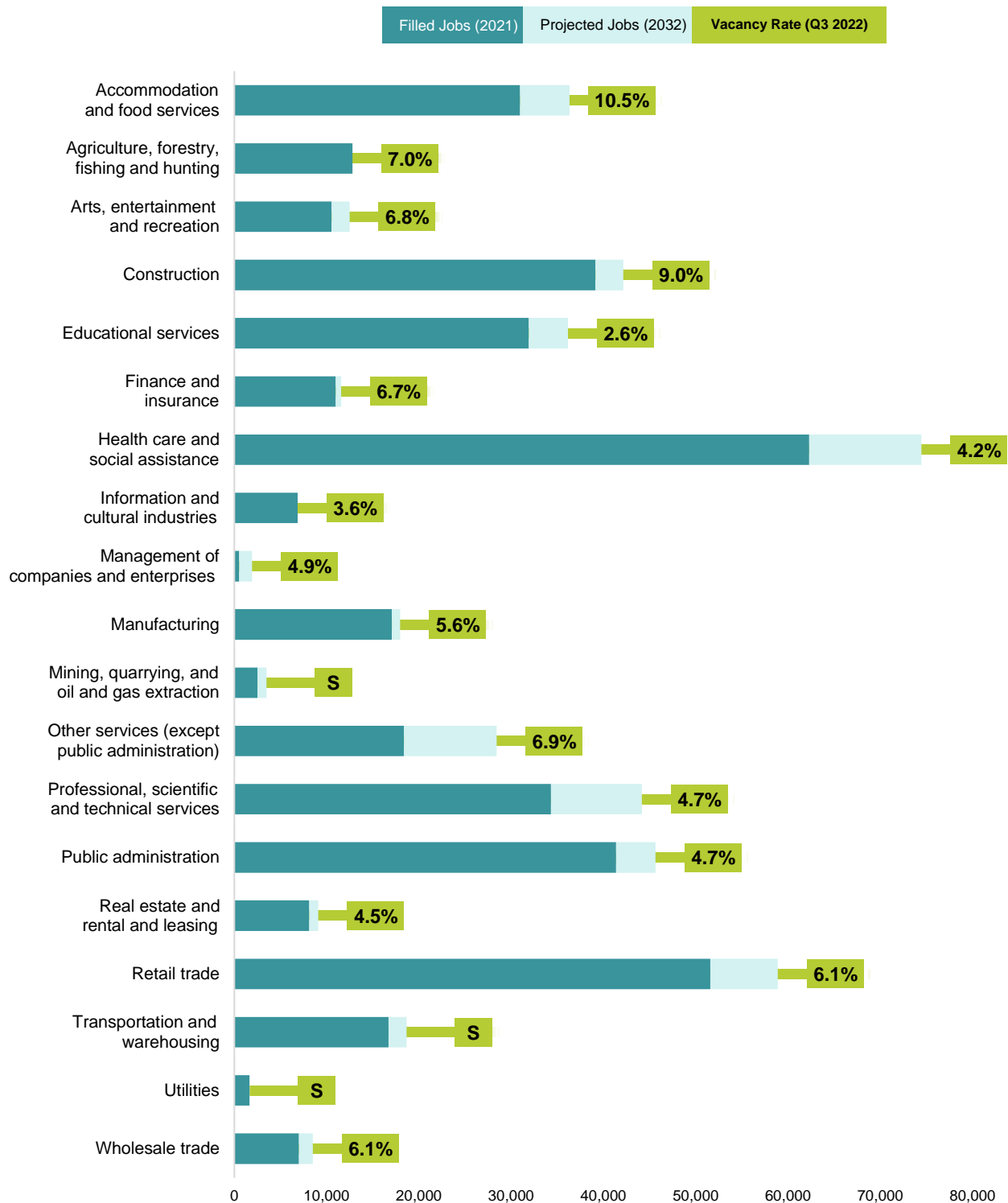
- **Tourism:** Tourism is a key industry in Cowichan, welcoming approximately 25,000 annual visitors to the Cowichan Regional Visitor Centre. Tourism in Cowichan is highly integrated with the agricultural sector, cultivating artisanal food and drink experiences with the support of farms, wineries, distilleries, and cideries. The tourism sector extends broadly to many different sub-sectors and includes workers in hospitality, retail, arts and culture, restaurants, and other service industries. Accommodation and food services have a job vacancy rate of 11.9% – the highest amongst all sectors. Housing workers in the tourism sector is vital to support tourism businesses and programs in Cowichan.
- **Non-profits:** the non-profit sector delivers essential services to the community, including assisting job seekers with skills training, job readiness programs, and job placement programs. Non-profit organizations face challenges with recruiting and retaining workers in a wide range of positions, such as administrators, social workers, facility managers, and professionals – often competing with other industries that can offer more comprehensive compensation packages. The job vacancy rate for public administration is 4.3% and professional services 6.4%, which has created short-staff operations for many non-profit organizations in Cowichan. In addition, non-profits working in the housing space have limited capacity to pursue the development of housing projects. Finding ways to provide housing that is affordable to the non-profit workforce will give non-profit organizations the capacity to participate in development of housing projects as well as support services.

Access to available, affordable, and safe housing is required to attract a labour force and, subsequently, sustain an economy. As workforce housing must accommodate people with diverse needs, it is recognized how multifaceted a housing strategy must be to better support the residents – current and prospective – that call the Cowichan Region home.

Figure 11: Job Creation Potential and Vacancy Rate by Industry

Source: BC Labour Market Outline 2022-2032 Forecast, Statistics Canada (2021)

Note: Vacancy rate data is suppressed for mining, quarrying, and oil and gas extraction; transportation and warehousing; and utilities



APPENDIX A: OCCUPATIONAL WAGES

Source: *Employment and Social Development Canada (2022); Statistics Canada (2022)*

Occupation	Lowest Wage	Median Wage	Highest Wage	Annual Earning Range
Health Care and Social Assistance				
Doctor	\$34.33	\$85.73	\$159.35	\$66,056–\$306,582
Health Care Aide	\$18.95	\$24.00	\$26.00	\$36,460–\$50,024
Registered Nurse	\$31.00	\$43.00	\$48.08	\$59,644–\$92,506
Retail Trade				
Retail Sales Associate	\$15.65	\$16.25	\$25.00	\$30,111–\$48,100
Retail Sales Manager	\$18.00	\$31.25	\$64.90	\$34,632–\$124,868
Retail Store Owner	\$18.00	\$31.25	\$64.90	\$34,632–\$124,868
Construction				
Construction Electricians & Repairers Foreperson	\$26.50	\$39.00	\$50.49	\$50,986–\$97,143
Construction Manager	\$23.00	\$38.00	\$62.50	\$44,252–\$120,250
Construction Worker	\$15.65	\$19.00	\$31.00	\$30,111–\$59,644
Educational Services				
Elementary School Teacher	\$26.50	\$39.00	\$50.49	\$50,986–\$97,143
School Secretary	\$16.83	\$25.47	\$35.00	\$32,381–\$67,340
Teacher's Aide	\$23.00	\$26.00	\$28.58	\$44,252–\$54,988
Public Administration				
Administrative Clerk	\$19.80	\$24.00	\$33.75	\$38,095–\$64,935
Data Administrator	\$24.04	\$40.60	\$60.44	\$46,253–\$116,287
Labour Policy Officer	\$29.12	\$35.00	\$53.30	\$56,027–\$102,549
Manufacturing				
Machinist	\$30.00	\$44.23	\$51.44	\$57,720–\$98,971
Manufacturing Engineer	\$30.00	\$44.23	\$51.44	\$57,720–\$98,971
Manufacturing Technician	\$25.00	\$29.72	\$41.03	\$48,100–\$78,942
Accommodation and Food Services				
Food Service Worker	\$15.65	\$15.65	\$20.00	\$30,111–\$38,480
Hotel Clerk	\$15.65	\$16.51	\$21.49	\$30,111–\$41,347
Housekeeper	\$15.65	\$17.10	\$22.00	\$30,111–\$42,328
Professional, Scientific, and Technical Services				

Occupation	Lowest Wage	Median Wage	Highest Wage	Annual Earning Range
Accountant	\$23.08	\$35.00	\$51.28	\$44,406–\$98,663
Architect	\$30.00	\$39.38	\$60.00	\$57,720–\$115,440
Forest Engineer	\$31.87	\$37.25	\$54.27	\$61,318–\$104,416
Agriculture, Forestry, Fishing, and Hunting				
Crop Production Technician	\$17.00	\$19.23	\$40.66	\$32,708–\$78,230
Farm Labourer	\$16.00	\$18.00	\$24.36	\$30,784–\$46,869
Fish Farmer	\$15.65	\$29.22	\$47.17	\$30,111–\$90,755
Forestry Technician	\$21.54	\$28.00	\$38.46	\$41,443–\$73,997
Tech Sector				
Biomedical Engineer	\$22.00	\$46.00	\$70.77	\$40,040–\$128,801
Digital Electronics Technician	\$25.00	\$38.46	\$53.00	\$45,500–\$96,460
IT Consultant	\$29.12	\$40.54	\$55.38	\$52,998–\$100,792
Robotics Engineer	\$24.04	\$36.75	\$57.52	\$47,753–\$104,686
Emergency Services				
Firefighters	\$33.84	\$46.21	\$57.17	\$65,108–\$109,995
Paramedic	\$26.00	\$35.00	\$45.00	\$50,024–\$86,580
Police Officers	\$34.62	\$45.00	\$60.00	\$66,609–\$115,440



Cowichan Region Workforce Housing Strategy – Change Register

Original	Updated	Reasoning
<i>Cowichan Region Workforce Housing Strategy</i>		
<p>Page 13: The CVRD Board recently directed staff to begin work on OCP amendments and draft guidelines to enable TUPs across all Electoral Areas, including for housing. If implemented quickly, the CVRD could be in a position to process applications in time for upcoming seasonal worker housing needs.</p>	<p>Page 14: Some municipalities within the Cowichan region already have policies in place to consider TUP for short-term housing. The CVRD Board has already directed staff to prepare amendments to its OCP to enable TUPs across all electoral areas, and to draft new TUP guidelines (including guidelines for temporary housing) for inclusion in the upcoming Comprehensive Zoning Bylaw update.</p>	<p>Clarified language around work already underway or completed to enable temporary use permits for short-term housing.</p>
<p>Page 23: in alignment with the new tool available to regional districts, the CVRD and municipalities should consider implementing a business license program to setup more nuanced STR regulations.</p>	<p>Page 24: in alignment with the new tool available to regional districts, the CVRD has already begun exploring the implementation of a business license program for STRs, which would allow for more nuanced regulations.</p>	<p>Clarified language around work already underway at the CVRD to create a business license program for short-term rentals.</p>
<p>Page 32: 1. Develop a regional planning service initially focused on a Regional Growth Strategy. Exploring regional servicing in relation to housing, including monitoring new residential construction, should be considered given the CVRD’s Utilities Division is not a regional or electoral area-wide function. Undertaking a Regional Growth Strategy would enable the ability to identify areas in the region to concentrate large scale workforce</p>	<p>Page 33: 1. The CVRD is in the pre-planning stages of developing a Regional Growth Strategy (RGS) in partnership with the region’s member municipalities, and has begun initial discussions at the Board level on the establishment of a regional planning service. A RGS and/or regional planning service would be beneficial to the implementation of several of the recommendations in this Strategy. In particular, recognizing the CVRD’s</p>	<p>Clarified language around recommendations for implementation, specifically around the development of a Regional Growth Strategy and the establishment of a regional planning service, as well as associated staffing.</p>

Original	Updated	Reasoning
<p>housing that are most suited and serviced.</p> <p>2. Consider creating a position for a Regional Housing Coordinator to lead the implementation of the Workforce Housing Strategy as well as the Cowichan Attainable Housing Strategy. Dedicating a staff person to oversee this work will help move the strategies forward in an environment where capacity is already strained.</p>	<p>Utilities Division is not a regional or electoral area-wide function, this Strategy recommends exploring regional servicing in relation to housing, including monitoring new residential construction as part of these processes.</p> <p>2. If a regional planning service is established in the future, then consider creating a position within the service for a Regional Housing Coordinator to lead the implementation of the Workforce Housing Strategy as well as the Cowichan Attainable Housing Strategy. Dedicating a staff person to oversee this work will help move the strategies forward in an environment where capacity is already strained.</p>	
<p>Page 34-35: The CVRD Board recently resolved to reallocate OAP MRDT revenues from tourism marketing to affordable housing. This creates the opportunity to provide affordable housing for workers in the tourism, accommodation, and service sectors, as well as support the recruitment and retention of workers for sustained tourism operations and programs. This direction is in-line with preferences of employers and employees throughout the Cowichan Region indicated in an Economic Development Cowichan 2022 survey. The survey included questions around short-term</p>	<p>Page 35-36: The CVRD Board began reallocating OAP MRDT revenues from tourism marketing to affordable housing in 2024. This creates the opportunity to provide affordable housing for workers in the tourism, accommodation, and service sectors, as well as support the recruitment and retention of workers for sustained tourism operations and programs. This direction is in-line with preferences of employers and employees throughout the Cowichan Region indicated in an Economic Development Cowichan 2022 survey. The survey included questions around short-term</p>	<p>Updated language around the use of Online Accommodation Platform (OAP) Municipal and Regional District Tax (MRDT), as the CVRD has moved ahead with allocating these funds to affordable housing beginning in 2024.</p>

Original	Updated	Reasoning
<p>rentals and MRDT where both employers (71%) and employees (80%) indicated a clear preference for redirecting revenues from OAP MRDT towards affordable housing initiatives.</p> <p>In 2024, OAP MRDT funds will be added to the CVRD's existing Regional Housing Fund and allocated to affordable housing projects within the region using CHA's established grant programs. However, given the investment required to implement this Workforce Housing Strategy, it is recommended that the CVRD consider directing OAP MRDT funds towards Strategy implementation in 2025.</p>	<p>rentals and MRDT where both employers (71%) and employees (80%) indicated a clear preference for redirecting revenues from OAP MRDT towards affordable housing initiatives.</p> <p>In 2024, the CVRD began adding OAP MRDT funds to the annual financial contribution given to Cowichan Housing Association, which is used to support affordable housing projects within the region through CHA's established grant programs. However, given the investment required to implement this Workforce Housing Strategy, it is recommended that the CVRD consider directing OAP MRDT funds towards Strategy implementation in 2026.</p>	
<i>Companion Document #3: Cowichan Region Workforce Housing Context</i>		
<p>Page 7: According to the 2021 Regional Housing Needs Assessment, the Cowichan Region needs 4,995 new housing units by 2025 to accommodate anticipated population growth (an average of 991 units per year). The development trend over the past 10 years produced an average of 460 new housing units per year, a significant shortfall of approximately 531 units per year. While construction activity has increased recently (with 919 units permitted in 2021 and 745 permitted in 2022), recent</p>	<p>Page 7: According to the 2024 CVRD Interim Housing Needs Report for the Electoral Areas, the Cowichan Region needs 5,033 new housing units in the next 5 years to accommodate anticipated population growth (an average of 1,007 units per year). The development trend over the past 10 years produced an average of 516 new housing units per year, a significant shortfall of approximately 491 units per year. While construction activity has increased recently (with 919 units permitted in 2021 and 745 permitted in</p>	<p>Updated housing needs assessment data to reflect the 2024 CVRD Interim Housing Needs Report for the Electoral Areas.</p>

Original	Updated	Reasoning
market indicators signal a slowdown and may be due to factors such as high interest rates and construction costs.	2022), recent market indicators signal a slowdown and may be due to factors such as high interest rates and construction costs.	
Page 7: N/A, added new section	<p>Page 7: Housing Projections</p> <p>There are several different sources of housing needs projections, calculated using different formulas and for different purposes. These include Housing Needs Assessments calculated by regional districts and municipalities, Provincial housing targets set by the Housing Supply Act, and projections calculated by BC Statistics. This creates uncertainty for local governments as they work to meet the housing demands of their jurisdictions.</p>	<p>Recognition that there are several sources of housing needs projections, particularly for municipalities, which creates uncertainty for local governments as they work to meet the housing demands of their jurisdictions.</p>