



MEMORANDUM

TO: JOSEPH FERNANDEZ, CAO
FROM: JAMES VAN HEMERT, CONSULTING TOWN PLANNER
SUBJECT: HOUSING ACCELERATOR FUND GRANT APPLICATION
DATE: 7/20/2023

The Town has an opportunity to submit a Grant Application to the Canada Mortgage and Housing Corporation (CMHC) under the Housing Accelerator Fund (HAF). The intent of this Canada-wide \$4 billion dollar program is to accelerate the supply of housing through transformational change in land use planning and development approvals. The deadline for applying is August 18. A council resolution is recommended to demonstrate commitment to the proposed initiatives.

We would need to demonstrate that the initiatives can increase the rate of housing built over a three-year period beyond what would normally occur without the initiatives. Funding can include dollars for infrastructure that directly supports construction of new housing.

How much additional housing?

I believe we can demonstrate a 20% increase in our growth rate over the past 3 years. We are averaging 35 dwelling units per year (2021 and 2022), so achieving an additional 7 dwellings per year over 3 years (total of 21 units) is doable.

What type of housing?

The focus would be on multi-unit housing because this is the greatest need shown in our Housing Needs Assessment. Further, there is a very high need for affordable housing.

How much money can we get?

- The grant provides \$12,000 per additional multi-unit housing. If all units are multi-unit, that would net 21 X \$12,000 for a total of \$252,000.
- It is reasonable that at least half of these units are affordable. There are already inquiries and an application in the pipeline that can achieve this. For affordable units, an additional \$19,000 per unit is available in the grant program. If we achieve 10 units, that is an additional \$190,000.
- The total potential grant is \$442,000.

Action Plan Initiatives

For a Town of our size, we must propose a minimum of five initiatives. I recommend the following six initiatives based on what will most likely accelerate housing construction and net the Town real dollars to support our efforts and build infrastructure.

1. Allow increased density on a single lot. This is similar to our current permitted use of a triplex or fourplex on a corner lot in the R-3 Urban Core zoning. We can amend our zoning bylaw to expand increased density by:
 - a. expand triplex and fourplexes as permitted uses for larger lots that are not on a corner within the R-3 zone;
 - b. allow duplexes in more zones, specifically R-1 Suburban, and R-2, Urban;
 - c. expand the zones in which secondary suites are permitted, specifically R-1, R-2, and R-4.
2. Apply rental only zoning, with an 'r' designation on the Zoning Bylaw Land Use map, to current and forthcoming rezoning applications and possibly to an existing parcel as determined by staff.
3. Permit approval without a rezoning hearing for affordable housing projects that are consistent with the Official Community Plan. In effect, the adoption process and public hearing of an updated Official Community Plan in late 2023 will serve as the public hearing for affordable housing.
4. Delegate development permit approval to staff.
5. Revise the Development Cost Charges Bylaw to waive fees for affordable housing. A portion of the grant would essentially serve as an in-lieu fund to replace the fees that are waived.
6. Commit to an enhanced climate adaptability component in Official Community Plan.

Proposed Resolution in Support of the Grant Application

The Town of Lake Cowichan is committed to undertake the following initiatives in support of the Housing Accelerator Fund grant application:

1. Allow increased density on a single lot by amending the Zoning Bylaw in several of the following ways:
 - a. expand triplex and fourplexes as permitted uses for larger lots that are not on a corner within the R-3 zone;
 - b. allow duplexes in more zones, specifically R-1 Suburban, and R-2, Urban;
 - c. expand the zones in which secondary suites are permitted, specifically R-1, R-2, and R-4.
2. Apply rental only zoning, with an 'r' designation on the Zoning Bylaw Land Use map, to current and forthcoming rezoning applications and possibly to an existing parcel as determined by staff.
3. Permit approval without a rezoning hearing for affordable housing projects that are consistent with the Official Community Plan.
4. Delegate development permit approval to staff.
5. Revise the Development Cost Charges Bylaw to waive fees for affordable housing.
6. Commit to an enhanced climate adaptability component in the Official Community Plan.