



**AGENDA**  
**GOVERNANCE AND PRIORITIES COMMITTEE MEETING**

Monday, June 27, 2022, 1:00 P.M.  
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE  
80 COMMERCIAL STREET, NANAIMO, BC

SCHEDULED RECESS 3:00 P.M.

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		Pages
1.	<b>CALL THE MEETING TO ORDER:</b>  [Note: This meeting will be live streamed and video recorded for the public.]	
2.	<b>INTRODUCTION OF LATE ITEMS:</b>	
3.	<b>APPROVAL OF THE AGENDA:</b>	
4.	<b>ADOPTION OF THE MINUTES:</b>	
a.	<u>Minutes</u>  Minutes of the Governance and Priorities Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, Nanaimo, BC, on Monday 2022-JUN-13 at 1:00 p.m.	4 - 9
5.	<b>AGENDA PLANNING:</b>	
a.	<u>Governance and Priorities Committee Agenda Planning</u>  To be introduced by Sheila Gurrie, Director, Legislative Services.	10 - 14
6.	<b>REPORTS:</b>	
a.	<u>GOVERNANCE AND MANAGEMENT EXCELLENCE:</u>	
b.	<u>ENVIRONMENTAL RESPONSIBILITY:</u>	
c.	<u>ECONOMIC HEALTH:</u>	
1.	Current Construction Market Conditions  To be introduced by Bill Sims, General Manager, Engineering and	15 - 23

Public Works.

*Purpose: To provide Council with information on the current construction market conditions and the impact on capital projects.*

Presentation:

1. Phil Stewart, Manager, Engineering Projects.

d. COMMUNITY WELLNESS/LIVABILITY:

1. Affordable Housing Strategy - Annual Implementation Update 24 - 59

To be introduced by Dale Lindsay, General Manager, Development Services/Deputy CAO.

*Purpose: To provide the Governance and Priorities Committee with the third annual update on the implementation of the Nanaimo Affordable Housing Strategy.*

Presentations:

1. Christy Wood, Social Planner, Community Planning.

2. Andrea Blakeman, Chief Executive Officer, Nanaimo Affordable Housing Society.

3. John Brendan McEown, Director Regional Development Vancouver Island Region, BC Housing.

2. Proposed 2023 Initiatives to Increase Affordable Housing 60 - 67

To be introduced by Dale Lindsay, General Manager, Development Services/Deputy CAO.

*Purpose: To present the Governance and Priorities Committee with a proposed 2023 list of projects intended to increase affordable housing in the City of Nanaimo.*

Presentation:

1. Christy Wood, Social Planner, Community Planning, presentation continued from Affordable Housing Strategy - Annual Implementation Update.

Recommendation: That the Governance and Priorities Committee recommend that Council endorse the Staff recommended projects for 2023 to support and increase affordable housing in the City of Nanaimo as presented in the report dated 2022-JUN-27 by Christy Wood, Social Planner and Lisa Brinkman, Manager of Community Planning.

7. QUESTION PERIOD:

8. ADJOURNMENT:

**MINUTES**  
GOVERNANCE AND PRIORITIES COMMITTEE MEETING  
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE,  
80 COMMERCIAL STREET, NANAIMO, BC  
MONDAY, 2022-JUN-13, AT 1:00 P.M.

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Present: Councillor I. W. Thorpe, Chair  
Mayor L. Krog  
Councillor S. D. Armstrong  
Councillor D. Bonner (joined electronically)  
Councillor T. Brown (joined electronically)  
Councillor B. Geselbracht  
Councillor E. Hemmens (joined electronically)  
Councillor Z. Maartman  
Councillor J. Turley (arrived 1:01 p.m.)

Staff: B. Sims, General Manager, Engineering and Public Works  
T. Doyle, Fire Chief (joined electronically)  
B. Corsan, Director, Corporate and Business Development  
P. Rosen, Director, Engineering  
B. Thomas, Assistant Manager, Transportation  
J. Rose, Manager, Transportation  
P. Stewart, Manager, Engineering Projects  
N. Sponaugle, Legislative Communications Clerk (joined electronically)  
S. Gurrie, Director, Legislative Services  
K. Lundgren, Recording Secretary

1. CALL THE GOVERNANCE AND PRIORITIES COMMITTEE MEETING TO ORDER:

The Governance and Priorities Committee Meeting was called to order at 1:00 p.m.

2. APPROVAL OF THE AGENDA:

It was moved and seconded that the Agenda be adopted. The motion carried unanimously.

3. ADOPTION OF THE MINUTES:

It was moved and seconded that the Minutes of the Governance and Priorities Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, on Monday, 2022-MAY-09 at 1:00 p.m. be adopted as circulated. The motion carried unanimously.

Councillor Turley entered the Shaw Auditorium at 1:01 p.m.

4. AGENDA PLANNING:

1. Governance and Priorities Committee Agenda Planning

Sheila Gurrie, Director, Legislative Services, spoke regarding upcoming Governance and Priorities Committee (GPC) agenda topics and noted that:

- Housing affordability/ Schedule D will be going to the June 27<sup>th</sup> GPC meeting
- A review of the Street Entertainers Regulation Bylaw and the Noise Control Bylaw is scheduled for July
- Other topic items may be discussed in a format other than GPC meeting

Committee discussion took place regarding having a future conversation surrounding working with FortisBC and the Low Carbon Energy Systems Bylaw that is being adopted by other municipalities.

5. REPORTS:

(a) COMMUNITY WELLNESS/LIVABILITY:

1. Development of a Transportation Memorandum of Understanding

Introduced by Bill Sims, General Manager, Engineering and Public Works.

It was moved and seconded that the Governance and Priorities Committee recommend that Council direct Staff to work with the Regional District of Nanaimo, Ministry of Transportation and Infrastructure and BC Transit to draft a Memorandum of Understanding for the purpose of planning and executing enhancements to support transit and mobility within the City of Nanaimo. The motion carried unanimously.

2. Allocation of Pedestrian Unallocated Funding

Introduced by Bill Sims, General Manager, Engineering and Public Works.

Presentation:

1. Barbara Thomas, Assistant Manager, Transportation, provided a PowerPoint presentation and outlined options for the allocation of the 2022 Pedestrian Unallocated Funds. Highlights included:

- Previously presented this topic at the 2022-APR-21 GPC Meeting
- Proposed improvement options include the following:
  - Improvements to the Trans-Canada Highway (TCH) from Cranberry Avenue to Maki Road
  - Pedestrian amenities of crossings and sidewalks
  - Traffic calming projects

Committee and Staff discussion took place. Highlights included:

- TCH improvements are intended to be a cost-share project with the Ministry of Transportation and Infrastructure (MoTI)
- The cost estimate of \$350,000 includes engineering design and sidewalk construction
- The estimated cost of the entire project was developed before the current market conditions
- MoTI will likely not continue the work if the City does not contribute the sidewalk construction
- High accident rate in the Cranberry Avenue to Maki Road area and pedestrian improvements are priority

Barbara Thomas, Assistant Manager, Transportation, continued the presentation and spoke regarding pedestrian improvements for crosswalks. Highlights included:

- Several crosswalks were identified for consideration using the Pedestrian Prioritization Tool:
  1. Wakesiah Avenue at Foster Street
  2. Departure Bay Road at Barons Road
  3. Fitzwilliam Street at Selby Street
  4. Applecross Road at Calinda Street
  5. Nanaimo Ice Centre to Nanaimo Aquatic Centre on Third Street
  6. Trail Crossing on Third Street
  7. Franklyn Street at Selby Street
  8. Townsite Road at Holly Avenue

Committee discussion took place. Highlights included:

- A half-signal crossing is different from flashing yellow traffic signals as it has three color lights (red, yellow and green) to stop traffic
- The life expectancy of the crosswalk traffic signals
- Difficulties in turning left from Wassel Way on to Departure Bay Road
- Pedestrian crossings on Bruce Avenue projects are underway from previous year's funding
- Operational funds used to address pedestrian controlled infrastructure when they are at the end of life
- The crossing signals being installed now are much more advanced than the current ones
- Pedestrian Prioritization Tool uses an algorithm to produce scores for crosswalks
- Applecross Road at Clarinda Street intersection is not seen as a priority/high risk
- Applecross Road intersection is a common pedestrian route to Woodgrove Mall

Barbara Thomas, Assistant Manager, Transportation, continued the presentation and spoke regarding pedestrian improvements for sidewalks. She presented three sets of sidewalks projects for consideration:

1. Departure Bay Road south side – Alan-A-Dale Place to Wardropper Park
2. Departure Bay Road north side – from Highland Boulevard to Highway 19A
3. Third Street east side – from 850 Third Street (Rotary Field House) to Jingle Pot Road

Committee discussion took place. Highlights included:

- The high cost for a relatively short piece of sidewalk along Departure Bay Road south side is related to the topography of the area being difficult for construction
- Importance of providing safety for children walking to school

Barbara Thomas, Assistant Manager, Transportation, continued the presentation and spoke regarding pedestrian improvements related to traffic calming projects. She provided the results from the ongoing traffic calming projects on Lost Lake Road and advised that the next in the cue for traffic calming include Bradley Street, Extension Road and Mountain Vista Road.

Committee discussion took place regarding the \$165,000 dedicated to traffic calming in option A of the recommendation which will be allocated to three traffic calming projects.

It was moved and seconded that the Governance and Priorities Committee recommend that Council allocate \$1,000,000 of Pedestrian Unallocated funds to the projects listed under Option (A) as follows:

- Trans-Canada Highway (TCH) Corridor Improvements \$350,000
- Improve Crosswalks 2, 3, 4, 7, and 8 \$400,000
- Install Sidewalk (2) – on Departure Bay Road from Highland Boulevard to Highway 19A \$85,000
- Traffic Calming IO Allocation \$165,000

Committee discussion took place. Highlights included:

- Whether a new sidewalks being installed would be disrupted for underground sewer servicing
- The intention of Pedestrian Unallocated Funding and that it is specifically designated for pedestrian improvements
- Support for TCH improvements; however, the Pedestrian Unallocated Funding may not be the appropriate funding source
- Potentially funding the TCH improvements through the Strategic Infrastructure Reserve

- Many other projects that rely on the Council Strategic Infrastructure Reserve
- The City's contribution of \$350,000 covers construction of the sidewalk and therefore is appropriate to use the Pedestrian Unallocated Funding

It was moved and seconded that the motion be amended to direct that the Trans-Canada Highway Corridor Improvements be funded from the Strategic Infrastructure Reserve. The motion was defeated.

Opposed: Mayor Krog and Councillors Armstrong, Brown, Geselbracht, Hemmens, Maartman, Thorpe, Turley

Committee and Staff discussion took place regarding Traffic Calming projects and the allocation of those funds.

The vote was taken on the main motion as follows:

That the Governance and Priorities Committee recommend that Council allocate \$1,000,000 of Pedestrian Unallocated funds to the projects listed under Option (A) as follows:

- Trans-Canada Highway Corridor Improvements \$350,000
- Improve Crosswalks 2, 3, 4, 7, and 8 \$400,000
- Install Sidewalk (2) – on Departure Bay Road from Highland Boulevard to Highway 19A \$85,000
- Traffic Calming IO Allocation \$165,000

The motion carried.

Opposed: Councillors Bonner, Brown, Geselbracht, and Hemmens

6. QUESTION PERIOD:

Council received no questions from the public regarding agenda items.

7. PROCEDURAL MOTION TO PROCEED IN CAMERA:

It was moved and seconded that the meeting be closed to the public in order to deal with agenda items under the *Community Charter*:

Section 90(1) A part of the meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the municipality;
- (n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2); and,

Community Charter Section 90(2):

- (b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

The motion carried unanimously.

The Governance and Priorities Committee moved In Camera at 2:17 p.m.  
The Governance and Priorities Committee moved out of In Camera at 4:04 p.m.

8. ADJOURNMENT:

It was moved and seconded at 4:05 p.m. that the meeting terminate. The motion carried unanimously.

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C H A I R

CERTIFIED CORRECT:

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CORPORATE OFFICER

## Governance and Priorities Committee Agenda Planning

### Upcoming Topics

Date	Topic	Format
<b>June 27</b>	<b>Housing Affordability / Schedule D</b>	
<b>July 11</b>	<b>Street Entertainers Bylaw &amp; Noise Bylaw</b>	Review of current bylaws to ensure consistencies. Current concerns/questions: differing hours, clarification on whether street entertainment permit required on private property, point of reception being different on both, etc.

# Governance and Priorities Committee Agenda Planning

2022 GPC Dates											
Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
10	14	14	11	9	13	11	-	26	-	14	12
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## JANUARY

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\* Council meeting for budget bylaw adoption only

## JULY

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## DECEMBER

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- Council Meeting
- GPC
- F&A

- Public Hearing
- Statutory Holiday
- AVICC Convention

- FCM Annual Conference
- UBCM Convention
- 2022 Election

# Governance and Priorities Committee Agenda Planning

## Previous Topics Covered

### Previous Topics Covered 2022

- Development of a Transportation Memorandum of Understanding
- Allocation of Pedestrian Funding for 2022
- REIMAGINE Nanaimo - Land Use Designation Review, Phase 3 Public Engagement Summary, Draft City Plan Amendments & Development Permit Area Guidelines
- Pedestrian Traffic Calming Projects
- REIMAGINE Nanaimo – Land Use and Neighbourhoods
- REIMAGINE Nanaimo – Empowered, Healthy and Prosperous
- REIMAGINE Nanaimo – Green and Connected
- Intro to Draft City Plan
- Governance Update
- Updated Committee Operating Guidelines
- Transit Stop Amenity Options
- REIMAGINE Nanaimo – “Emerging Directions Review”
- Association of Vancouver Island and Coastal Communities Resolutions

# Governance and Priorities Committee Agenda Planning

## Previous Topics Covered

### Previous Topics Covered 2021

- Emergency Preparedness
- Neighbourhood Associations (Part 3)
- Storm Water Utility
- Bus Shelter Strategy/Procurement
- Commercial Street Master Plan Overview
- South End Mobility Strategy (Chase River and Cinnabar Valley)
- Community Contributions Part II
- Pedestrian crossing prioritization tool
- Downtown - Diana Krall Plaza, Commercial Street Revitalization Study & The Hub Project
- Political Signage Regulations
- Waterfront Walkway – Departure Bay Update
- British Columbia Active Transportation Infrastructure Grant
- Fees and Charges Amendment Bylaw
- Business Licence Bylaw
- Policy and Bylaw Renewal Project Update
- Sports Tourism
- Parks, Recreation and Culture Master Plan Update
- Council Realignment
- Neighbourhood Associations
- Safety and Security
- Mayor’s Task Force on Recovery and Resilience
- Building Permit Review
- Community Amenity Contribution Policy
- Health and Housing Task Force Final Report
- SFN and SD68 Truth and Reconciliation -Joan Brown and Scott Saywell Presentation
- Public Engagement report for the Animal Responsibility Bylaw
- Active Transportation

# Governance and Priorities Committee Agenda Planning

## Previous Topics Covered

### Previous Topics Covered 2019 - 2020

- Review of “Council Procedure Bylaw 2018 No. 7272”
- Neighbourhood Associations – Part 1
- Effective Advocacy Strategies
- Coordinated Strategic Policy Review 2020-2021
- Single Use Checkout Bags
- Civic Facilities – conditions, issues, plans and objectives
- Energy and Emissions Management Program
- Advocacy – Part 2
- Coordinated Strategic Policy Review 2020-2021 – Public Engagement Strategy
- Manual of Engineering Standards and Specifications Revision Update
- REIMAGINE NANAIMO Demographics and Land Inventory/Capacity Analysis Summary
- Climate Change Resilience Strategy
- Reallocation of Street Space
- Governance: Question Period/Correspondence/Proclamations/Other
- Council Resolution Update
- Reopening Strategy/Plan
- Roadway Reallocation Options
- Social Procurement
- Sustainable Procurement
- Capital Projects
- Sports Venues
- Proposed Amendments to the MoESS
- Arts & Culture
- Short Term Rental/AirBnB regulations
- REIMAGINE NANAIMO “Water”
- Sanitation Review
- Animal Responsibility Bylaw
- Councillor Brown and Councillor Geselbracht re: Doughnut Economic Framework Model
- Health and Housing Task Force Update
- Environment Committee Recommendations
- Emergency Food and Nutrition Security Strategy

DATE OF MEETING JUNE 27, 2022  
AUTHORED BY PHIL STEWART, MANAGER, ENGINEERING PROJETS  
SUBJECT CURRENT CONSTRUCTION MARKET CONDITIONS

## **OVERVIEW**

### **Purpose of Report:**

To provide Council with information on the current construction market conditions and the impact on capital projects.

## **BACKGROUND**

In the last few months there has been a dramatic shift in the local construction market. Fewer bids are being received and prices are significantly higher than expected. There are several factors that have converged to create this shift, but generally they can be summarized into three categories: increasing operating costs, supply chain issues and a skilled labour shortage.

Over the last few months, fuel costs have risen 30% - 40% due to global events and look to be continuing to go up as summer approaches. The price of fuel impacts construction costs in many areas such as equipment fuel, trucking and asphalt.

Many industries including the construction industry are still adjusting to the changes in the supply chain due to the COVID-19 pandemic. Delivery times are unpredictable and several projects have been delayed over the last year due to difficulty obtaining components. This leads to schedule uncertainty, projects taking longer than expected, and additional costs.

In addition to the global issues that are impacting our local construction market, there are other more local issues that are impacting prices and schedules.

The market is saturated with both public and private infrastructure work. Statistics Canada reported that the Nanaimo region was growing at twice the national average, being one of the five fastest growing communities in the country. This growth has come with corresponding development construction activity. The industry has been unable to expand operations to take on more work as there has been a shortage of skilled construction labour that has been building for some time. This shortage makes it difficult for companies to expand to take on additional work. Nanaimo is particularly seeing a shortage of concrete contractors to construct sidewalks and curbs.

## **DISCUSSION**

The construction market conditions have an impact on the City's ability to construct the projects planned for 2022.

Early in the year, Staff noted that there were too many projects to proceed with and several projects totalling \$2.5M were deferred as part of the budget process.

Fifteen projects have been put out to market since October of 2021. In a typical year, the bid price averages 10% - 15% below the project budget. This is intentional and allows for other costs outside of the contract and unexpected conditions during construction. This year the prices for the projects have averaged 30% above the budget. Understanding that this trend is likely to continue, there have been some adjustments to some of the major capital projects scheduled for 2022.

The Midtown Gateway Project has a budget of \$13.75M over 2022 and 2023. An analysis of the project costs and current market conditions showed that this project would have likely come in 10% - 20% over budget if the entire project went to market now. However, there are portions of the project that are time sensitive and cannot be delayed. The project has now been divided into two phases, Phase 2A & 2B (Phase 1 was completed in 2019 with the preload and reconstructed wetland). Phase 2A is more urgent and includes the removal of the preload and final ground compaction, installation of a critical section of the Midtown Water Supply that goes through the site, and other on-site underground utilities. The procurement for Phase 2A has recently been put out to market and will be the subject of a future Council report. Phase 2B will include the surface works, signal upgrades, and off-site utility upgrades, and will be tendered in 2023. The funding required for phase 2B will be updated in the future 2023 to 2027 Financial Plan.

The Midtown Water Supply Project has been expedited due to the current risk of the water supply network under Bowen Road and the Buttertubs Marsh. This project was the subject of a relevant budget adjustment in March of 2022. The City is moving forward with implementation of this important piece of infrastructure; however, given the market pressures and financial situation the amounts set aside for contingency may not be sufficient. For example, the section through the Midtown Gateway was completed as part of a separate and latter procurement, the costs for that modest section have increased considerably in the intervening timeframe. This will be outlined in a future Council report.

The Albert Street Complete Streets Phase 2 project is scheduled for 2022 and the replacement of the culvert requires work to be completed during late summer. In November of 2021, Council approved a budget increase of \$400,000 for the project. An analysis of the project costs and current market conditions indicate there would be limited response for this project due to the timeline of the in stream work and it would come in 20% - 30% over budget. One of the challenges with the project is that it requires construction during the "least risk" fish window (August 15 - September 15) to replace the Cat Stream culvert. At this time, it is anticipated that the project will be held for a winter tender with construction in 2023.

Terminal Avenue Phase 1 is a partnership between MoTI and the City of Nanaimo, and consists of utility upgrades, sidewalk upgrades and road rehabilitation between Esplanade and Commercial Street. Due to the traffic volumes, this project requires night work. Again, a review of the project costs and current market conditions indicate there would be limited response for this project, and it would come in over budget. At this time, it is anticipated that the project will be held until fall 2022 or early 2023 for construction in 2023 depending on market conditions.

In addition to the major projects listed above, approximately 3.5M dollars of other road and utility upgrade projects are being deferred from 2022 to 2023; some due to budgetary reasons and some due to other schedule delays.

## **CONCLUSION**

It is very clear that we are in a rapidly changing construction market and it is unclear at this time if the current market conditions are temporary or permanent. Staff have been in contact with other municipalities on Vancouver Island and the Vancouver Island Construction Association, and the conditions that we are seeing in Nanaimo are not unique and it is expected that the industry will remain busy and prices will be higher for the short term.

Deferment of several large projects that were planned for 2022 construction into 2023 will have an impact on 2023 projects, both the markets ability to deliver and Staff capacity. Staff have already begun the budget preparation process for the next financial plan and are reviewing project budgets and cost estimates with the current market conditions in mind. It may be that some of the deferred projects listed above will require additional funding for them to move forward. Staff will make adjustments to project budgets for the 2023 – 2027 Financial Plan and detailed discussions with Council will be a part of that process.

### **SUMMARY POINTS**

- Many issues have converged to impact Nanaimo construction market which is seeing reduced capacity and higher prices.
- The schedule of some of the City's capital projects has been adjusted to adapt to the market trends.
- The impacts of the market conditions will inform the budget development process.

## **ATTACHMENTS**

Attachment A – Construction Market Conditions Presentation

### **Submitted by:**

Phil Stewart  
Manager, Engineering Projects

### **Concurrence by:**

Poul Rosen  
Director, Engineering

Bill Sims  
General Manager, Engineering and Public Works

Laura Mercer  
Director, Finance

## Construction Market Conditions Update

June 27, 2022

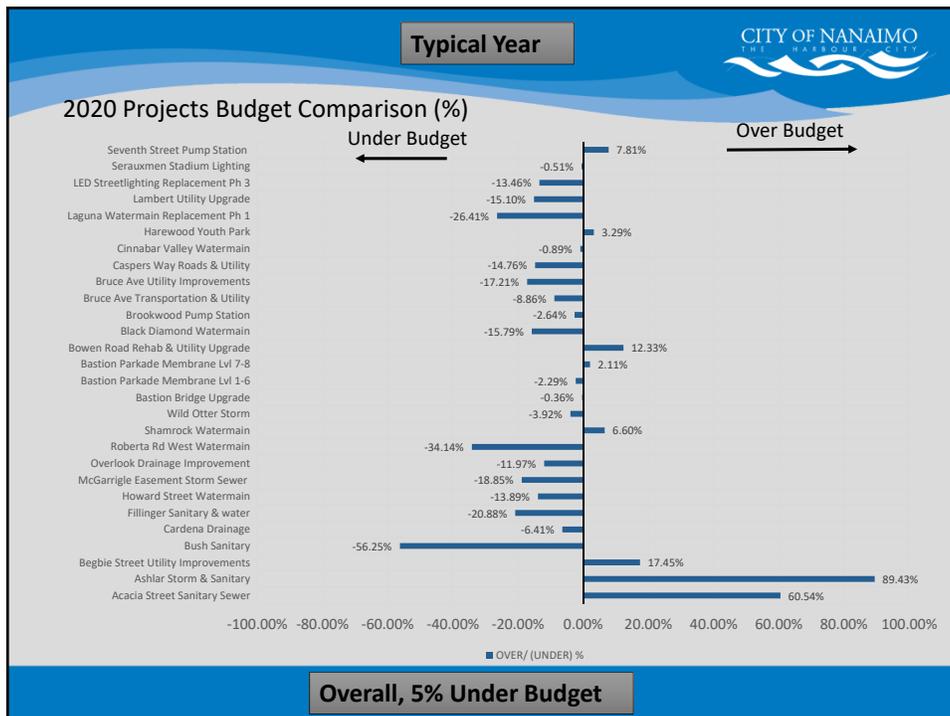
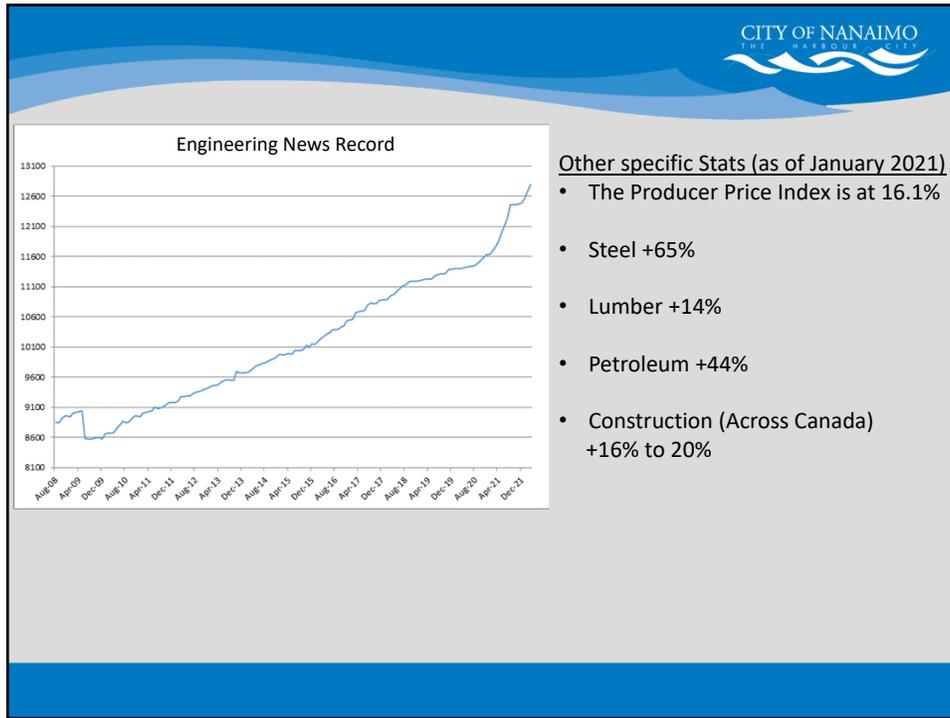


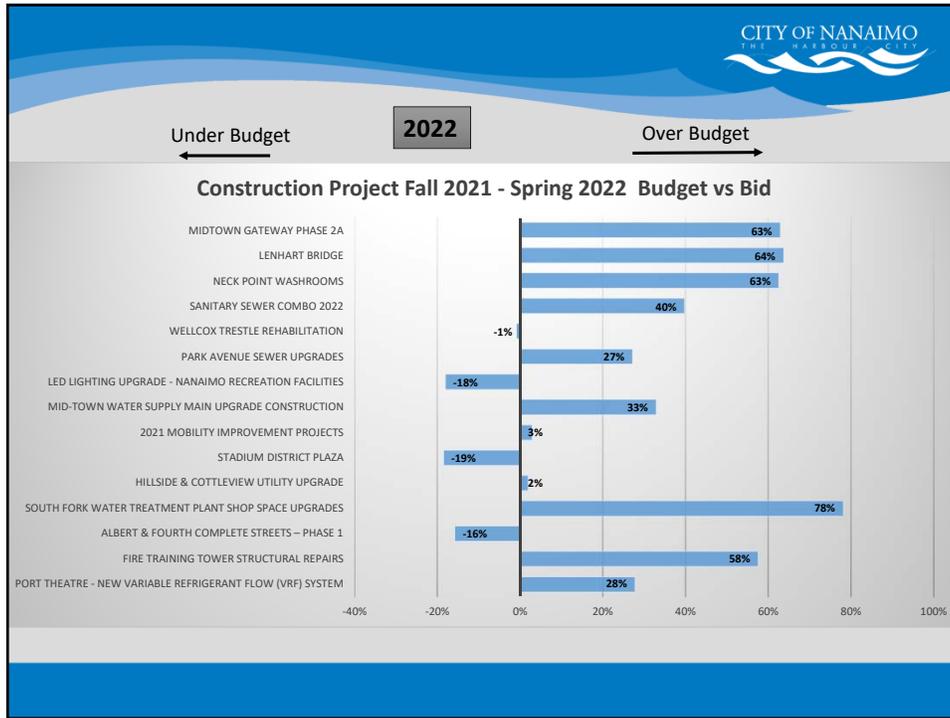
Business

**Canada's inflation rate rises to new 30-year high of 4.8%**     **January 2022**

Business

**Canada's inflation rate inches up again, to new 31-year high of 6.8%**     **May 2022**





## Causes

- Increasing operating costs
- Supply chain issues
- Skilled labour shortage

Spring 2022

Fall 2021



## Projects previously deferred to 2023

- Vancouver Avenue Sewer
- Buttertubs Drive Water DCC
- Townsite Road Sewer
- Departure Bay Road – Sewer & Water
- June Street Sewer
- Northfield Creek Culvert Relining

**TOTAL ~\$2.5m**



## Significant Projects Impacted

- Albert Street Complete Streets \$2.5M
- Midtown Gateway \$6M (2022 funding)
- Terminal Avenue Phase 1 \$3.7M

**TOTAL ~\$12.2M**

CITY OF NANAIMO  
THE HARBOUR CITY

## Other Projects to be deferred to 2023

- Millstone Trunk Sewer – Pearson Bridge
- Tenth Street Paving
- Mill Street Sanitary Sewer
- White Street Utilities
- Strongitharm Avenue Sewer

**TOTAL ~\$3.5M**

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THE HARBOUR CITY

## Construction Escalation

**Expected Escalation 2023 to 2030**

Year Range	Escalation Range (%)
2022 to 2023	5-7 %
2023 to 2024	5-7 %
2024 to 2030	4-6 %

## Impacts on Future Financial Plans

- Current market conditions are being used to generate budget numbers for the next financial plan
- Escalation is being carefully reviewed for projects
- Careful consideration of market and staff capacity
- More discussions during budget development



DATE OF MEETING June 27, 2022

AUTHORED BY CHRISTY WOOD, SOCIAL PLANNER

**SUBJECT AFFORDABLE HOUSING STRATEGY – ANNUAL IMPLEMENTATION UPDATE**

## **OVERVIEW**

### **Purpose of Report:**

To provide the Governance and Priorities Committee with the third annual update on the implementation of the Nanaimo Affordable Housing Strategy.

## **INTRODUCTION**

This report provides the progress towards implementing Nanaimo’s 2018 Affordable Housing Strategy. (See Attachment A – for a link to the Affordable Housing Strategy).

## **BACKGROUND**

On 2018-SEP-17, Council approved the Nanaimo Affordable Housing Strategy (the “Strategy”), the City of Nanaimo’s first comprehensive study of affordability across the housing continuum, which includes social, non-market, and market housing. The Strategy establishes the City’s role and priorities with regard to promoting affordable, appropriate, and accessible housing in Nanaimo for the 2018-2028 period.

The five objectives outlined in the Strategy include:

1. Increase the supply of rental housing;
2. Support infill and intensification in existing neighbourhoods;
3. Diversify housing forms in all neighbourhoods;
4. Continue to support low-income and special needs housing; and,
5. Strengthen partnerships and connection.

The Canadian Mortgage and Housing Corporation (CMHC) and BC Housing define affordable housing as housing that costs less than 30% of a household’s before-tax income. Affordable Housing is a broad term that can include housing provided by the private, public, and non-profit sectors. It also includes all forms of housing tenure including rental, various forms of ownership, and can include permanent or temporary housing. The Strategy recognizes that the definition provided by CMHC and BC Housing does not capture the range of complexity in Nanaimo’s experiences with housing. The Strategy defines affordable housing as:

*“Housing that includes a variety of housing types, sizes, tenures, and prices and housing that supports a mix of incomes, ages and abilities. It includes housing across the entire housing continuum from temporary shelter to social or supportive housing, market rental, and homeownership.”*

Through the ReImagine Nanaimo process, the objectives of the Strategy are supported with strong policies in the proposed City Plan. The Community Wellbeing and Livability section of City Plan contains policies to ensure that the values and objectives of the Affordable Housing Strategy are brought forward and strengthened.

## **DISCUSSION**

### **2021 Progress Measures Summary**

The Strategy identifies objectives, targets, and measures to determine implementation progress. Below is a list of the objectives, with progress towards the targets measured using key performance indicators sourced from 2021 Canadian Mortgage and Housing Corporation (CMHC) data, 2021 Census Data, and City of Nanaimo data.

#### *Objective 1: Increase the supply of rental housing*

- The Strategy identifies a target of more than 50% of new residential building permits/housing starts be intended for rental use annually. The City is **on track** to meeting this target in 2021 with 48% of new housing starts as purpose built-rental. This is an increase of 13% from the prior year. There has been a steady increase in purpose built-rental each year since 2018.

#### *Objective 2: Support infill and intensification in existing neighbourhoods*

- The Strategy identifies a housing supply mix that aims to have more than 70% of new residential building permits/housing starts be in multi-unit dwellings. The City **exceeded** this target in 2021 with 76% of starts in multi-unit dwellings. This is an increase of 14% since 2018.
- The Strategy identifies 20% of new starts to be ground-orientated units such as duplexes, triplexes, fourplexes, and townhouses. The City did **not meet** this target in 2021 with 5% of new starts as ground-orientated units. This number has shown fluctuating trends, increasing and decreasing each year since the inception of the Strategy. For example, in 2018, 10% were ground orientated housing starts, in 2019 there was 4%, and in 2020 11%.
- The Strategy identifies 50% of new starts to be intended as apartments. The City **exceeded** this target in 2021 with 71% of all starts as apartments. This is an increase of 19% from 2018.

#### *Objective 3: Diversify housing form in all neighbourhoods*

- The Strategy identifies a target of 20% of apartments to be in two and three bedroom units to support diversification. The City **exceeded** this target in 2021 with 44% of all rentals units containing two or three bedroom units. This percentage of two and three bedroom units has stayed consistent since 2018. It is important to note, that two bedrooms make up the majority of these units in 2021, only 4% of these units contained three or more bedrooms.

*Objective 4: Continue to support low income and special needs housing*

- The Strategy identifies the need to build over a three to five year period, 200-240 supportive housing units, 100-120 rent supplements to facilitate access to independent living through private markets, and 400-600 below market rental units for low to moderate-income ranges. The City is **on track** to meet the supportive and below-market rental targets in 2021. Since 2018, 250 supportive units (of which 164 are temporary and 86 permanent) have been opened. 351 below market rental units were created. In addition, 59 housing first rent supplements and 56 rent bank loans, provided by City funding, were distributed in 2021 for Nanaimo residents in need. In 2021, BC Housing also provided 113 Homeless Rent Supplements and 1,197 private market rent supplements for Nanaimo residents.

*Objective 5: Strengthen partnerships and connections*

- The Strategy identifies the importance of developing partnerships with senior levels of government, non-profit organizations, and community agencies to respond to housing issues. The progress of these new partnerships, initiatives, and programs are outlined below and include a MOU with BC Housing; the Te'tuxwtun project with Snuneymuxw First Nation, School District 68, and BC Housing; and the Nanaimo Rent Bank.

**2021 - 2022 Project Implementation Progress**

Over the past year, progress has been made on several actions, falling under all five objectives identified in the Strategy, that address housing affordability and accessibility, including: Short-Term Rental Regulations, supporting infill and intensification in neighbourhoods, Community Amenity Contribution Policy update, Density Bonus Policy Review, and establishing the Nanaimo Rent Bank. Other related initiatives include the Systems Planning Organization, BC Housing MOU, and a Housing Needs Assessment. An overview of completed and ongoing implementation actions for 2021-2022 is provided in Attachment B - Affordable Housing Strategy Implementation Table.

*Short-Term Rental Regulations (STR)*

The City completed a Zoning and Business Licence regulation update on 2022-FEB-07 related to short-term rentals and bed and breakfast accommodations. The new regulations that came into effect 2022-APR-01 allowed the City to regulate short-term accommodations and protect the rental market by only allowing property owners to rent out a portion or all of their primary residence on a short-term basis (and not allowing short-term rentals of any additional residences). In addition to these regulations, a STR Operator's Guide was created to support and educate operators by outlining short-term rental requirements. The City began accepting STR business licence applications on 2022-APR-01. As of 2022-JUN-13, 80 applications for STR business licences have been approved and the majority of these STR's are in one- and two- bedroom secondary suites.

### *Support Infill and Intensification*

To support infill and intensification the proposed City Plan proposes two levels of 'neighbourhood' designation (Neighbourhood and Suburban Neighbourhood) to encourage more strategic residential infill in neighbourhoods. Also, a new exemption proposed in Development Permit Area 8 (DPA8) Form and Character guidelines (Zoning Bylaw Amendment Bylaw No. 4500.199) is to not require a development permit for "Construction that is limited to no more than a total of four dwelling units on one lot" (except in the Old City area). The purpose of this exemption is encourage infill in residential areas by allowing a 2-4 unit development to proceed directly to the building permit stage. The objective is to increase the number of ground-oriented duplexes, triplexes, and fourplexes in the city as identified in the Strategy. A public hearing regarding the proposed City Plan and Bylaw No. 4500.199 was held on 2022-JUN-22. It is also worth noting, that property frontage improvements are not required for multi-family developments with 4 or less units, to provide further incentive for infill.

Other ways that the Zoning Bylaw supports infill in residential areas is by allowing a secondary suite as an accessory use to single-family dwellings or in an accessory building (coach house). In 2021, 64% of new single-family dwellings were built with a secondary suite, adding 141 secondary suites in the city. This is an increase from 2020 where 59% of new single-family dwellings were built with suites, adding 128 secondary suites. Since the adoption of secondary suite zoning in 2005, 3,661 secondary suites building permits have been issued by the City. Secondary suites fill a key gap in Nanaimo's rental housing market which is not calculated in CMHC's vacancy rental rate. CMHC reported 4,530 rental units in 2021, which means the number of rental units in the primary rental market may be closer to 8,000 units, illustrating the importance that secondary suites have on the primary rental market.

In 2021, 76% of new starts were in multi-unit dwellings, of which many received multi-family development permits on land pre-zoned to permit multi-family use. A few examples of multi-family development permits issued in 2021 on pre-zoned land include: 197 units at 400 Fitzwilliam Street, 15 townhouse units at 5768 Linley Valley Drive, 163 rental units at 340 Campbell Street, 23 rental units at 361 Albert Street, and 97 units at 4851 Cedar Ridge Place.

In 2012, the British Columbia *Land Title Act* was amended to allow the registration of a party wall agreement on the title of adjoining properties allowing for fee simple row housing, and the City responded by creating the Row House Residential Zone (R7). Since 2012 there have been 6 fee simple row house developments approved in Nanaimo, creating a new form of home ownership. Row house developments on Norwell Drive, Northfield Road, Ocean View Terrace and Stirling Avenue are completed; and two row house developments are expected to be constructed in 2022.

In addition, the "Development Cost Charge Bylaw 2017 No. 7252" contains a provision allowing for a 50% reduction of development cost charge (DCC) fees for not-for-profit rental housing when at least 30% of the units are secured with a housing agreement such that rent does not exceed 30% of before tax income. Since 2018, a DCC reduction has been approved for at least 7 affordable housing developments in accordance with the DCC Bylaw reduction provisions for a total of 287 units.

Also, the City's "Revitalization Tax Exemption Bylaw 2018 No. 7261" encourages multi-family units in the downtown area by offering a tax exemption, on the municipal portion for a 10-year term, for new multi-family units. Two developments approved in the downtown that are

expected to use this incentive in 2022 are: 1) 197 rental units at 400 Fitzwilliam Street (DP1214); and 2) 163 rental units at 340 Campbell Street (DP1223).

#### *Community Amenity Contribution (CAC) Policy Update*

On 2021-NOV-15, Council endorsed a new CAC Policy, which states that for rezoning applications received after 2022-JAN-01 the monetary amenity contribution rate is increased. The CAC Policy also stipulates a monetary amenity contribution rate increase in January 2023, 2024, and 2025, and states that 40% of all monetary contributions be directed to the Housing Legacy Reserve Fund. The increased contributions to the Housing Legacy Reserve Fund will allow the City to support more affordable housing initiatives in the future. In addition, the CAC Policy states that the CAC rate is reduced by 50% for secured market rental dwelling units, and the CAC rate is waived 100% for secured non-market rental dwelling units to incentivize the development of these types of units in the city.

#### *Density Bonus Policy Update*

Schedule D of the Zoning Bylaw contains a list of amenities that a developer can provide in order to achieve more residential units or density within a development than the base zoning designation allows (without requiring a rezoning process). Points are awarded for various amenities in Schedule D, and the developer must achieve a certain total of points to be able to gain additional density. On 2021-JUN-21, an amendment to Schedule D was approved which awards points when purpose built rental units are secured, and awards points for secured affordable ownership units, affordable rental units, and non-market housing units. The objective is to incentivize and increase the supply of both rental units and non-market units in the city.

#### *Nanaimo Rent Bank*

On 2021-JAN-18, Nanaimo's first rent bank was launched. Council allocated \$90,603 from Housing Legacy Reserve Fund to the John Howard Society to operate a rent bank. A rent bank is a short term or temporary homelessness prevention tool that helps to provide housing stability for low to moderate income renters who are unable to pay their rent or utilities due to life circumstances. In 2021, the Nanaimo rent bank allocated 56 forgivable rent bank loans for Nanaimo residents.

#### *Ongoing Projects*

Ongoing projects initiated in 2021 include market studies on both family friendly housing and adaptable and accessible housing with the objective of finding ways the City can increase the supply of three+ bedroom and adaptable/accessible units in Nanaimo. See also Attachment C: 'Nanaimo Affordable Housing Initiatives', which highlights ways the City supports affordable housing.

#### *Health and Housing Action Plan (HHAP)*

One of the key recommendations from the 2021-FEB-22 HHAP was to support the incubation of a Health and Housing Systems Planning Organization (SPO) to implement the HHAP by coordinating funding and partner activities. Council established a Transition Team to develop the governance model for the SPO. Council endorsed the recommendations of the group on

2022-MAY-02. The SPO will provide collective homelessness prevention and response priorities, to enable coordinated action and advocacy by Nanaimo's non-profit organizations, Snuneymuxw First Nation and other levels of government, the business sector, and the broader community to address an end to homelessness in Nanaimo. The nine-member board includes representation from the City, Snuneymuxw First Nation, the Nanaimo Prosperity Corporation, the health/housing/shelter sector, and members at large. The goal is to host an inaugural board meeting in the summer of 2022 and have an Executive Director in place by the fall.

#### *BC Housing Memorandum of Understanding (MOU)*

The 2020 MOU agreement between BC Housing and the City of Nanaimo includes developments for seven housing projects on six sites around the city. Three affordable rental housing developments with approximately 120 homes for people with low to moderate incomes are in various stages of planning and development. There are four supportive housing developments with approximately 190 homes for people experiencing or at risk of homelessness being planned for the community. 51 supportive units opened in spring 2022 at 702 Nicol Street and an additional 51 units are scheduled to be completed in 2022 at 285 Prideaux Street. Additionally, the City is exploring a second MOU agreement with BC Housing to provide more sites for affordable housing developments.

#### *Housing Needs Assessment (HNA)*

A Housing Needs Assessment (HNA) is underway to gather housing data from all levels of government, through consultation with the community, and using the new 2021 Census Data. The HNA is anticipated to be completed by 31-DEC-2022 and will provide an updated snapshot on the state of housing in Nanaimo including the implications of COVID. The preliminary housing indicators data highlights that in 2021, just over half of the housing units in Nanaimo were single detached houses (51%), and apartments with fewer than 5 storeys followed as the most common housing type (19%). Single family housing sale prices in Nanaimo have increased to an average of \$761,737 in 2021 to \$933,954 in 2022 highlighting a 22.6% increase in price within one year.

Other preliminary findings of the HNA found that in 2021 there were 4,530 units in the primary rental market (privately initiated structures for rental purposes), an increase from 4,316 in 2020. The assessment also illustrates that the rental vacancy rate in 2021 increased to 1.8% from 1% in 2020. This vacancy rate, however, remains persistently below the 3% threshold commonly believed to indicate a balanced rental market.

## **CONCLUSION**

The City is working on several concurrent projects to implement additional actions to meet the objectives outlined in the Strategy. Overall, the City is meeting almost all of the targets and measures outlined in the Strategy and is working positively towards the vision of the Strategy that "Nanaimo residents have access to a diversity of housing options that meet their needs for safe, stable, appropriate, and affordable within the context of a healthy built environment."

## **SUMMARY POINTS**

- The City is on track to meet several key targets established in the Affordable Housing Strategy:
  - **On track** to meet target of 50% of new housing as purpose built rental with 48% of new housing starts as purpose built rentals in 2021.
  - **Exceeding** target of 70% of new residential housing starts in multi-unit dwellings with 76% of starts in multi-unit dwellings in 2021.
  - **Exceeding** target of 50% of new starts in apartments with 71% of new starts as apartments in 2021.
  - **Not Meeting** target of 20% of new starts as ground-orientated units with 5% of new starts as ground-orientated in 2021.
  - **Exceeding** target of 20% of rental as two to three bedroom units with 44% of all rental units containing two or three bedroom units in 2021. However only 4% are three+ bedrooms.
  - **On track** to meet the target for supportive and below-market rentals within a three to five year time frame of 200-240 supportive housing units, 400-600 below market rental units and, 100-120 rent supplements. Since 2018, 250 supportive units and 351 below market rental units were created. In 2021, the City provided funding that supported 59 housing first rent supplements and 56 rent bank loans, and BC Housing provided 113 Homeless Rent Supplements and 1,197 private market rent supplements for Nanaimo residents.
- The City has undertaken a number of Strategy implementation initiatives over the past year including: Short-Term Rental Regulations, Infill and intensification in existing neighbourhoods, Community Amenity Contribution Policy, Density bonusing, Nanaimo’s Rent Bank, BC Housing MOUs, a housing needs assessment, and ongoing partnerships to coordinate and support for the provision of more affordable housing.

## **ATTACHMENTS**

ATTACHMENT A: Link to the “Affordable Housing Strategy”

ATTACHMENT B: Affordable Housing Strategy Implementation Table

ATTACHMENT C: Nanaimo Affordable Housing Initiatives

### **Submitted by:**

Lisa Brinkman  
Manager, Community Planning

### **Concurrence by:**

Lisa Bhopalsingh  
Director, Community Development

Jeremy Holm  
Acting General Manager, Development  
Services

## ATTACHMENT A

Link to “Affordable Housing Strategy”:

<https://www.nanaimo.ca/docs/default-document-library/nanaimoaffordablehousingstrategyfinal.pdf>

## Affordable Housing Strategy Implementation Table



	AHS Objective	AHS Policy Direction	Project	Status
A.	<b>Increase the supply of rental housing</b>	Restrict Short-Term Rentals	Short-Term Rental Regulations & Short-Term Rental Operator's Guide	<div data-bbox="1045 378 1245 427" style="background-color: #76b82a; color: white; padding: 2px; display: inline-block;"><b>Complete</b></div> <p>The City completed a Zoning and Business Licence regulation update on 2022-FEB-07 related to short-term rentals. The new regulations that came into effect 2022-APR-01 allow the City to regulate short-term accommodations and protect the rental market by only allowing property owners to rent out a portion or all of their primary residence on a short-term basis. As of 2022-Jun-13, 80 applications for STR business licenses have been approved, and the majority of these STR's are in one- and two-bedroom secondary suites.</p>
B.	<b>Support infill and intensification in existing neighbourhoods</b>	Support infill and intensification in single-detached neighbourhoods	Zoning Bylaw Amendment Bylaw No.4500.199	<div data-bbox="1045 808 1234 857" style="background-color: #0072bc; color: white; padding: 2px; display: inline-block;"><b>Ongoing</b></div> <p>To support infill and intensification in Neighbourhoods, a new exemption proposed in Development Permit Area 8 (DPA8) Form and Character guidelines (Zoning Bylaw Amendment Bylaw No. 4500.199) is not to require a development permit for "Construction that is limited to no more than a total of four dwelling units on one lot" (except in the Old City area). The purpose of this exemption is encourage infill in residential areas by allowing a 2-4 unit development to proceed directly to the building permit stage. It is also worth noting that property frontage improvements are not required for multi-family developments with 4 or less units, to provide further incentive for gentle infill.</p>

Orange – In Progress

Blue – Ongoing

Green - Complete

	AHS Objective	AHS Policy Direction	Project	Status
C.	<b>Support infill and intensification in existing neighbourhoods</b>	Support infill and intensification in single detached neighbourhoods	Secondary Suites	<p><b>Ongoing</b></p> <p>The Zoning Bylaw contains provisions for allowing a secondary suite within a single family dwelling or in an accessory building. In 2021, 64% of new single-family dwellings were built with a secondary suite, adding 141 secondary suites in the city. This is an increase from 2020 where 59% of new single-family dwellings were built with suites, adding 128 secondary suites. Since 2005, 3661 building permits have been issued for secondary suites.</p>
D.	<b>Support infill and intensification in existing neighbourhoods</b>	Support infill and intensification in single detached neighbourhoods	Development Cost Charge Reductions	<p><b>Ongoing</b></p> <p>The “Development Cost Charge Bylaw 2017 No. 7252” contains a provision allowing for a 50% reduction of development cost charge (DCC) fees for not-for-profit rental housing when 30% of the units are secured with a housing agreement such that rent does not exceed 30% of before tax income. Since 2018, a DCC reduction has been approved for at least 7 affordable housing developments in accordance with the DCC Bylaw reduction provisions for a total of 287 units.</p>
E.	<b>Support infill and intensification in existing neighbourhoods</b>	Support infill and intensification in single detached neighbourhoods	Revitalization Tax Exemption Bylaw 2018 No. 7261	<p><b>Ongoing</b></p> <p>The City’s “Revitalization Tax Exemption Bylaw 2018 No. 7261” encourages residential units in the downtown area by offering a tax exemption for new multi-family units. The program offers a 100% exemption for the municipal property tax portion for a 10 year term. Two developments approved in the downtown that will use this incentive in 2022 are: 1) 197 rental units at 400 Fitzwilliam Street (DP1214); and 2) 163 rental units at 340 Campbell Street (DP1223).</p>

Orange – In Progress

Blue – Ongoing

Green - Complete

	AHS Objective	AHS Policy Direction	Project	Status
F.	<b>Continue to support low income &amp; special needs housing</b>	Update the community amenity contribution policy	Community Amenity Contribution Policy	<p><b>Complete</b></p> <p>On 2021-NOV-15, Council endorsed a new CAC Policy which states that for rezoning applications received after 2022-JAN-01 the monetary amenity contribution rate is increased. The CAC Policy also stipulates a monetary amenity contribution rate increase in January 2023, 2024, and 2025, and states that 40% of all monetary contributions be directed to the Housing Legacy Reserve Fund. In addition, the CAC Policy states that the CAC rate is reduced by 50% for secured market rental dwelling units, and the CAC rate is waived 100% for secured non-market rental dwelling units to incentivize the development of these types of units in the city.</p>
G.	<b>Increase the supply of rental housing &amp; Continue to support low income &amp; special needs housing</b>	Update approach to density bonusing	Density Bonus Policy review (Schedule D)	<p><b>Complete</b></p> <p>On 2021-JUN-21, an amendment to Schedule D was approved which awards extra density when purpose built rental units are secured, and awards extra density when secured affordable ownership units, affordable rental units, and non-market housing units are constructed. The objective is to incentivize and increase the supply of both rental units and non-market units in the City.</p>
H.	<b>Strengthen partnerships &amp; connections</b>	Support the development of a local rent bank program	Nanaimo Rent Bank	<p><b>Complete</b></p> <p>On 2021-JAN-18, Nanaimo's first rent bank was launched. Council allocated \$90,603 from Housing Legacy Reserve Fund to the John Howard Society to operate a rent bank. A rent bank is a short-term or temporary homelessness prevention tool that helps to provide housing stability for low to moderate-income renters who are unable to pay their rent or utilities due to life circumstances. In 2021, the Nanaimo rent bank allocated 56 of these forgivable rent bank loans for Nanaimo residents.</p>

Orange – In Progress

Blue – Ongoing

Green - Complete

	AHS Objective	AHS Policy Direction	Project	Status
I.	<b>Diversify housing form in all neighbourhoods</b>	Develop a policy on family friendly housing	Family Friendly Housing Market Study	<p><b>In Progress</b></p> <p>Data from this study is anticipated to be completed in 2022 and will be used to inform the development of a Family-Friendly Housing Policy in 2023.</p>
J.	<b>Continue to support low income &amp; special needs housing</b>	Develop an adaptable housing policy	Adaptable and Accessible Housing Market Study	<p><b>In Progress</b></p> <p>Data from this study is anticipated to be completed in 2022 and will be used to inform the development of an Adaptable and Accessible Housing Policy in 2023.</p>
K.	<b>Strengthen partnerships &amp; connections</b>	N/A	Health and Housing Task Force & Action Plan (HHAP)	<p><b>In Progress</b></p> <p>One of the key recommendations from the 2022-DEC-02 HHAP was to support the incubation of a Health and Housing Systems Planning Organization (SPO) to implement the HHAP by coordinating funding and partner activities. Council endorsed the HHAP (Action Plan) in 2021, and then in May a Charter to establish the SPO was endorsed. The SPO will provide collective prevention and response priorities, to enable coordinated action and advocacy by Nanaimo's non-profit organizations, Snuneymuxw First Nation and other levels of government, the business sector, and the broader community to address an end to homelessness in Nanaimo.</p>

Orange – In Progress

Blue – Ongoing

Green - Complete

	AHS Objective	AHS Policy Direction	Project	Status
L.	<b>Continue to support low income &amp; special needs housing</b>	Continue to support non-market housing development	MOU with BC Housing	<p><b>In Progress</b></p> <p>The 2020 MOU agreement between BC Housing and the City of Nanaimo includes developments for seven housing projects on six sites around the city. Three affordable rental housing developments with approximately 120 homes for people with low to moderate incomes are in various stages of planning and development. There are four supportive housing developments with approximately 190 homes for people experiencing or at risk of homelessness being planned for the community. 51 supportive units opened in spring 2022 at 702 Nicol Street and an additional 51 units are scheduled to be completed in 2022 at 285 Prideaux Street.</p>
M.	<b>Strengthen partnerships &amp; connections</b>	Increase community engagement & education	Housing Needs Assessment	<p><b>In Progress</b></p> <p>A Housing Needs Assessment (HNA) is underway to gather housing data from all levels of government, through consultation with the community, and using the new 2021 Census Data. The HNA is anticipated to be completed by 2022-DEC-31 and will provide an updated snapshot on the state of housing in Nanaimo including the implications of COVID</p>

Orange – In Progress

Blue – Ongoing

Green - Complete

# NANAIMO AFFORDABLE HOUSING INITIATIVES



The following information is a summary of recent initiatives in the City of Nanaimo to support affordable housing.

# 115

rent supplements (56) and rent bank loans (59) were distributed in the Nanaimo Region in 2021.

Source: John Howard Society and BC Rent Bank

# >2400



## Multi-Unit Dwellings Constructed Since 2018

Source: CMHC



### AFFORDABLE HOUSING DEVELOPMENTS

Development Cost Charges (DCC) reductions applied to 287 units.

The Development Cost Charge Bylaw contains a provision allowing a reduction in DCC fees for non-market rental housing when not for profit rental units are secured.

### HOUSING LEGACY RESERVE FUND



In 2021, Council endorsed the Community Amenity Contribution Policy; 40% of all monetary contributions will be directed to the Housing Legacy Reserve Fund. The increased contributions will allow the City to support more affordable housing initiatives in the future.

### SHORT TERM RENTALS



On April 1st, 2022, the City began regulating short term accommodations protecting the rental market by only allowing property owners to rent out a portion or all of their primary residence on a short term basis. As of June 13, 2022, 80 applications have been approved by the City.

# +300 UNITS



coming as a result of the 2020 Memorandum of Understanding (MOU) between BC Housing and the City of Nanaimo. This includes seven housing projects on six sites around the city.

# NANAIMO AFFORDABLE HOUSING INITIATIVES



The City's Zoning Bylaw supports affordable housing by supporting infill and intensification in existing neighbourhoods in the following ways:

## RANGE OF MULTI-UNIT HOUSING

In 2021, 76% of new starts were in multi-unit dwellings.

Low Density (R6)

Medium Density (R8)

Higher Density (R9)

Source: CMHC

## DENSITY BONUSING

In 2021, Schedule D of the Zoning Bylaw was revised to provide incentives for purpose-built affordable housing and rental developments. Schedule D has allowed for density bonusing since 2011.

## SECONDARY SUITES

3,661 building permits for Secondary Suites have been issued since 2005.

## COACH HOUSING

Allowing coach housing (accessory dwelling unit) since 2008

## R5 RESIDENTIAL INFILL

Three and Four Unit residential zoning (R5) allows for gentle infill on lots that are 800m<sup>2</sup> or 700m<sup>2</sup> when the lot is on a lane.

## R7 ROW HOUSE RESIDENTIAL ZONE

Row House Residential zoning (R7) allows for fee simple row housing (i.e. 3598 Norwell Drive).

# AFFORDABLE HOUSING STRATEGY

## 2021 ANNUAL UPDATE



Governance and Priorities Committee  
2022-JUN-27

1



## Policy Objectives

1. Increase the supply of rental housing.
2. Support infill and intensification in existing neighbourhoods.
3. Diversify housing form in all neighbourhoods.
4. Continue to support low-income and special needs housing.
5. Strengthen partnerships and connections.

2



## What is affordable housing?

### As Defined in the Affordable Housing Strategy

*Housing that includes a variety of housing types, sizes, tenures, and prices and housing that supports a mix of incomes, ages and abilities. It includes housing across the entire housing continuum from temporary shelter to social or supportive housing, market rental and homeownership.*

### As Defined by Canada Mortgage and Housing Corporation

*Housing that costs less than 30 per cent of a household's before-tax income, where housing costs include the rent or mortgage, utilities, maintenance fees, property taxes, and insurance.*

3



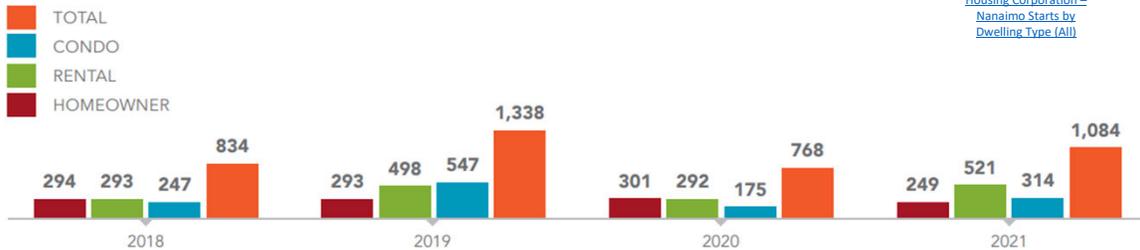
## 2021 Progress Measures Summary

4



# Objective #1 - Increase Supply of Rental Housing

## Housing Starts by Ownership Type (2018 – 2021)



**On Track to Meeting AHS Target**

Target of 50% of Housing Starts as Rental

**48%**

2021 Housing Starts as Rentals



## Project Spotlight *560 Third Street*

- 180 market rental homes
- Mix of micro and studio units, one to two bedroom suites, and lofts
- Two, four storey buildings with commercial units
- Middle income households



Artist rendering courtesy of Wensley Architecture.



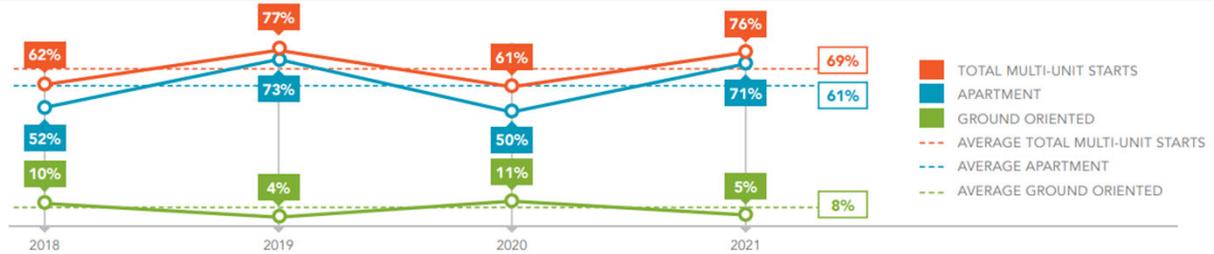
# Objective #2 - Support Infill & Intensification

## Multi-Family Dwelling Units Created

**Exceeding AHS Target**  
Target of 70% of Multi-Unit Starts  
**76%**  
Of Housing starts were Multi-Family in 2021

**Exceeding AHS Target**  
Target of 50% of starts as apartments  
**71%**  
Of Housing starts were apartments in 2021

**Not Meeting AHS Target**  
Target of 20% of starts as ground-oriented units  
**5%**  
Of Housing starts were ground-oriented in 2021



Canadian Mortgage and Housing Corporation – Nanaimo Starts by Dwelling Type (All)

7



## Project Spotlight *North Grove*

- 146 rental apartments in 3 buildings
- Located next to shopping, public transit and the Parkway Trail



Photo courtesy of District Group.

8



## Project Spotlight

### The Met

- 2 Buildings
- 98 multi family units for purchase
- Located next to shopping, public transit, and the Parkway Trail



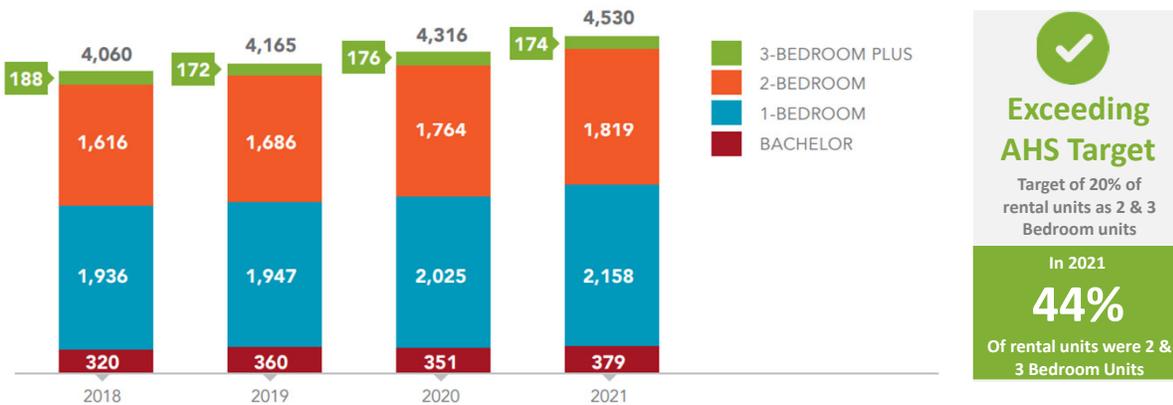
Photo courtesy of Re/Max of Nanaimo.

9



## Objective #3 – Diversify Housing

Rentals By Bedroom Type



**Exceeding AHS Target**
  
 Target of 20% of rental units as 2 & 3 Bedroom units
   
 In 2021
   
**44%**
  
 Of rental units were 2 & 3 Bedroom Units

Canadian Mortgage and Housing Corporation – Nanaimo Starts by Dwelling Type (All)

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## Project Spotlight

### **858 Georgia Avenue**

- 27 units
- Mix of one and two bedroom units
- Walking distance to schools, parks, shopping, daycare, and VIU.



*Photo courtesy of Nanaimo Affordable Housing Society.*

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## Objective #4 - Support Low Income and Special Needs Housing



Additions to Non-Market Housing Continuum

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## Objective #4 -Supportive Housing



Supportive Housing in Nanaimo

Photo courtesy of M'akola Housing.

### OPEN

- 285 Rosehill Street: 23 Units
- 3425 Uplands Drive: 12 units
- 702 Nicol Street: 51 Units
- 250 Terminal Ave: 78 units (Temporary)
- 2060 Labieux Road: 86 units (Temporary)

### FUTURE PROJECTS

- 285 Prideaux Street: 51 Units
- 355 Nicol Street: 35 Units
- 250 Terminal Ave



### On Track to Meeting AHS Target

Non-market housing targets: 200-240 supportive housing units

# 250

Total Supportive Housing Units Opened (includes 164 temporary) (since 2018)



## Project Spotlight *702 Nicol Street*

- 51 supportive units
- 14 bridge to housing beds for women
- Community amenity space
- 24/7 staff supports



Photo courtesy of BC Housing.



## Objective #4 - Affordable Housing



### OPEN – Seniors Units

- 10 Buttertubs Dr: 159 Units
- 77 Mill Street: 57 Units
- 20 Prideaux Street: 57 Units
- 1125 Seafield Cr: 62 Units

### OPEN – General

- 3245 Uplands Dr: 16 Units

### FUTURE PROJECTS

- 1425 Cranberry Ave: 26 Units
- 6010 Hammond Bay Rd: 53 Units
- 564 5th St (Te'tuxwtun): 40 Units
- 2020 Estevan Road: 74 Units
- 4745 Ledgerwood Rd: 120 Units



**On Track to Meeting AHS Target**

400-600 additional below market rental units for low to moderate income households

**351**

Total Affordable Housing Units Opened (since 2018)



## Objective #4 - Rent Supplements



**TOTAL RENT SUPPLEMENTS (2021) - 115**

*(for residents with Nanaimo addresses)*

- **59:** Rent Supplements
- **56:** Rent Bank Forgivable Loans

*BC Housing also provides supplements for Nanaimo residents. In 2021, BC Housing provided 113 Homeless Rent Supplements and 1,197 private market rent supplements.*



**On Track to Meeting AHS Target**

100-120 rent supplements to facilitate access to independent living through private market

**115**

Total Rent Supplements (2021)

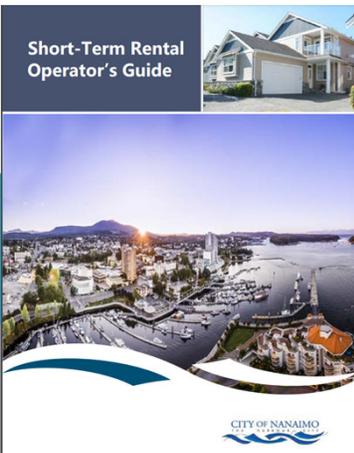


## 2021 Project Implementation Progress

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## Short-Term Rental Regulations & Operator's Guide



*Short-Term Rental means the temporary rental (less than 30 days) of a portion of, or the entire dwelling unit, secondary suite, or room located on a property that is zoned to permit residential use.*

### Objective

Regulate short-term accommodations by only allowing property owners to rent out a portion or all of their primary residence on a short-term basis.

### Progress

- 80 applications approved since the City began accepting application on 2022-APR-01.

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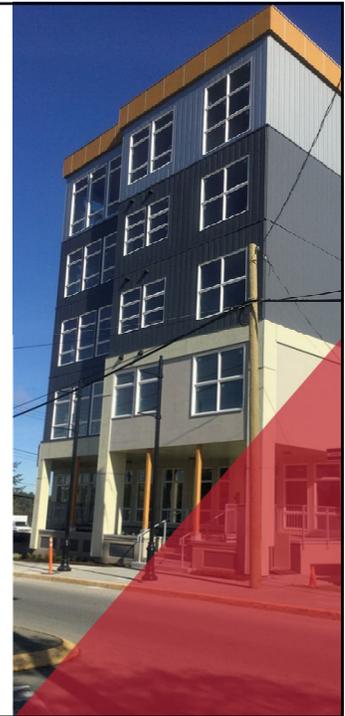
## Support Infill & Intensification

### Objective

Encourage and support increased housing supply in existing neighbourhoods through smaller houses and a higher number of dwellings on each lot.

### Implementation

- Density bonus for affordable housing & amenities (Schedule D)
- New exemptions for development permits for up to four dwelling units (Bylaw 4500.199)
- Reducing development cost charges for not-for-profit housing
- Municipal tax exemptions for multi-family units in the downtown
- City Plan proposes two levels of neighbourhood designation for strategic residential infill



## Support Infill & Intensification



### ROW HOUSE RESIDENTIAL ZONE

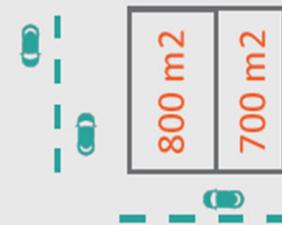
Row House Residential zoning (R7) allows for fee simple row housing (i.e. 3598 Norwell Drive). (2012)



Fee Simple Row Houses in Nanaimo - 3598 Norwell Drive

### R5 RESIDENTIAL INFILL

Three and Four Unit residential zoning (R5) allows for gentle infill on lots that are 800m<sup>2</sup> or 700m<sup>2</sup> when the lot is on a lane.



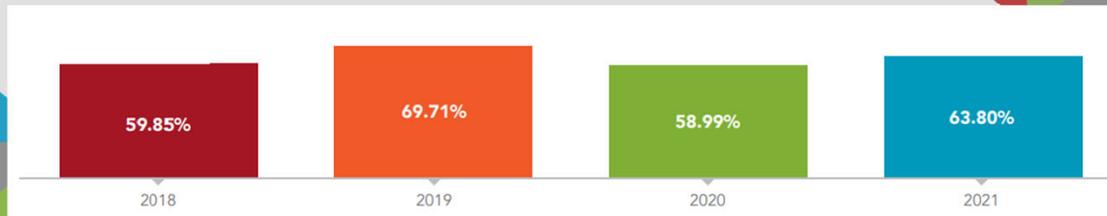


# Support Infill & Intensification

## Implementation

- Allowing secondary suites as an accessory use

### Percent of New Homes with Secondary Suites



[City of Nanaimo Building Permit Stats](#)

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# Support Infill & Intensification



Secondary Suites have been added to principal dwelling units since 2005

[City of Nanaimo Building Permit Stats](#)



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## Support Infill & Intensification



### Affordable Housing Developments

Have been approved where the Development Cost Charges (DCC) Bylaw reduction provisions were applied totaling 287 units (since 2018).

The Development Cost Charge Bylaw 2017 No. 7252 contains a provision allowing reduction in DCC fees for non-market rental housing when a certain % of rental units are secured.



## Support Infill & Intensification



Encourages residential units in the downtown area by offering a tax exemption for new multi-family units.

### In 2022...

- 400 Fitzwilliam Street
  - 197 Rental Units
- 340 Campbell Street
  - 163 Rental Units



## Community Amenity Contribution (CAC) Policy



### Objective

Increase contributions to the Housing Legacy Reserve Fund and incentivize the development of non-market rental dwelling units.

### CAC Policy

- Minimum of 40% of monetary CACs will be directed to City's Housing Legacy Reserve Fund
- 50% CAC reduction for market dwelling units
- CAC waived by 100% for non-market rental dwellings

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## Density Bonus Policy Update

### Objective

To incentivize and increase the supply of both rental units and non-market units in the city.

### 2021 policy awards more density when...

- Purpose built rental units are secured
- Affordable ownership units are secured
- Affordable rental units are secured
- Non-market housing units are secured

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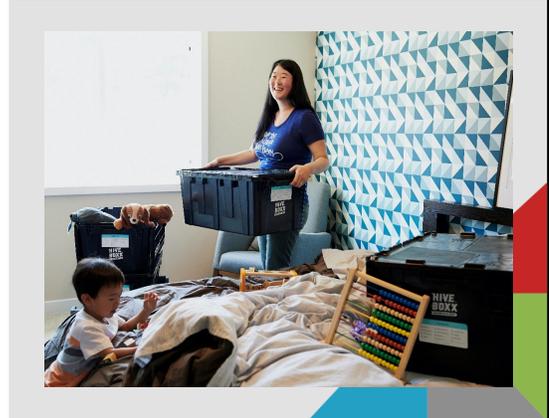
## Nanaimo Rent Bank

### Objective

Provide housing stability for low- to moderate-income renters who are unable to pay rent or utilities due to episodes or emergencies that compromise their ability to pay.

### Progress

- Launched January 2021
- \$90,603 was allocated by Council
- 56 forgivable rent bank loans given to Nanaimo residents



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## Ongoing Projects

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## Family Friendly Housing



*Refers to housing that meets the needs of families including units with enough bedrooms to accommodate all members of a family household. This includes multi-unit development projects with a greater mix of two and three bedroom units.*

### Objective

**Encourage the construction of larger two and three bedroom units appropriate for larger and/or extended families within new multi-unit residential developments.**

- A market study is underway to support this objective.

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## Adaptable & Accessible Housing

*Refers to dwelling units that include features, amenities, or products to better meet the needs of people with disabilities and homes can be modified at minimal cost to meet occupants' changing needs over time.*

### Objective

**Increase the amount of adaptable and accessible multiple family units developed in the City of Nanaimo.**

- A market study is underway to support this objective.



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# Health & Housing Action Plan



- Systems Planning Organization
- Provide research, data, analysis, education, and information
- Coordinated action and advocacy
- Inaugural board meeting in the summer of 2022

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## BC Housing Memorandum of Understanding

The 2020 MOU agreement between BC Housing and the City of Nanaimo includes seven developments on six sites around the city.



**Affordable rental housing developments**



**Supportive housing developments**



Map courtesy of BC Housing.

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## Housing Needs Assessment

- Anticipated to be completed by December 2022
- Updated snapshot on the state of housing in Nanaimo including the implications of COVID

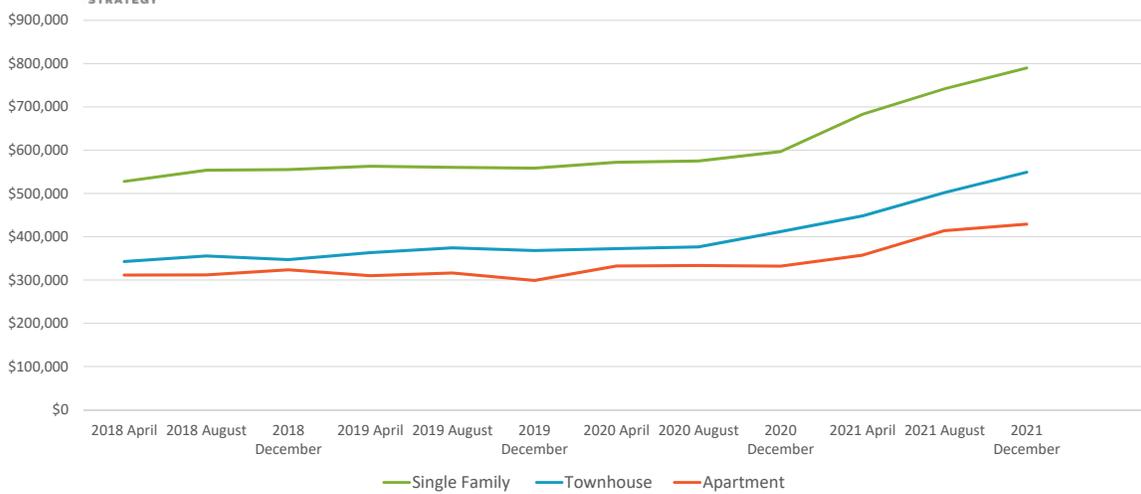
Preliminary Findings



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## Increase in House Prices



[Vancouver Island Real Estate Board Market Statistics - Nanaimo \(vireb.com\)](https://www.vireb.com)

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## Nanaimo Vacancy Rates

Private Apartment Vacancy Rate	October 2018	October 2019	October 2020	October 2021
Bachelor	5.0	0.7	0.0	1.3
1 Bedroom	2.3	1.6	1.4	1.3
2 Bedroom	2.0	2.2	0.8	2.3
3 Bedroom	2.6	5.8	0.0	3.5
<b>Total Vacancy Rate</b>	<b>2.4</b>	<b>1.9</b>	<b>1.0</b>	<b>1.8</b>

[Canadian Mortgage & Housing Corporation – Nanaimo Historical Vacancy Rates by Bedroom Type](#)

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## Increase in Nanaimo Rental Pricing



[Canadian Mortgage and Housing Corporation – Historical Average Rents by Bedroom Type](#)

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**Nanaimo Affordable Housing Society –  
Andrea Blakeman**

**BC Housing – John McEown**

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**Affordable Housing Ideas from  
Other Municipalities**

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## Affordable Housing Ideas from Other Municipalities

- a) Inclusionary zoning
- b) Attainable homeownership
- c) Property tax exemptions
- d) Rental only zoning
- e) Removal of exclusionary zoning
- f) Preferential/Expedited processing
- g) Land and financing through funds and corporations
- h) Prezoning land

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## Proposed Projects for 2023

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## Proposed Projects for 2023



- a) Explore further opportunities for infill in existing neighbourhoods
- b) Provide education to housing providers on the ways the City supports affordable housing
- c) Consider pre-zoning land for affordable housing to align with City Plan densities
- d) Review the Delegation Bylaw in relation to the DP approval process
- e) Tenant Relocation Policy
- f) Family Friendly Housing Policy
- g) Adaptable and Accessible Housing Policy
- h) Explore more options to amend Schedule D to incentivize affordable housing
- i) Evaluate a recent update to the LGA in relation to public hearings

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# Thank You



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DATE OF MEETING JUNE 27, 2022

AUTHORED BY CHRISTY WOOD, SOCIAL PLANNER  
LISA BRINKMAN, MANAGER, COMMUNITY PLANNING

**SUBJECT PROPOSED 2023 INITIATIVES TO INCREASE AFFORDABLE HOUSING**

## **OVERVIEW**

### **Purpose of Report**

To present the Governance and Priorities Committee with a proposed 2023 list of projects intended to increase affordable housing in the City of Nanaimo.

### **Recommendation**

That the Governance and Priorities Committee recommend that Council endorse the Staff recommended projects for 2023 to support and increase affordable housing in the City of Nanaimo as presented in the report dated 2022-JUN-27 by Christy Wood, Social Planner and Lisa Brinkman, Manager of Community Planning.

## **BACKGROUND**

The 2018 Nanaimo Affordable Housing Strategy (the ‘Strategy’) provides a framework to guide future projects to increase affordable housing in the City of Nanaimo. In addition, direction is provided in the Health and Housing Action Plan (2021), and in the proposed City Plan to inform affordable housing objectives and potential projects. Staff have also completed a summary of approaches used by other municipalities to increase affordable housing and compared them to what the City is currently doing, see “Attachment A – Review of Affordable Housing Initiatives from other Municipalities.”

## **DISCUSSION**

Staff recommend the following initiatives and projects be considered for 2023 to support the increase of affordable housing units in the City of Nanaimo:

- a) Explore and support further opportunities for infill and intensification in existing neighbourhoods.
- b) Provide education and awareness to developers and other housing providers on the current ways the City supports affordable housing (including infill housing).
- c) Complete an analysis of proposed Urban Centre and Corridor land use designations in City Plan if adopted by Council, with the objective of pre-zoning appropriate parcels for affordable housing, and to align densities in the Zoning Bylaw with the OCP or City Plan density targets.

- d) Review the “Officers Appointment and Delegation Bylaw 2006 No. 7031” to increase the threshold for when the General Manager of Development Services can approve a development permit (DP) for affordable housing projects, such that the DP does not need to be approved by Council. Currently, development permit approval is delegated to the General Manager of Development Services for proposals with 100 units or less, and for smaller variances.
- e) Develop a Tenant Relocation Policy to require tenant relocation plans as a condition of rezoning or redevelopment of purpose build rentals of four or more units and mobile home parks.
- f) Complete a Family Friendly Housing Policy that reflects the results of a market study to increase the number of family friendly residential units in the city.
- g) Complete an Adaptable and Accessible Housing Policy that reflects the results of a market study to increase the number of adaptable and accessible units in the city.
- h) Explore options for amending Schedule D of the Zoning Bylaw 4500 to further incentivize affordable housing. This includes considerations to incentivize affordable family friendly housing with three or more bedrooms, and accessible and adaptable housing units. Schedule D of the Zoning Bylaw contains a list of amenities that a developer can provide in order to achieve more residential units within a development than the base zoning designation allows.
- i) Evaluate a recent update to the *Local Government Act*, which removes the default requirement for local governments to hold public hearings for zoning bylaw amendments that are consistent with an Official Community Plan (OCP), to determine if this can support and encourage affordable housing developments. |

## OPTIONS

1. | That the Governance and Priorities Committee recommend that Council endorse the Staff recommended projects for 2023 to support and increase affordable housing in the City of Nanaimo as presented in the report dated 2022-JUN-27 by Christy Wood, Social Planner and Lisa Brinkman, Manager of Community Planning.
  - The advantages of this option: The proposed projects for 2023 as listed in this Staff report provide a strategic and targeted approach to reducing barriers for future affordable housing development proposals, and to supporting the types of affordable housing needed in the city.
  - The disadvantages of this option: Council may wish to explore other affordable housing approaches or projects besides those listed.
  - Financial Implications: The proposed projects for 2023, as listed in this Staff report, may require some consulting services however the projects can be achieved within the typical annual budget for the Development Services Department.
2. That Council provide alternate direction to Staff. |

**SUMMARY POINTS**

- Nanaimo’s Affordable Housing Strategy (2018), Health and Housing Action Plan (2021), and proposed City Plan provide guidance for future projects to increase affordable housing in the city.
- A review and comparison of approaches used by other municipalities to increase affordable housing and what the City is currently doing was completed.
- A Staff recommended list of projects for 2023 is proposed to increase the amount and diversity of affordable housing options by increasing awareness of existing opportunities, and further reducing barriers and incentivizing affordable housing developments.

**ATTACHMENTS:**

ATTACHMENT A: Review of Affordable Housing Initiatives from other Municipalities |

**Submitted by:**

Lisa Brinkman  
Manager, Community Planning

**Concurrence by:**

Lisa Bhopalsingh  
Director, Community Development

Jeremy Holm  
Acting General Manager, Development Services

# ATTACHMENT A

## Review of Affordable Housing Initiatives from other Municipalities

	Idea/ Approach/ Tool	Idea/Approach/ Tool Description	Municipalities currently using this idea/approach/tool	How is the City of Nanaimo using this idea/approach/tool?
A.	<b>Inclusionary Zoning (IZ) (mandatory and voluntary)</b>	Requires developers to set aside a certain percentage of affordable housing for multifamily dwellings in particular areas. Evaluations reveal that mandatory inclusionary zoning is more effective than voluntary zoning, however, there is currently no legal ability for BC municipalities to do mandatory inclusionary zoning under existing legislation.	<p><b>Mandatory:</b></p> <ul style="list-style-type: none"> <li>• <b>City of Toronto</b> (2021): Requires 5-10% of new units to be affordable units when built near major transit stations.</li> <li>• <b>City of Montreal</b> (2021): Requires developers to set aside between 10 to 20% affordable units for any projects larger than 5 multifamily dwellings (depending on the area in the city).</li> </ul> <p><b>Voluntary:</b></p> <ul style="list-style-type: none"> <li>• <b>City of North Vancouver</b> (2018): “2018 Density Bonus and Community Benefits Policy” provides direction for provision of secured rental housing as an amenity at the time of a rezoning application.</li> </ul>	<p>Incentives in “Schedule D” of the Zoning Bylaw awards additional density for secured affordable housing projects.</p> <p>The City’s Community Amenity Contribution Policy allows a developer to provide an in-kind amenity, such as secured affordable or rental housing, as a voluntary contribution at the time of a rezoning application.</p>
B.	<b>Attainable Homeownership</b>	Developers build an attainable housing stock of one, two, and three-bedroom condominiums or townhomes with a portion of development fees going towards down payments for first time homebuyers. For middle-income earning individuals and families who qualify for a mortgage but do not have a down payment.	<ul style="list-style-type: none"> <li>• <b>City of Langford:</b> Grant money comes from the City’s Affordable Housing Reserve Fund, which is funded by contributions provided by developers as a condition of rezoning for increased density. As of 2022, developers are mandated to provide a minimum of 5% of units to be sold as attainable, and are provided with a refund on the Affordable Housing Reserve fee. In addition, developers are given preferential processing, a reduction in parking requirements, and general CAC’s are waived. City of Langford provides up to 75% of down payment for families qualifying.</li> </ul>	<p>Staff are observing how this pilot project proceeds and will review effectiveness and equitable application.</p>

## Review of Affordable Housing Initiatives from other Municipalities

	Idea/ Approach/ Tool	Idea/Approach/ Tool Description	Municipalities currently using this idea/approach/tool	How is the City of Nanaimo using this idea/approach/tool?
C.	<b>Property Tax Exemption</b>	Use of tax exemptions to encourage the development of affordable housing or the preservation/ construction of rental housing.	<ul style="list-style-type: none"> <li>• <b>City of Victoria:</b> a) A Permissive Tax Exemption Policy is offered to special needs and supportive housing properties, including short-term emergency or crisis protection for members of the community, supportive housing for people with special needs, halfway houses, transitional homes, and group homes if they meet the eligibility criteria (for up to 10 years). b) The Tax Incentive Program offsets seismic upgrading costs for the purposes of residential conversion of existing upper storeys or rehabilitation for uses other than residential.</li> <li>• <b>City of Kelowna:</b> The Revitalization Tax Exemption program is offered to developers for purpose-built rental housing. The program provides eligible purpose-built rental housing projects with relief from a share of municipal property taxes.</li> <li>• <b>City of Kamloops:</b> The Downtown Revitalization Tax Exemption gives up to 100% reduction for multifamily residential construction in downtown areas.</li> </ul>	Nanaimo has a property tax exemption program in place since 2018 for multi-family residential units in the downtown area (Revitalization Tax Exemption Bylaw 7261). The program offers a 100% exemption for the municipal property tax portion, for a 10 year term.
D.	<b>Rental Only Zoning</b>	Zoning that requires that new housing in residential areas be rental only, ensuring existing rental housing is preserved, and to ensure that a certain number of units in a new development is rental.	<ul style="list-style-type: none"> <li>• <b>City of New Westminster:</b> Established rental only zoning to preserve existing rental stock. In 2018, the province of BC enacted rental tenure zoning authority to protect rental tenures in existing apartment buildings. Recently 6 strata properties operating as rentals took the City of New Westminster to court. In 2021, the BC Supreme Court upheld the New Westminster's rental residential zoning powers.</li> <li>• <b>City of Richmond:</b> In the process of designating 60 properties throughout Richmond as rental only.</li> <li>• <b>City of Burnaby:</b> Adding a new suite of zoning classifications to its bylaws including policy for one to one rental replacement (requires developers to replace every rental apartment they demolish in redevelopment), the designation of affordable rent (20% below market rate) in select buildings, and requiring 20% of units in all multifamily developments to be rentals. Burnaby is also adding rentals to commercial zones and adding vacancy rent controls in new units.</li> </ul>	Approach is currently not used. Proposed City Plan includes policy to support rental only zoning, rental replacement plans, and a tenant relocation policy.

## Review of Affordable Housing Initiatives from other Municipalities

	Idea/ Approach/ Tool	Idea/Approach/ Tool Description	Municipalities currently using this idea/approach/tool	How is the City of Nanaimo using this idea/approach/tool?
E.	<b>Removal of Exclusionary Zoning</b>	Creating more inclusive housing forms, by allowing duplexes or triplexes on single dwelling lots.	<ul style="list-style-type: none"> <li>• <b>City of Victoria:</b> The Missing Middle Housing project focuses on inclusive housing forms without needing to go through a rezoning process (consultation in process).</li> <li>• <b>City of Edmonton (2021):</b> Allows duplexes and triplexes on single dwelling lots.</li> <li>• <b>New Zealand (2021):</b> Implemented country-wide, it enables up to three houses, three storeys in height to be built on single dwelling lots ending single family zoning in their urban areas.</li> </ul>	The City of Nanaimo Zoning Bylaw allows a duplex on some R1 (Single Dwelling Residential) zoned properties, and on all R4 (Duplex Residential) zoned properties. Duplexes, triplexes, and fourplexes are permitted on all R5 (Three and Four Unit Residential), and R6 (Low Density Residential) zoned properties. Several Old City zones (R13, R14, and R15) also contain inclusive zoning for infill residential units.
F.	<b>Preferential or Expedited Processing</b>	Preferential processing gives priority to applications for affordable housing over other applications in the approvals process in order to shorten the length of time required to obtain rezoning, development permits, and building permits. Expedited processing reduces time for development permits by eliminating processes where possible i.e. delegating development permits to staff and allowing staff to consider variances.	<ul style="list-style-type: none"> <li>• <b>City of Burnaby (1991):</b> Gives priority to all affordable housing applications.</li> <li>• <b>City of Victoria:</b> Staff will be delegated all affordable housing development permits and will have the ability to consider all variances.</li> <li>• <b>City of Kelowna:</b> Simplified application process for secondary suites.</li> <li>• <b>City of Kamloops (2016):</b> Expedites and prioritizes all applications for affordable housing.</li> <li>• <b>City of Langford:</b> Streamlines the development approval process for affordable housing.</li> </ul>	Development permit approval is delegated to the General Manager of Development Services for proposals with 100 units or less, and for smaller variances.

## Review of Affordable Housing Initiatives from other Municipalities

	Idea/ Approach/ Tool	Idea/Approach/ Tool Description	Municipalities currently using this idea/approach/tool	How is the City of Nanaimo using this idea/approach /tool?
G.	<b>Provision of Land &amp; Financing through Funds and Corporations</b>	Raising of funds or provision of land for affordable housing. This can be accomplished through fund raising and housing corporations to provide secure equity assistance and leverage.	<ul style="list-style-type: none"> <li>• <b>Capital Regional District:</b> Capital Regional District Housing (CRDH) Corporation manages the Housing Trust Fund and has developed 43 buildings, 1200 units as of 2016.</li> <li>• <b>City of Victoria:</b> Purchasing land to develop into mixed use space that will include over 200 affordable homes (to be managed by CRDH).</li> <li>• <b>Cowichan Valley Regional District:</b> The Regional Housing Service, distributed through the Cowichan Housing Association (CHA), supports the development of affordable and attainable housing options by providing local funds to leverage funding from other sources. Current projects supported by this service are in Ladysmith, Lake Cowichan, and Duncan. In the CHA 2021 annual report, the organization is anticipated to provide 452 new units of affordable housing.</li> <li>• <b>The Resort Municipality of Whistler:</b> The Whistler Housing Authority is an owned subsidiary of the municipality. The Authority distributes housing trust funds collected by the municipality. They also oversee the development, administration, and management of resident restricted housing. Since the Authority's founding, it has provided approximately 2,100 units of affordable rental and ownership housing.</li> <li>• <b>City of Kelowna:</b> Rental Housing Grants Program, provides up to \$300k annually to offset DCCs for rental developments.</li> <li>• <b>City of Port Alberni (2022):</b> The City of Port Alberni has provided land on a long-term lease arrangement for the development of mixed-use affordable housing, providing approximately 68 affordable rental housing units. The project is subject to BC Housing funding.</li> <li>• <b>City of Campbell River (2020):</b> The City of Campbell River has provided land on a long-term lease arrangement, as well as approximately \$550,000 in equity contributions and waivers for approximately 50 new supportive housing units in collaboration with BC Housing.</li> </ul>	<p>The Housing Legacy Reserve Fund is used to support affordable housing in Nanaimo.</p> <p>In addition, Nanaimo has leased or provided lands for affordable housing projects including, Te'tuxwtun (Fifth Street lands), Park Ave., 285 Prideaux St., 437 Wesley St., and 1425 Cranberry Ave.</p>

## Review of Affordable Housing Initiatives from other Municipalities

	Idea/ Approach/ Tool	Idea/Approach/ Tool Description	Municipalities currently using this idea/approach/tool	How is the City of Nanaimo using this idea/approach/tool?
H.	<p><b>Pre-zoning land to allow the density targets in the Official Community Plan.</b></p>	<p>Complete an analysis of designations in the Official Community Plan (OCP) in relation to the Zoning Bylaw, with the objective to find appropriate parcels to be pre-zoned such that the allowable density in the Zoning Bylaw aligns with the OCP or City Plan density targets.</p>	<ul style="list-style-type: none"> <li>• <b>City of Victoria</b> (2022): Projects by nonprofit, government, or co-op housing organizations will no longer require rezoning or public hearings when the proposal is consistent with the OCP.</li> <li>• <b>City of Saanich</b> (2022): Adopting Victoria’s approach to fast tracking of affordable housing projects.</li> <li>• <b>City of Kamloops</b> (2016): has rezoned three city sites for affordable housing development for specific demographic groups and will provide long-term leases (99 years) for \$1.</li> </ul>	<p>Following the adoption of the 2008 OCP, the 2011 Zoning Bylaw pre-zoned lands in a limited number of targeted areas, to support achieving density targets in the current OCP. In addition, many other areas of the city also have zoning that supports the development of affordable housing projects. Recent affordable housing developments that did not require a rezoning include:</p> <ul style="list-style-type: none"> <li>• 1125 Seafield Crescent;</li> <li>• 6010 Hammond Bay Road;</li> <li>• 20 Barsby Avenue;</li> <li>• 285 Rosehill Street;</li> <li>• 702 Nicol Street;</li> <li>• 285 Prideaux Street; and</li> <li>• 1608 Bowen Road.</li> </ul>