



**MERGED AGENDA
GOVERNANCE AND PRIORITIES COMMITTEE MEETING**

Monday, January 22, 2024, 1:00 P.M.
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

SCHEDULED RECESS AT 3:00 P.M.

		Pages
1. CALL THE MEETING TO ORDER:		
	[Note: This meeting will be live streamed and video recorded for the public.]	
2. INTRODUCTION OF LATE ITEMS:		
3. APPROVAL OF THE AGENDA:		
4. ADOPTION OF THE MINUTES:		
a. <u>Minutes</u>		4 - 14
	Minutes of the Governance and Priorities Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, on Monday, 2023-NOV-27, at 1:00 p.m.	
b. <u>Minutes</u>		15 - 22
	Minutes of the Governance and Priorities Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, on Monday, 2023-DEC-11, at 12:59 p.m.	
5. AGENDA PLANNING:		
a. <u>Upcoming Topics and Initiatives</u>		23
	To be introduced by Sheila Gurrie, Director, Legislative Services.	
6. PRESENTATIONS:		
a. <u>Provincial Housing Legislation Overview</u>		24 - 32
	To be introduced by Lisa Brinkman, Manager, Community Planning.	

- b. Dave Witty to present report titled: "Developing a Homelessness Action Plan for Nanaimo: Finding a Way Home"

33 - 87

7. REPORTS:

a. Connected Nanaimo:

1. Roadway Asphalt Asset Management and Maintenance Plan

To be introduced by Bill Sims, General Manager, Engineering and Public Works.

Presentation:

1. David Thompson, Manager, Roads and Traffic Services.

[Note: Report to be distributed on the addendum.]

1. *Add report titled "Roadway Asphalt Asset Management and Maintenance Plan"*

88 - 138

Purpose: To obtain the Governance and Priorities Committee direction on asphalt maintenance funding and associated changes to the maintenance plan.

Recommendation: That the Governance and Priorities Committee recommend that Council consider increasing the annual road maintenance budget by \$1.5 million per year as part of the 2025 – 2029 Draft Financial Plan and adjusting the maintenance plan as proposed in the 2022 Pavement Condition Assessment Report, Table D-5.

b. Empowered Nanaimo:

1. 2024 AVICC Resolutions

139 - 142

To be introduced by Sheila Gurrie, Director, Legislative Services.

Purpose: To seek Council direction on the proposed resolutions for the 2024 Association of Vancouver Island and Coastal Communities 2024 Annual General Meeting.

Recommendation: That the Governance and Priorities Committee recommend that Council:

- a. provide direction regarding the resolutions proposed by members of Council and,
- b. direct staff to submit the following resolution to the Association of Vancouver Island and Coastal Communities for consideration at their 2024 Annual General Meeting:

WHEREAS many communities are experiencing a crisis-level influx of homeless individuals and the existence of emergency shelters is critical to addressing the safety of people experiencing homelessness;

AND WHEREAS, due to the urgent nature of the need and the lack of suitable building stock in many communities, emergency shelters are frequently operating from buildings that do not meet the major occupancy classification requirements of the BC Building Code, nor the requirements of the BC Fire Code, placing local governments at risk of incurring liability if they do not enforce the codes and risking shutting down emergency shelters if they do enforce the codes:

THEREFORE BE IT RESOLVED that UBCM request the Province work with the Building Safety Standards Branch to establish some reasonable variances to the BC Building Code and BC Fire Code to enable emergency shelters to remain open.

8. QUESTION PERIOD:

9. ADJOURNMENT:



MINUTES

GOVERNANCE AND PRIORITIES COMMITTEE MEETING

Monday, November 27, 2023, 1:00 P.M.
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

Members: Councillor H. Eastmure, Chair
Mayor L. Krog
Councillor S. Armstrong
Councillor B. Geselbracht*
Councillor E. Hemmens
Councillor P. Manly
Councillor J. Perrino
Councillor I. Thorpe

Absent: Councillor T. Brown

Staff: D. Lindsay, Chief Administrative Officer
B. Sims, General Manager, Engineering and Public Works
B. Corsan, Director, Corporate and Business Development
L. Mercer, Director, Finance*
B. Thomas, Assistant Manager, Transportation
A. Manhas, Economic Development Officer
S. Gurrie, Director, Legislative Services
N. Sponaugle, Communications Advisor
A. Chanakos, Recording Secretary

1. CALL THE MEETING TO ORDER:

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

* Denotes electronic meeting participation as authorized by "Council Procedure Bylaw 2018 No. 7272"

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 held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, on Monday, 2023-OCT-23, at 1:01 p.m. be adopted as circulated. The motion carried unanimously.

4. AGENDA PLANNING:

(a) Upcoming Topics and Initiatives

Sheila Gurrie, Director, Legislative Services, spoke regarding topics and initiatives scheduled for upcoming Governance and Priorities Committee (GPC) meetings. Highlights included:

- The 2023-DEC-04 E-Town Hall is included as it is an upcoming special initiative to obtain community feedback on the 2024-2028 Financial Plan
- The schedule for the 2023-DEC-18 GPC meeting includes:
 - Association of Vancouver Island and Coastal Communities (AVICC) Resolutions
 - Presentation from Dr. Julian Somers, Simon Fraser University Professor of Health Sciences and Clinical Psychologist
 - Presentation from Serena Klaver and Qui Sepulveda, Nanaimo Community Action Team
- The 2024 GPC meeting schedule will be presented at the 2023-DEC-04 Regular Council meeting for approval
- In the first quarter of 2024, Staff will bring forward for consideration the Monitoring Strategy for the Integrated Action Plan and the Monitoring Committee, as well as development approvals updates

Committee and Staff discussion took place. Highlights included:

- Dr. Somers' presentation is intended to outline some of the successes achieved from work done in Vancouver, and to present possible ideas regarding how to move forward with some of the addiction and homelessness issues in Nanaimo
- It was requested that Dave Witty be invited to speak regarding Housing First and homelessness

- The Governance and Priorities Committee requested that Staff provide an in-depth presentation on the Nanaimo Operations Centre to clearly outline the issues being faced at the facility

It was moved and seconded that Dave Witty be invited to attend a Governance and Priorities Committee meeting to discuss his studies on Housing First in Europe and solutions for Nanaimo. The motion carried unanimously.

Committee and Staff discussion took place. Highlights included:

- A presentation on the Nanaimo Operation Centre (NOC) should include any work that has been done since the project was first introduced
- A newsletter outlining what has been presented so far may be more beneficial if no new information on the NOC is available to present
- Presentations regarding housing solutions should involve more than one member of the community to gain multiple perspectives and ideas
- It could be beneficial to have another presentation on the NOC at a future GPC meeting as awareness has increased in the community regarding the project
- Over the last 12 months, without making any changes to the project, Staff have seen an escalation of about \$1M per month for the NOC
- Staff could prepare a presentation on the NOC for the 2023-DEC-11 GPC meeting

It was moved and seconded that a Governance and Priorities Committee meeting be held that is focused on the Nanaimo Operation Centre and the needs for the critical infrastructure in the community. The motion carried unanimously.

It was moved and seconded that a Staff Report regarding 1 Port Drive be added to the Upcoming Topics and Initiatives list to be presented at a future GPC meeting in May or June 2024. The motion carried unanimously.

Committee and Staff discussion took place regarding the length of time for three presentations and the NOC presentation.

It was moved and seconded that Dr. Shannon Waters, Medical Health Officer, Island Health, be invited to present statistics on the toxic drug crisis in Nanaimo at the 2023-DEC-11 GPC meeting. The motion carried.

Opposed: *Mayor Krog and Councillor Thorpe*

5. REPORTS:

(a) Connected Nanaimo:

1. Traffic Calming Update

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

Presentation:

Barbara Thomas, Assistant Manager, Transportation, provided a presentation. Highlights included:

- Four traffic calming projects have been completed in the last few years; however, Staff continue to see a large number of requests from residents
- The Transportation page on the City's website has recently been updated to provide residents with more information regarding traffic projects
- Approximately 40 locations were reviewed in recent years with primary focus on Lost Lake Road and Extension Road
- Lost Lake Road was one of the Lost Lake Neighbourhood Association's priority actions. A poll was recently taken with the residents that would be affected by additional potential traffic calming, and 73% had concerns or were not in favor so no further plans are currently in place
- The Extension Road project was presented earlier this year and received approval for construction; however, costs have escalated significantly since then
- Due to cost increases, Staff recommend phasing the project over time

Committee and Staff discussion took place. Highlights included:

- Concerns around phasing the project as projects often don't get completed when done in phases. Another project should be postponed instead

- Traffic calming is intended to manage speeds and provide comfort for other uses such as pedestrians and cyclists. Crosswalks cannot be added to an area until proper speed management is in place
- The current estimated ending balance for the Strategic Infrastructure Reserve (SIR) for 2024 is just over \$1.7M
- Decision items coming forward at the 2023-DEC-01 Special Finance and Audit Committee meeting may affect the balance of the SIR
- Staff do not recommend relying on the SIR as a funding source for the Extension Road project
- The Pedestrian Prioritization Tool uses a points score to analyze risks for existing marked crosswalks
- The Brechin Road area was brought to the Transportation Department as a referral from the Current Planning Department and has been on the City's radar for a while. Staff are currently in the process of formally responding to a petition received last week from the Brechin Hill Community Association
- The Traffic Safety Committee consists of several agencies including ICBC, RCMP, School District 68 and the Ministry of Transportation and Infrastructure. Staff work with this committee and provide safety concerns and advice on how to address them

It was moved and seconded that the Governance and Priorities Committee recommend that Council approve phasing the construction of Extension Road traffic calming using \$200,000 in the 2023 Financial Plan with the remainder to be identified in 2024. The motion carried unanimously.

The Governance and Priorities Committee recessed the meeting at 1:46 p.m.

The Governance and Priorities Committee reconvened the meeting at 1:52 p.m.

(b) Prosperous Nanaimo:

1. Review of City Incentives and Tax Exemption

Introduced by Bill Corsan, Director, Corporate and Business Development.

Presentation:

Amrit Manhas, Economic Development Officer, provided a PowerPoint presentation. Highlights included:

- The Downtown Revitalization Tax Exemption (DRTE) program was first introduced in 2018, and was committed to a review after five years
- City Plan supports the continued development and revitalization of the downtown core as a Primary Urban Centre
- In the past five years Nanaimo has seen significant population growth, as well as public and private sector investments including Hullo foot passenger ferry, Marriott Quality Inn Hotels, Commercial Street revitalization project, Terminal Avenue upgrades and the Downtown Mobility Hub
- Incentives are provided to promote development in underperforming areas of a city, and to increase attractiveness and livability of certain areas
- Incentives can take the form of tax reductions, grants, rebates and tax exemptions
- Property tax exemptions apply over a set period of time, and are for qualified buildings in certain areas that undergo significant improvements
- Heritage Revitalization Agreements are common in BC and come in the form of property tax relief or grants in exchange for restoration and preservation of heritage properties
- Community Amenity Contributions are negotiated between developers and local government, and are a requirement of the rezoning process in Nanaimo
- Brownfield Tax Exemptions apply to underutilized or contaminated properties to encourage clean up and redevelopment of these sites
- Rental Housing Property Tax Exemptions aim to promote construction of purpose-built rental units to address housing affordability challenges
- Nanaimo is comparable with other communities regarding the variety of incentives provided
- To coincide with the new City Plan, Staff reviewed five key areas where new incentives could be provided:
 - Incentivizing affordable housing

- Supporting green infrastructure
- Encouraging infill development
- Supporting small businesses
- Prioritizing active transportation
- The DRTE program was developed to encourage development of new multi-family buildings, new commercial buildings and renovations to existing commercial buildings
- The program was introduced in May 2018 to replace the repealed Development Cost Charges Exemption program. Since then, six projects have been completed or are near completion, adding 709 new multi-family units and three commercial units to the City
- Upon review of the DRTE program, seven areas were identified as needing amendments, and feedback will be sought by the Committee for further direction via Zoom polls

Amrit Manhas, Economic Development Officer, provided an overview of the topics to be voted on in the Zoom polls.

Committee and Staff discussion took place. Highlights included:

- Tax Exemption Areas are implemented in areas that municipalities feel need the most support or investment
- Most municipalities don't see requests for extensions to the program; however, recent extension requests could be due to the Covid 19 pandemic
- It is difficult to determine the success of the program at this stage as it has only been running for five years, and half of that time was during the Covid 19 pandemic when many construction projects were on hold
- Property Tax Exemptions are attached to the property title and would transfer to the new owner if the property was sold

Zoom polls were launched to gather Committee feedback regarding potential bylaw and policy amendments.

A Zoom poll was launched related to whether the City should continue the Downtown Revitalization Tax Exemption (DRTE) program.

A Zoom poll was launched related to reducing the tax exemption area.

Committee and Staff discussion took place regarding promoting growth in the downtown and protection of heritage homes.

A Zoom poll was launched related to revising the minimum residential units required of the DRTE program.

Committee and Staff discussion took place regarding the possibility of losing heritage homes to large developments.

A Zoom poll was launched related to revising the Minimal Investment Value.

A Zoom poll was launched related to the length of the DRTE program.

A Zoom poll was launched related to the length and percentage of the tax break.

A Zoom poll was launched related to agreement approval authority.

A Zoom poll was launched related to extension requests.

Committee and Staff discussion took place regarding restricting the amount of extensions available.

The Governance and Priorities Committee recessed the meeting at 3:16 p.m.

The Governance and Priorities Committee reconvened the meeting at 3:29 p.m.

Amrit Manhas, Economic Development Officer, continued the presentation. Highlights included:

- The Hotel and Motel Revitalization Tax Exemption (HMRTE) program is designed to encourage development of hotels and motels and improve inventory of quality accommodation within the City
- The program was first introduced in 2012 and is meant to encourage development of new buildings, as well as reinvigorate old buildings through renovations
- Two hotels have been built through this program, adding 217 rooms to the City as well as amenities like restaurants, indoor pools, fitness areas and meeting rooms

Committee and Staff discussion took place. Highlights included:

- No renovations have been done through the program to date
- Coast Bastion Hotel had renovation work done but did not meet the conditions of the program

- Staff are considering lowering the \$2M threshold as it's too high for most projects

Amrit Manhas, Economic Development Officer, continued the presentation and provided an overview of topics in the Zoom polls.

Committee and Staff discussion took place. Highlights included:

- Developer feedback suggested the City provide grants; however, grants cannot be provided to private developers so the HMRTE program was developed in lieu
- Tax exemption is for the Municipal Tax portion, and only on the value of the improvements
- The year a property receives occupancy is the first year the exemption is received

A Zoom poll was launched related to whether the City should continue the Hotel and Motel Revitalization Tax Exemption (HMRTE) program.

A Zoom poll was launched related to types of projects and the tax exemption area.

A Zoom poll was launched related to revising the Minimal Investment Value.

A Zoom poll was launched related to the length of the HMRTE program.

A Zoom poll was launched related to the length and percentage of the tax break.

A Zoom poll was launched related to agreement approval authority.

A Zoom poll was launched related to restricting the amount of extensions available.

Amrit Manhas, Economic Development Officer, continued the presentation and noted that Staff will summarize the proposed amendments from today's meeting, gather feedback from the development community on the proposed amendments, prepare amendments to bylaws and policies, and return to Council at a future date for introduction on the amended bylaws.

It was moved and seconded that the Governance and Priorities Committee recommend that Council direct Staff to prepare a report, for a future Governance and Priorities Committee Meeting, regarding ways to implement the following New City Plan Incentives:

- Incentivize Affordable Housing
- Support Green Infrastructure
- Encourage Infill Development
- Support Small Businesses
- Prioritize Active Transportation

The motion carried.

Opposed: *Councillors Armstrong and Thorpe*

2. Continuation of Municipal Development Corporation Discussion

Introduced by Bill Corsan, Director, Corporate and Business Development.

Presentation:

1. Allan Neilson, Neilson Strategies, provided a PowerPoint presentation. Highlights included:
 - Municipal Development Corporations (MDCs) are designed to help develop land in a part of a community according to a set of goals set out by the municipality
 - MDCs are companies established with share structures and have autonomous boards of staff who undertake the work of the MDC
 - MDCs are owned by a municipality
 - Municipalities assist MDCs by providing city-owned land to the Corporation for development, usually within a specific area of the City
 - MDCs require investment from a municipality to catalyze private sector development in certain areas of a city, as well as investment of time and energy to create the Corporation
 - Challenges to consider when Council is considering a MDC include the ability to find qualified directors in a city the size of Nanaimo, and the concerns of

perceived competition with private sector development

- MDCs are set up to collaborate with the private sector, not act as competition

Committee discussion took place. Highlights included:

- Concern with lack of City-owned land available for development by a MDC
- Nanaimo Prosperity Corporation has a different mandate than a MDC likely would have. MDCs focus on bringing investment to a particular area of the city, while a Prosperity Corporation generates activity in different sectors of the economy
- Municipalities have the option to allow MDCs to borrow funds in order to respond quickly to development opportunities
- Concerns about the ability to recoup possible debt created by a MDC
- The cost to set up a MDC is high when there is no identified problem in the community that requires a MDC to be created
- There is not enough City-owned land to justify the cost of a MDC
- Attracting the type of talent required to make a MDC successful would be costly

6. QUESTION PERIOD:

The Committee received no questions from the public regarding agenda items.

7. ADJOURNMENT:

It was moved and seconded at 4:26 p.m. that the meeting adjourn. The motion carried unanimously.

CERTIFIED CORRECT:

CHAIR

CORPORATE OFFICER



MINUTES

GOVERNANCE AND PRIORITIES COMMITTEE MEETING

Monday, December 11, 2023, 12:59 P.M.
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

- Members: Councillor H. Eastmure, Chair
Mayor L. Krog (vacated 3:43 p.m.)
Councillor S. Armstrong
Councillor B. Geselbracht* (joined electronically 1:00 p.m.)
Councillor E. Hemmens
Councillor P. Manly
Councillor J. Perrino
Councillor I. Thorpe (vacated 4:11 p.m.)
- Absent: Councillor T. Brown
- Staff: R. Harding, General Manager, Community Services/Deputy CAO
B. Sims, General Manager, Engineering and Public Works
T. Doyle, Fire Chief
K. Robertson, Deputy Corporate Officer
N. Sponaugle, Communications Advisor
A. Chanakos, Recording Secretary

1. CALL THE MEETING TO ORDER:

The Governance and Priorities Committee Meeting was called to order at 12:59 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Agenda Item 5(b) Solutions to Addiction, Mental Illness and Homelessness Add – PowerPoint presentation titled “Homelessness, Mental Illness and Evidence to Inform Improvement”.

- (b) Agenda Item 5(c) Nanaimo Community Action Team Add – PowerPoint presentation titled “2023 Nanaimo Community Action Team Overview”.

3. APPROVAL OF THE AGENDA:

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

4. PRESENTATIONS:

a. Drug Toxicity Data

Dr. Shannon Waters, Medical Health Officer, Dr. Roger Walmsley, Island Health Addiction Medicine Physician, Amanda Lemon, MHSU Manager of Community Services in Nanaimo and Area, and Dana Leik, Director, Island Health, provided a presentation on Drug Toxicity Data. Highlights included:

- Island Health provides different services and levels of intervention for different levels of the population
- As of 2023-OCT-31, BC Emergency Health Services (BCEHS) has attended 964 illicit drug poisonings, which is double the rate of the rest of Island Health
- An average of 89 paramedic-attended events have occurred per month in 2023, with the highest rate being in males aged 25-44 years
- Most toxic drug events are occurring outdoors and in the downtown area
- The overdose rate in Nanaimo has increased 1.7 times from 2022, while remaining stable across the rest of Island Health
- In the first 10 months of 2023, 99 Nanaimo residents have lost their lives due to illicit drug toxicity, which is double the rate as the rest of Island Health
- An average of 10 deaths per month occur in BC due to illicit drug toxicity, with the highest rate being in males aged 25-44 years
- Deaths in Nanaimo are occurring at a rate of 2.7 times higher than the rest of Island Health, with an increase in outdoor deaths

Committee discussion took place. Highlights included:

- Island Health is looking at what has changed in the past year and what can be done to help those demographics being affected most
- The volume of individuals utilizing the overdose prevention site (OPS) at 250 Albert Street has been increasing, and Island Health is

looking at working with the operator, Canadian Mental Health Association, to increase the site's hours of operation

- Island Health is working with the City and BC Housing to identify a location for complex care housing to offer services to those with addictions
- Demographics are not collected at overdose prevention sites to make them as low barrier as possible to use
- Point-in-Time data shows a significant increase in people living unsheltered compared to 2020, and the number of available shelter beds is significantly lower than the number of unsheltered people
- OPS services are difficult to operate and find a location for, and it can be challenging to add additional sites
- Island Health is seeing an increase in elderly people and people without substance use issues facing homelessness, with many of these individuals turning to substance use as a way to survive on the streets
- Only 5% of those with opiate use disorder are getting safe supply
- No data is available to support the idea that long-term committal care improves the outcomes of substance use
- The *Mental Health Act* limits how substance use services are delivered in the community; however, when people are in a place where services can come to them regularly, health outcomes improve
- Island Health is advocating for education in the school systems to support mental health needs for children and youth
- The number of first-time substance users has increased, and more first-time users are dying due to contaminated drugs
- Island Health's Regional Harm Reduction Teams will be providing advanced overdose response training to Risebridge staff, as well as harm reduction supplies going forward
- Harm reduction advocacy work in schools would be more effective if done by health experts and past drug users, rather than the RCMP

b. Solutions to Addiction, Mental Illness and Homelessness

Dr. Julian Somers, SFU Professor of Health Sciences and Clinical Psychologist, provided a presentation on Solutions to Addiction, Mental Illness and Homelessness. Highlights included:

- Concerned regarding gaps in the Province's policies and their effectiveness

- The policy approach in BC has been unusual and in conflict with recommendations from international authorities
- There is a far greater likelihood of quality of life and long-term recovery when people are supported in their communities
- Community-based and recovery-oriented supports encourage an individual's agency
- Market housing with support is a concept where a maximum of 5% of housing units are supportive housing units, to ensure social diversity for those recovering from addiction
- 84% of unsheltered individuals have a preference for independent housing
- The cost to the public to support an unsheltered individual each year while homeless in BC is about \$55,000
- Recovery-oriented housing, paired with allowing individuals a choice of where they lived, saw 71% fewer convictions in a year, 45% less emergency department visits, and individuals were more likely to be compliant to take prescribed medications
- Congregate housing is ineffective as it is too reminiscent to living on the streets compared to scattered housing

Committee discussion took place. Highlights included:

- Placing people in a setting where they can develop organic human connections increases the likelihood of long-term success
- 1/3 of people diagnosed with schizophrenia or bipolar disorder, paired with many years of methadone use, are unemployed, living in substandard housing and are receiving inadequate additional supports
- Concentrating people together who are recovering from addiction increases crime in the area
- Increasing scattered market housing and insisting on standards for congregate housing that link people to services are fundamental to success
- Funding should be allocated to securing long-term units in the private market, rather than more supportive housing
- Stigma often deters people from getting help with addictions
- Reducing stigma around drug use, reducing sanctions relating to drug use, or increasing overall supply of drugs will not result in improvement without other substantial changes

The Governance and Priorities Committee recessed the meeting at 2:58 pm

The Governance and Priorities Committee reconvened the meeting at 3:13 pm

c. Nanaimo Community Action Team

Serena Klaver, Coordinator, and Qui Sepulveda, Peer Coordinator, Nanaimo Community Acton Team, to provide a presentation on the Nanaimo Community Action Team. Highlights included:

- The Community Action Team (CAT) was first established in 2016, and there are now a total of 36 CATs across BC
- The Nanaimo CAT received \$80,000 in funding for 2023
- CATs operate with a peer-centred approach
- The Nanaimo CAT is a network of community service providers, not-for-profit organizations, government agencies, healthcare providers, community members and people with lived experience
- Finding ways to take what we know and implement on the ground are things the CAT is trying to do
- Peer-centred collective impact is an empowerment approach to try to heal the suffering in the community of those connected to the toxic drug crisis

Committee discussion took place. Highlights included:

- Lack of available services, funding and capacity are contributing to the high number of toxic drug deaths
- A closer relationship with Council, RCMP and firefighters would assist the CAT in helping each other to support individuals living on the street

Mayor Krog vacated the Shaw Auditorium at 3:43 p.m.

- The Nanaimo CAT is working with warming shelters to determine where supports can be offered
- The Ministry of Mental Health and Addictions holds the funding for the CAT, which is streamlined through the Canadian Mental Health Association and distributed to CATs across BC

5. AGENDA PLANNING:

a. Upcoming Topics and Initiatives

Karen Robertson, Deputy Corporate Officer, spoke regarding topics and initiatives scheduled for upcoming Governance and Priorities Committee (GPC) meetings. Highlights included:

- Development Approval Process Review has been rescheduled to 2024-JAN-22
- Presentation from Dave Witty and the eMobility topic have been rescheduled to 2024-FEB-12

Committee and Staff discussion took place. Highlights included:

- Request to move the Nanaimo Operations Centre (NOC) Project information session to an earlier date prior to the 2024-JAN-18 Alternative Approval Process (AAP) start date
- A Special GPC meeting held during the evening would be preferred so the public could attend
- A “Get Involved” page for the NOC will be set up as a way to share project information with the community
- The Active Transportation Update will include the eMobility Strategy, as well as discussions around what projects are still outstanding for active transportation in the core area of the City

It was moved and seconded that Council direct Staff to schedule a Special evening Governance and Priorities Committee meeting prior to January 18, 2024, for the purpose of reviewing the Nanaimo Operations Centre. The motion carried unanimously.

Committee and Staff discussion continued. Highlights included:

- Advertising for AAPs needs to be consistent and cannot promote one outcome over another
- A mass mailout to advertise for the AAP would cost approximately \$30,000; however, the AAP budget currently sits at \$10,000 per year, with any overage being pulled from the Referendum budget
- A media tour is scheduled for January 2024, as well as open houses at the Public Works Yard in January, information on the “Get Involved” website, radio and newspaper ads, and information posted at City facilities

Councillor Thorpe vacated the Shaw Auditorium at 4:11 p.m.

It was moved and seconded that the Governance and Priorities Committee (GPC) recommend that Council direct Staff to remove the Nanaimo Operations Centre discussion topic from the 2024-JAN-22 GPC meeting schedule and replace it with “Alternate Approval Process Review”. The motion carried unanimously

6. REPORTS:

a. Prosperous Nanaimo:

1. 2024 Association of Vancouver Island and Coastal Communities Resolutions

Introduced by Karen Robertson, Deputy Corporate Officer.

- Each year the Association of Vancouver Island Coastal Communities (AVICC) provides opportunities for Councils to bring forward resolutions for consideration
- Resolutions supported at the AVICC conference are referred to the Union of BC Municipalities (UBCM) conference for consideration. If supported at UBCM, they are forwarded to the Province
- The deadline to submit AVICC resolutions is 2024-FEB-07, and must be considered with a formal motion from Council

Committee and Staff discussion took place, and the following resolution topics were put forward by the Committee for consideration:

- That UBCM lobby the Province to increase investment in complex care beds to address the growing demand for those who have suffered serious health impacts from substance abuse.
- That AVICC advocate for the Province to fund RCMP Mental Health liaison Officers within local detachments.
- That AVICC lobby the Province to establish a Provincial Housing Coordinator to work directly with those persons who are experiencing homelessness and who are not in need of supports, to find suitable housing.
- Advocating for provincial funding for municipalities to protect areas within urban containment boundaries that are ecologically sensitive.

The Deputy Corporate Officer conveyed that the Director of Planning and Development would be bringing forward a proposed resolution for Council's consideration on the topic of emergency shelters and compliance with the BC Building Code and BC Fire Code. She then noted that Staff would draft resolutions based on the topics provided that meet the required format for the Committee's consideration on

January 22, 2024. If supported, the resolutions would then be forwarded to Council for endorsement at its February 5, 2024 Council meeting.

7. QUESTION PERIOD:

The Committee received no questions from the public regarding agenda items.

8. ADJOURNMENT:

It was moved and seconded at 4:21 p.m. that the meeting adjourn. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

Meeting Time	Upcoming Topics and Initiatives
	January 18, 2024 – Special GPC Meeting
7pm	<ul style="list-style-type: none"> • Nanaimo Operations Centre project information
	January 22, 2024 – GPC Meeting
1pm	<ul style="list-style-type: none"> • Update on Provincial Housing Bills & Regulations • Dave Witty re: Housing and Homelessness • Asphalt Roadway Level of Service • 2024 AVICC Resolutions
	February 12, 2024 – GPC Meeting
1pm	<ul style="list-style-type: none"> • 1 Port Drive • Active Transportation: <ul style="list-style-type: none"> • E-Bike pilot program • Micro-mobility pilot program • Active School Travel • Cycle & Pedestrian Gaps
	March 11, 2024 – GPC Meeting
1pm	<ul style="list-style-type: none"> • Development Approvals Process Review • Development Approval Procedures & Notification Bylaw Update • Alternative Approval Process • Dam Safety Review
	March 25, 2024 – GPC Meeting
1pm	<ul style="list-style-type: none"> • Bill 44 Secondary Suite Multi-Unit Housing • Increasing Housing Options • Bill 47 Transit Oriented Areas • Short Term Rental Review
	April 29, 2024 – GPC Meeting
1pm	<ul style="list-style-type: none"> • City Plan Monitoring Strategy • City Plan Monitoring Committee(s)

Future GPC topics – dates TBD


- Incentives that support City Plan (2023-DEC-04 Council motion)
- Discussion re Annual Allocation for New Positions beginning in 2025 (motion referred to GPC)

CITY OF NANAIMO
THE HARBOUR CITY

Provincial Housing Legislation Overview

2024-JAN-22 Governance & Priorities Committee

**NEW
PROVINCIAL
HOUSING
LEGISLATION**



Homes for People
An action plan to deliver more homes for people, faster

StrongerBC
by BC

Four housing related statutes – Enacted October/November 2023

- BILL 35 | SHORT-TERM RENTAL ACCOMMODATIONS ACT
- BILL 44 | RESIDENTIAL DEVELOPMENT
- BILL 46 | DEVELOPMENT FINANCING
- BILL 47 | TRANSIT ORIENTED AREAS

CITY OF NANAIMO
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BILL 35 | SHORT-TERM RENTAL (STR) ACCOMMODATIONS

- Increasing fines for municipal infractions from \$1,000 to \$3,000 per day.
- Restrict to host's principle residence, and display business licence on STR platforms.
- STR platforms data sharing, Provincial registry, compliance and enforcement.

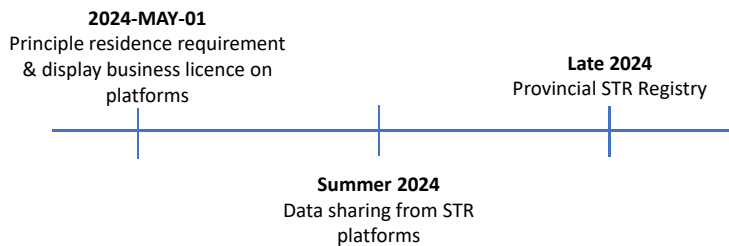


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BILL 35 | SHORT-TERM RENTAL ACCOMMODATIONS

IMPLICATIONS FOR NANAIMO

- City of Nanaimo adopted Short-Term Rental (STR) regulations in the Zoning Bylaw in February 2022.
- Staff will review Zoning Bylaw and Business Licence Bylaws for consistency with Bill 35.



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BILL 44 | RESIDENTIAL DEVELOPMENT

New zoning rules
will mean more
housing options



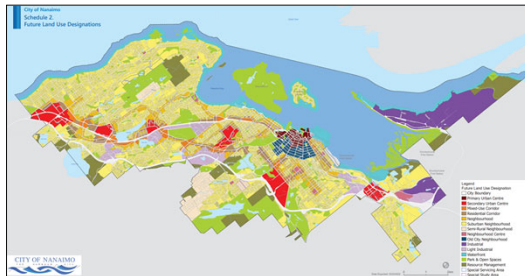
StrongerBC

Highlights include amendments to the *Local Government Act (LGA)* to:

- A. Require OCPs to plan for 20 years of housing supply, and be updated with housing needs and types every 5 years.
- B. Prohibit local governments from holding a Public Hearing on a zoning amendment bylaw for housing that is consistent with the OCP.
- C. Require local governments to permit additional dwelling units on land currently zoned for single-family or duplex uses.

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BILL 44 | RESIDENTIAL DEVELOPMENT



A. LONG RANGE PLANNING

- Consider most recent Housing Needs Report when developing or amending an OCP.
- An OCP and Zoning Bylaw must accommodate 20-year total number of residential units to meet housing needs and unit types by 2025-DEC-31.



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BILL 44 | RESIDENTIAL DEVELOPMENT



B. PUBLIC HEARINGS

- No Public Hearing required for a bylaw amendment that complies with prescribed residential densities in Bill 44.
- A local government must not hold a public hearing for a zoning bylaw that is consistent with the OCP and where the principal purpose of the bylaw is a residential development.
- Notice is required prior to first reading where a Public Hearing is not held.

BILL 44 | RESIDENTIAL DEVELOPMENT

C. SMALL-SCALE MULTI-UNIT HOUSING (SSMUH)

- Permitting three to four units on lots currently zoned for single-family or duplex use, depending on lot size.
- Permitting six units on larger lots in proximity to transit stops with frequent service.
- Removing minimum parking requirements for SSMUH lots that permit six units.
- Provincial policy guidelines have been provided for developing and adopting a zoning bylaw to comply with SSMUH.



Provincial Policy Manual & Site Standards

*Supporting local government
with legislative requirements
under the Local Government Act
and Vancouver Charter for
small-scale, multi-unit housing*

BILL 44 | RESIDENTIAL DEVELOPMENT

Housing Needs Report Summary



IMPLICATIONS FOR NANAIMO

- Review Public Hearing implications for compliance with Bill 44 and LGA.
- *Zoning Bylaw* and *Off-Street Parking Bylaw* to be revised to align with Bill 44 by 2024-JUN-30.
- Updated *Housing Needs Report* by end of 2024, with 20 year forecast.
- Review and update of *City Plan* and *Zoning Bylaw* required by end of 2025 to accommodate housing needs.

BILL 46 | DEVELOPMENT FINANCING



- Bill 46 creates an improved framework to pay for infrastructure and community amenities.
- Amenity Cost Charges (ACC) introduced with intent to pay for capital costs such as: community centres, recreation centres, and libraries.
- Development Cost Charges (DCC) expanded to include fire-protection facilities, police facilities, and solid-waste facilities.

BILL 46 | DEVELOPMENT FINANCING

IMPLICATIONS FOR NANAIMO

- Update of DCC Bylaw underway (last major update 2018), being reviewed in the context of Provincial housing legislation.
- ACC Bylaw expected to be prepared in 2024, along with review of the CAC Policy.

DEVELOPMENT COST CHARGES (DCCs)
EFFECTIVE 2022-DEC-07

DCCs ARE COLLECTED AT:

- Residential subdivisions at final approval
- Before home starts and circumstances prior to building permit (for servicing) issue
- For completion of (or addition to) multi-family commercial, industrial or residential buildings prior to building permit issue
- For completion of existing buildings to a new and higher use category
- Where a minor extension will not add to the City's capital cost burden

DCCs ARE NOT PAYABLE FOR THE FOLLOWING:

- Where the value of work authorized under the building permit totals \$50,000.00 or less
- Buildings for the purpose of agriculture
- Where an interim extension will not add to the City's capital cost burden

Category	SPD \$ per lot	SPD \$ per acre	Multi-Family \$ per sq ft of GFA	Commercial \$ per sq ft of GFA	Industrial \$ per sq ft of GFA	Health \$ per unit	Camp \$ per acre
Sanitary Sewer	\$1,787.04	\$1,250.93	**\$0.38	\$10.77	\$10.22	\$5.91	\$1,088.28
Drainage	\$70.94	\$58.25	**\$0.38	\$1.80	\$1.75	\$0.45	\$49.36
Water Distribution	\$306.34	\$214.64	\$1.80	\$3.80	\$3.14	\$8.20	\$3,433.68
Water Supply	\$5,818.60	\$3,933.69	\$7.50	\$20.09	\$23.71	\$6.49	\$3,579.34
Parks	\$1,240.32	\$874.82	\$2.00	\$7.42	\$7.42	\$19.79	\$8,138.79
Roads	\$5,824.48	\$4,076.86	\$8.10	\$26.12	\$4.84	\$2,887.81	\$713.32
City Total	\$14,882.27	\$10,448.84		\$28.74	\$28.12	\$48.81	\$11,723.79
BCN Sanitary +	\$4,822.37	\$4,822.27		\$114.84	\$103.54	\$26.81	\$11,723.79
ROYAL	\$19,484.64	\$15,029.91					\$28,911.83

ADDITIONAL INFORMATION:

- Not all areas of Nanaimo are eligible for a 50% reduction in DCCs.
- Not for-profit rental housing is eligible for a 50% reduction in DCCs.
- BCN Sanitary Rates are set by BCN Bylaw 1842 - Southern Wastewater Treatment - for DCC rates exempt from these rates go to: <https://www.nanaimo.ca/development/development/development>

Please consult with staff if you have any questions with regard to DCC rates and how they apply to your project.

BILL 47 | TRANSIT ORIENTED AREAS

- Designate TOAs as set distances from prescribed transit hubs (rapid transit stations, bus exchanges, etc.)
- Minimum allowable height and density within TOAs
- Remove minimum residential parking requirements (except for accessible spaces)

Provincial Policy Manual: Transit-Oriented Areas

Supporting Local Government Compliance with Legislative Requirements Under the Local Government Act and Vancouver Charter for Transit-Oriented Areas

Version 1.0
December 2023

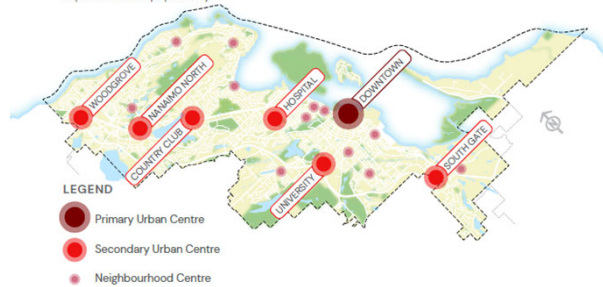


BILL 47 | TRANSIT ORIENTED AREAS

Bill 47 identified three Transit Oriented Areas (TOAs) in Nanaimo:

1. Woodgrove Exchange
2. Country Club Exchange
3. VIU Exchange

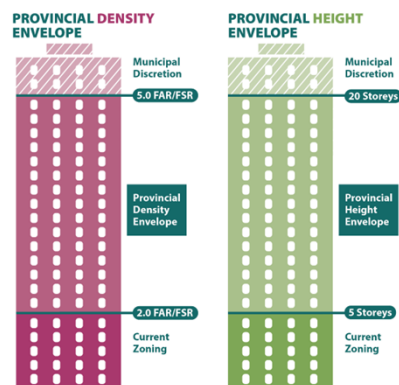
Figure 21: Locations of Centres
Map is for illustrative purposes only.



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BILL 47 | TRANSIT ORIENTED AREAS

THE ILLUSTRATIONS BELOW PROVIDE AN EXAMPLE OF HOW THE PROVINCIAL DENSITY WORKS IN RELATION TO LOCAL GOVERNMENT AUTHORITY:



- Rezoning application process still required, if a proposal is not consistent with the Zoning Bylaw.
- Rezoning in a TOA cannot be rejected based on the Bill 47 prescribed heights and densities.
- Local governments have authority to establish densities and height greater than prescribed minimum.

CITY OF NANAIMO
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BILL 47 | TRANSIT ORIENTED AREAS

IMPLICATIONS FOR NANAIMO

- A TOA Designation Bylaw is required to be adopted by 2024-JUN-30.
- City's Parking Bylaw to be reviewed and amended, as necessary.
- TOA Area Plans are encouraged by the Province.

Step-by-Step Guidance

Below is a step-by-step guide for local governments to appropriately designate TOAs and permit the minimum allowable densities prescribed in the regulations.



2024-2025 TIMELINE OVERVIEW

2024	
January to December	Bill 46 Development Cost Charge Bylaw and Amenity Cost Charge Bylaw projects
March	Staff present Bill 44 and LGA required changes to public hearing process
March GPC	Staff present Short Term Rental (STR) Review and Bill 35 STR details
April GPC	Staff present Bill 44 SSMUH and Bill 47 TOA details and required bylaw amendments
May 1	Bill 35 Provincial Short Term Rental Regulations in effect (stage one)
May 6	Staff present Bill 44 SSMUH and Bill 47 TOA bylaws to Council for 1 st , 2 nd , and 3 rd readings
June 17	Staff present Bill 44 SSMUH and Bill 47 TOA bylaws to Council (bylaw adoption)
June 30	Province requires City to have adopted Bill 44 SSMUH and Bill 47 TOA bylaws
July to November	Complete Housing Needs Report update as required by Bill 44
December	Present updated Housing Needs Report to Council
2025	
January	Updated Housing Needs Report required to be completed (Bill 44)
January to December	Update City Plan and Zoning Bylaw to accommodate housing needs as required by Bill 44 and Bill 47

Thank You

Prelude:

“After Stephen Wesley moved from a tent in Topaz Park to his own studio apartment in - October, he cried for three days.

“I was just so happy when I got this place,” he said.

And then he fell sick for a few days. Wesley thinks his body was finally able to relax after living in the park for four months, leading to tears of relief and the flu.

“You have to be alert all the time,” Wesley said. “People coming up to your tent with flashlights high, looking to steal stuff. People asking for lighters in the middle of the night. The police coming and knocking on your tent looking for people that are wanted. It was constant.”

He dutifully packed up his tent each morning before 7 a.m., per Victoria bylaws, and carted his belongings around with him during the day. But moving indoors has given him a sense of peace, and now that he’s an “insider,” as his unhoused friends call him, he never wants to go back.

“Do I miss it? No.”



Elliott, R E, ‘Moving people out of parks for good takes a personalized approach’, [Times Colonist](#), December 26, 2023

Developing a Homelessness Action Plan for Nanaimo: Finding a Way Home

Prepared by David Witty PhD FCIP MRAIC: January 2024

Table of Contents

1. Background	4
2. Nanaimo’s History of Homelessness	5
3. Issues Related to Homelessness	14
4. Lessons from Elsewhere	20
5. Lessons from Canada	23
6. A Way Forward	28
7. Supporting and Funding a Homeless Action Plan for Nanaimo	36
8. Next Steps	41
9. Conclusion	55

Is excessive homelessness our new normal?

Or is it a temporary new reality in which “Canada is gripped by a surge in homelessness that has seen tens of thousands of people priced out of rental and real estate markets and left to live in the streets of the wealthy nation”.¹ It is clear:

Chronic homelessness is a complex, national issue in Canada with many social, economic, and environmental impacts. According to Statistics Canada, over 235,000 people experience homelessness in Canada every year (Strobel *et al.*, 2021)².

Homelessness is classified as ‘chronic’ when an individual has spent over six months without permanent shelter or has recurrently experienced homelessness for a cumulative duration of at least 18 months over the past three years.”³

Homelessness has a number of complicating features that appear to have created a ‘perfect storm’ of a mix of people living on the street. Many are there because of our failure to care properly for those with mental health issues, those with brain injuries, those with substance abuse issues, youth who have been allowed to transition out of care without proper supports, release of those in custody who have no home or supports, seniors (especially women) who have lost income support and those who have simply been priced out of the housing market.

Systemic homelessness has become a challenging issue for many municipalities across Canada. Nanaimo is no exception. Some would call it a crisis. In August 2023 the Canadian Alliance to End Homelessness, Smart Prosperity Institute, and REALPAC (consisting of 130 of the largest commercial real estate companies in Canada [such as Bentall, BOSA, Brookfield, Cadillac Fairview, CHARTWELL, Colliers, CONCERT, Ivanhoe Cambridge, Manulife, Morguard, Oxford, PCL]) concluded that “Canada’s housing crisis is worsening dramatically. Millions of people – particularly those with the lowest incomes – are facing rapidly rising housing costs, driven significantly by an extreme lack of supply of the right types of rental housing. This is driving a wave of new homelessness, eating up increasing percentages of workers’ incomes and causing untold stress and suffering”.⁴ Further, in July 2023, IPSOS Market Research stated that “more than half (52 per cent) of Canadians report that they are \$200 away or less from not being able to meet all of their financial obligations, including 35 per cent who say they already don’t make enough to cover their bills and debt payments, the highest recorded proportion to date.”⁵

What can be done to address this increasingly complex and challenging issue?

This paper explores homelessness and offers suggestions for addressing chronic homelessness in Nanaimo.

¹ <https://www.japantimes.co.jp/news/2023/10/05/world/society/homelessness-canada-prices-soar/>

² “Researchers warn government data is vastly underestimating the number of homeless across the country, as the Government data estimates there are some 235,000 homeless people across the country, but that is only counting people who access shelters, said University of Western Ontario professor Cheryl Forchuk, who fears the true picture is far worse. ‘We are largely underestimating the number ... we could probably triple the current federal estimates.’”

<https://www.japantimes.co.jp/news/2023/10/05/world/society/homelessness-canada-prices-soar/> social ill spreads from major cities to small towns

³ <https://www.sdgcities.ca/2023/04/04/the-cost-of-chronic-homelessness-and-solutions-for-the-city-of-london/>

⁴ [The National Housing Accord: A Multi-Sector Approach to Ending Canada’s Rental Housing Crisis: August 2023](#) Canadian Alliance to End Homelessness, Smart Prosperity Institute, REALPAC

⁵ G&M September 6 ‘23



Life on the street: On the left three people sleeping overnight under cover; on the right next morning when it's time to move on.

1. Background

I have the privilege of living in Nanaimo British Columbia on scenic Vancouver Island. Island living is a unique lifestyle. For many visitors there is a sense that the issues of the world are somehow less impactful, that islanders are fortunate to live a more idyllic daily life. But, the reality is very different⁶. While Vancouver Island and Nanaimo are special places, there is another side to Nanaimo that is both disturbing and problematic: our increasing homeless population. As of fall 2023, Nanaimo has as many as 600 to 800 homeless people⁷. Of that number, 33% are Indigenous⁸. But, there are few shelter beds, few resources to provide supports and few long term solutions. Life for Nanaimo's homeless is a day to day struggle to simply exist in the face of foul weather, inadequate services and supports.



Hunkering down out of the wind and rain

Living in Nanaimo's downtown I have seen the number of our homeless population grow dramatically in size with numbers of seniors and young people appearing to increase disproportionately. I have gone from recognising 'regular' homeless people to recognising none. I have gone from seeing a few homeless as I walk around downtown to seeing many homeless. In contrast, as I travel Switzerland, and

⁶ See: Goldberg Kim, *Red Zone*, (Nanaimo: Pig Squash Press) 2009

⁷ City of Nanaimo Housing Needs Report (2023) noted that "likely more than 600 people experiencing homelessness in Nanaimo every year" p.36 Applying a 30 percent increase (that increase is slightly less than actual homeless increases 2016-2020) to homeless numbers since 2020 (433) then the 2023 homeless number could be 800 homeless (or more!).

⁸ *Op.Cit.*

Basel Switzerland in particular, I see no homeless. That contrast has only grown over the years and especially since 2020.

I was intrigued as to why Switzerland seemed to have no homeless. Were they hidden away? Were they forced to leave the country? I knew Switzerland had lots of foreign residents; it was obvious as one walked down Basel's streets⁹. But where were the homeless? I decided to find out and undertook a research project in the summer of 2023 to find the answer.

I met with members of the Urban Studies Program at University of Basel who put me in touch with a recent graduate student and Professor Jörg Dittman of University of Applied Sciences Northwestern. In addition I connected with the Canton of Basel whose staff provided me with information about Basel's role in addressing homelessness. Professor Dittman met with me and provided an overview of homelessness in Switzerland. He has been a key investigator in several homeless studies, including a national homeless survey in December 2020 that determined there were a total of 2,200 homeless people in Switzerland which had a population of 8.65 Million at the time. That number shocked me. I knew Nanaimo had a homeless population of approximately 500 to 600 in 2022 or 20 times higher than Switzerland. I was determined to find out why and how Switzerland and Basel managed homelessness.

This paper explores those findings and lessons that offer hope and way forward for Nanaimo.

2. Nanaimo's History with Homelessness

Homelessness has been a part of Nanaimo's history for many years. But, unlike today when homelessness has become a systemic issue, those homeless were a small number of people; many of whom were transients and frequently people who suffered from mental and substance abuse issues. Since the early years of the 21st Century, the homeless population has become more diverse as seniors and youth are unable to find suitable employment or accommodation.

Too often, our common reaction has been one of: well they must want to live on the street or as noted in a letter to the editor in response to my op. ed. in the News Bulletin¹⁰, a resident of Nanaimo felt dealing with homelessness was simple: "you pick them up and put them in complex care" or "you place them in mandatory treatment"¹¹ (without their permission). Such action was deemed to be "simpler, easier and doable" as a way of "fixing the homeless and street disorder problems". (Ibid) Yet, we know through empirical evidence that for those living on the street getting off the street is their first priority.¹² It seems it is our nature to try and simplify complex problems like homelessness that are caused by multi-layered issues such as difficult social and/or home-life issues, mental health challenges, substance abuse and addiction, soaring accommodation costs, post-COVID fall out in the form of lost jobs and decreased income and simply the inability for seniors to afford rising costs on fixed income. In the latter case, a recent United Way Study determined that 1 in 5 seniors in BC is at risk of being homeless due to constrained fixed incomes¹³.

⁹ OECD numbers confirm nearly 25% of Swiss are foreign born.

¹⁰ Witty D., 'Look to proven solutions to tackle homelessness' in Nanaimo News Bulletin, October 27, 2023

¹¹ Letter to Editor Nanaimo News Bulletin November 26, 2023.

¹² Chou E., Los Angeles Times, 'RAND Research finds the homeless avoid big shelters but want to get off the streets', May 4, 2022

¹³ Barnes G., 'Almost 1 in 5 BC Seniors at Risk of homelessness: Report', Nanaimo News Bulletin, November 22, 2023

2.1 The City's attempts to address homelessness

There has been no shortage of studies in Nanaimo to explore topics related to homelessness. Several are listed below.

2.1.1 Nanaimo's Working Group on Homelessness: 2008

Although not a City Council initiative, the Nanaimo Working Group on Homelessness, a partnership strategy between service providers, local businesses and government agencies tried to address the increasing number of homeless by pointing the way for the City of Nanaimo to begin a comprehensive approach to address homelessness. The Working Group retained the reputable consulting firm CitySpaces to complete a review of best practice. In January 2008, the Working Group completed its report, *A Response to Homelessness in Nanaimo: A Housing First Approach*.¹⁴ The following captures some of the key recommendations of that report including the important role that local government can and should provide as well as key considerations to ensure a successful outcome:

Communities are best placed to devise effective strategies to both prevent and reduce homelessness locally. There are a number of key roles for municipalities to play in the implementation of housing first and harm reduction approach to service delivery (my emphasis). These are primarily in the areas of leadership, coordination, advocacy, problem-solving, streamlining regulation and monitoring.

Community leadership is essential (my emphasis) to raise local awareness, foster cooperation among major stakeholders, research needs, support innovation and champion policies and programs that respond to the needs of the most vulnerable in our society.¹⁵

In particular, the report noted:

The Safer Nanaimo Committee and the Nanaimo Working Group on Homelessness have formally adopted the "Housing First" model of addressing homelessness and acknowledge that a "harm reduction" philosophy and related service model need to be incorporated into the overall housing and service delivery framework targeting the City's most vulnerable.

Across Canada and the US, there has been increasing support for housing first and harm reduction approaches to addressing the problem of homelessness. Housing first approaches support the idea that individuals are better able to pursue their personal goals towards employment, treatment, health and wellbeing when they are in stable housing. Harm reduction or "low demand" approaches combined with supportive housing have also been reported to be effective at addressing the needs of homeless people with substance use issues. (*ibid* p.1)

In 2008 Nanaimo chose not to adopt a Housing First approach to homelessness. Since 2007, when there were 173 homeless identified in Nanaimo, the homeless population has grown to 600-800+.

2.1.2 Nanaimo Affordable Housing Strategy: 2018

In 2018 City Council adopted the *Nanaimo Affordable Housing Strategy*. That Strategy "acknowledged (homelessness) to be a fundamental component of the City of Nanaimo's affordable housing strategy and policy response". Unfortunately the Strategy did not "specifically include the range of service

¹⁴ CitySpaces, *Response to Homelessness in Nanaimo: A Housing First Approach: Best Practices, January 2008*

¹⁵ Op.Cit.

delivery and programming responses required to effectively respond to homelessness”¹⁶ and it did not adopt the Housing First approach first recommended in 2008. That lack of commitment to a broad range of services and programmes and a Housing First policy (with attendant wraparound supports) may very well have been the critical factor in Nanaimo’s significant increase in homelessness.

2.1.3 Nanaimo’s Action Plan to End Homelessness: 2018

Nanaimo’s Action Plan to End Homelessness 2018-2023¹⁷ provided some clear direction to address the emerging homeless challenges faced by Nanaimo. It noted:

Put bluntly, Nanaimo faces pressures that threaten the integrity and sustainability of the current service system if not addressed. This report has found that a gap has opened up between community expectations, the needs of the homeless, and the strategies used by agencies to respond to these two pressures. This gap is real, and must be addressed if the service system is to retain community support and maintain its capacity to serve its clients. Two issues in particular require attention.

First, the service system in Nanaimo needs to account for the challenges posed by changes in the housing and labour markets; in particular, sharp rises in housing costs, low vacancy rates, and precarious income. This change in the economic context is amplified by a social change; specifically, the need to recognize and respond to the increasing acuity and complexity of addictions and mental health issues in Nanaimo.

Second, the current system of services needs to be modified to address gaps in services that were identified by service providers, which range from lack of support to escape street involvement to the need for more graduations in supportive housing.

Notwithstanding the fact that this Action Plan identified key needs and issues, **the “Action Plan focuses on services for the homeless and those who are at risk of homelessness. It does not deal directly with the issue of affordable housing.”** (ibid)

Affordable housing is a key element in the homeless equation. It must be included in any long term homeless strategy. It is apparent that the preceding ‘factors’ still remain today to be addressed and solved.

2.1.4 Health and Housing Action Plan: 2020

In 2021, City Council adopted the Health and Housing Action Plan. After the launch of the 2018 Plan to End Homelessness:

Nanaimo City Council appointed a multi-sectoral Health and Housing Task Force (HHTF) to advance the priorities within the plan, through a collaborative approach. The HHTF — composed of key stakeholders at the municipal, regional, provincial and First Nations governments, and community level — embarked on a collective effort to create a Health and Housing Action Plan (HHAP) that takes into consideration the entire health and social sector in our community. The Action Plan sets a bold vision for creating a stronger, more coordinated system to respond to the needs of people facing the most vulnerable circumstances.¹⁸

¹⁶ Nanaimo Affordable Housing Strategy 2018 p. 10

¹⁷ Nanaimo’s Action Plan to End Homelessness 2018-2023 United Way Central and Northern Vancouver Island and Nanaimo Homeless Coalition 2018 p.10

¹⁸City of Nanaimo, Health and Housing Action Plan December 2020, p.12

The Health and Housing Action Plan set out the following Vision and Principles:

Vision: All people in Nanaimo, regardless of their background, situation, or past experiences, are able to navigate & access a full spectrum of health and housing services.¹⁹

Principles: A set of principles has been developed to guide the development of the Plan. The desired outcome of this Plan, in addition to achieving the Vision as listed above, is a system that embodies the following principles:

TOGETHER, NOT AGAINST Our community as a whole is greater than the sum of its parts.

HOLISTIC, NOT SILOED We work together, as a community, taking into account the whole health and wellbeing of those who live here.

SYSTEMS CHANGE, NOT ONEOFFS We are committed to solutions now, while creating long-term change for the future.

ROOT CAUSES, NOT JUST SYMPTOMS We act early, on things that matter most.

COORDINATED, NOT STATUS QUO We will coordinate, unafraid to chart roads not yet travelled.

ACTION, NOT CONSULTATION We will take action on what we know, and what we hear.

SHARED ACCOUNTABILITY, NOT SOLE RESPONSIBILITY We acknowledge that no one is solely responsible for creating system change, but that we all have a part to play in our collective success.

LEADERSHIP, NOT MANAGEMENT We will create a clear direction and vision for health and housing in our community, for others to rally around and build on.²⁰

Those are important principles which reflected the need to address the following problem facing Nanaimo:

We have significant gaps in our current capacity to support the housing, health, and social needs of these individuals and families. This has been exacerbated by the COVID-19 pandemic — which amplified the already widening income and housing affordability gaps — impacts of systemic racism, and health inequities. This is layered on top of a growing yet aging population, and the ongoing impacts of colonialism on Indigenous people. Beyond this, our current system of care is fragmented and lacks coordination, creating gaps and inefficiencies in our social safety net. The results impact all of us: early childhood trauma, social disorder, visible homelessness, social marginalization, etc. lower quality of life and entrench inequities further in our community.²¹

“The report notes that \$18.5 million is needed in 2021 to support 280 people experiencing chronic homelessness, and \$65.5 million over five years to support 635 new program and housing spaces for 4,300 people”.²² A total of 6,000 new affordable housing units was identified to address housing “1,800 experienc(ing) homelessness at some time during a given year and another 4,200 are “on the edge.”²³

This ambitious plan continues to be implemented but the pace of implementation creates challenges for all involved. One of its key recommendations, Systems Planning Organization, is discussed in Section 2.2 below. The Vision and Principles of the Health and Housing Action Plan continue to resonate today and should inform any future homeless actions.

¹⁹ Op.cit. p.4

²⁰ Op.cit. p.4

²¹ Op.cit. p.7

²² Sakaki G., Nanaimo News Bulletin, ‘Nanaimo’s health and housing task force presents action plan to address homelessness’, December 15, 2020

²³ Op.cit.

2.2 Nanaimo Systems Planning Organization: 2023

Clear empowered direction is required to address homelessness. Such is the case with the Nanaimo Systems Planning Organization Society formed by City Council in 2023:

The creation of the Nanaimo Systems Planning Organization (SPO) emerged from one of the key recommendations from the 2021 Health and Housing Action Plan (HHAP). The role of the SPO is to help optimize the current resources and maximize return on existing investment. The SPO will be responsible for several key areas of plan implementation, focusing especially on improved coordination and organization of existing health and housing resources.

The purpose of the SPO is to provide research, data, analysis, education and information related to the community's homelessness response and provide 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.²⁴

"The SPO is an independent, non-aligned agency that jointly manages and makes decisions through an equitable structure".²⁵ The SPO Charter sets out its purpose, vision, and guiding principles. Its Vision states:

That all people, regardless of their background, situation, or past experiences, can access a full spectrum of health and housing services. This means that responses are coordinated and resources are aligned to ensure homelessness is prevented whenever possible; and if homelessness occurs, it is a rare, brief, and nonrecurring experience. (Ibid)

The SPO provides an important opportunity to buffer the 'politics of homelessness' from City Council and City Administration. It is a bold and important initiative that is similar to Medicine Hat's successful Medicine Hat Community Housing Society's Homeless and Housing Development Department (Section 5.1 below). The SPO provides a well defined action arm to identify and implement homeless solutions.

2.3 Nanaimo's Homeless

The following provides an overview of Nanaimo's homeless.

The 2020 Nanaimo Point-in-Time Homeless-Count (PiT) "found that most unsheltered people in Nanaimo are from the city, with 71.2 per cent reporting that they lived in the city for at least five years".²⁶ Fifty nine percent are chronically homeless. Ten percent are episodic homeless. Thirty three percent are Indigenous (c.f. 8% of Nanaimo's population).²⁷

Reporting on the 2020 PiT Count, CTV noted²⁸:

The vast majority of PiT Count respondents told organizers they became homeless due to housing affordability challenges, and not because of challenges due to mental health or substance abuse.

²⁴ <https://www.nanaimo.ca/your-government/social-issues-and-community-safety/nanaimo-systems-planning-organization>

²⁵ CHARTER NANAIMO SYSTEMS PLANNING ORGANIZATION (SPO) SOCIETY May 2, 2022

²⁶ Chan A., CTV News, Homelessness on the rise in Nanaimo, according to latest count, October 13, 2020

²⁷ Homeless hub community profile: Nanaimo, 2020

²⁸ Chan A., CTV News, Homelessness on the rise in Nanaimo, according to latest count, October 13, 2020

Thirty-four per cent of respondents simply said that they could not afford rent, while 27.7 per cent said they had lost housing because of a conflict with a landlord or other tenant. A further 18.4 per cent of respondents said they became homeless after they had a conflict with a partner or spouse.

Further, “most respondents, at 91 per cent, said they want to access permanent housing but find it difficult, largely due to the cost of rent in the city”. (*ibid*)

2.4 Factors leading to homelessness

There are a multitude of factors that lead to homelessness. Such factors include those who require care due to mental health and brain injury issues but are not getting that care, those who have substance abuse issues, those who have aged out of childcare with no housing options, those who have family issues, those who are released from custody with little supports, and those who have lost their employment or their retirement income and then their accommodation. As the 2020 Point-in-Time-Count noted, the majority of homeless are those who have been displaced from their accommodation as a result of a host of factors related to loss of accommodation.²⁹

Of particular concern is the steep rise in housing costs and rental costs. In the case of the former, there is the issue of increased costs of entry housing and mortgages and for the latter the ability of landlords to force people out of affordable accommodation. For instance, the average cost of a single family home in Nanaimo in June 2023 was \$876,000 (a 69% increase in 5 years; c.f. \$519,000 in June 2018). Average rents have also increased significantly. For instance a two bedroom rental unit that cost \$975 in 2017 now costs \$1,990 or a 104% increase. CMHC identifies a healthy rental vacancy rate of 3 to 4 percent of all units; but as of July 2023 Nanaimo had a vacancy rate of 1.6 percent (c.f., Vancouver 1.2). To complicate matters, BC’s minimum wage is \$16.75/hour or \$34,840/year. But a maximum monthly housing cost should not exceed 30% of before tax income (CMHC). That suggests a maximum rental in Nanaimo should be \$10,452 for those working for minimal wages; but for a one bedroom rental the current cost is \$20,388 or 58 percent of income. As a result, many are required to share one bedroom units, couch surf, sleep in their vehicles or sleep on the streets.

As noted in a recent comprehensive Globe and Mail article on homelessness:

The biggest issue is housing for the working poor, says Ludvik Skalicky, Smoke Signals’ housing co-ordinator (Mr. Skalicky is a homeless person working to help other homeless in Vancouver). People who are working can’t get government funding because it’s all labelled ‘supportive’ for those incapable of working. So the working poor become homeless, which messes you right up, and the problem just grows. That’s what happened to me. It’s a Catch-22, a riddle, that’s what this is.³⁰

Therefore, it is critical that every effort be put into addressing those at risk of losing their housing to ensure they do not end up homeless with all of its debilitating tendencies.

It is obvious that housing is unaffordable for many in Nanaimo and as a result a large number of Nanaimo’s homeless are un-housed because they cannot afford the high costs of housing. That is especially the case for those working in the service industry.

²⁹ Op.cit.

³⁰ ³⁰ Bishop-Stall, S., ‘From Vancouver to Toronto, tent city dwellers carry on despite the constant threat of being swept aside’, Globe and Mail, December 16, 2023

2.5 Provision of housing

A number of organisations in Nanaimo have worked tirelessly to provide shelter and affordable housing. Their efforts are commendable in the face of numerous challenges.

2.5.1 Emergency overnight shelters

There are a total of 113 beds in Nanaimo³¹:

- Unitarians 25 beds plus 2 for emergencies
- Samaritan Place - Women only 14 beds available for 30 day max stay 24
- Salvation Army - New Hope – 53 beds (24 emergency shelter, 10 transitional shelter beds, 19 CRF transitional)
- St Peters Winter Shelter - 25 beds
- Tillicum Lelum Youth Safe House Co-ed year round: 8 beds



Unitarian Shelter: a reality for too many

2.5.2 Supportive and Affordable Housing

The City of Nanaimo Housing Report (2023)³² indicated that there are 663 transitional supportive housing units in Nanaimo (126 special needs, 510 seniors, 27 women and children fleeing violence units); and 854 non-market units (377 seniors and 477 low income family units). As well, 1,221 BC Housing rent supplements were issued.

A key affordable housing provider is Ballenas Housing Society (BAS). It operates approximately 900 affordable housing units. But there is a need for up to additional 1,800 units to accommodate needs.³³ Recently BAS “completed a 53-unit apartment building that includes a mix of one- and two-bedroom suites, with three accessible units. Half the units will be rented with a rent-geared-to-income arrangement, one-fifth of the units will be rented at deep subsidy as low as \$375-500 per month, and the balance will be rented out at below market rent. The project is a partnership between the housing society, the federal and provincial governments and the City of Nanaimo. The federal government provided \$13.5 million as well as a share of a \$6.25 million in joint federal-provincial funding through the

³¹ Emails: Paul Manly November 23, 2023; and Bern Muller December 22, 2023

³² City of Nanaimo [Housing Needs Report](#), CitySpaces 2023

³³ Interview A. Blakeman, August 21, 2023

national housing strategy. The province will also provide, through B.C. Housing, \$340,000 in annual operating funding. The housing society purchased the land and the city waived \$221,000 in development fees”.³⁴ That project illustrates the importance of collaboration in achieving housing success. It also illustrates the good work that Ballenas does and can play in addressing homelessness.

In addition, BC Housing supports other affordable housing initiatives such as the Residences at Brechin Hill which features a mix of studio, one-, two- and three-bedroom homes.

2.6 Housing Needs

The City of Nanaimo Housing Needs Report (2023)³⁵ provides a comprehensive analysis of housing in Nanaimo. It includes a detailed description of housing needs by type. It notes that “the City will need to facilitate the correct mix of unit types to address diverse needs, such as, affordability and suitability.”³⁶ In particular, the Report notes that “more emergency services and shelter spaces” are needed. It also confirmed that there were 762 households on BC Housing’s waitlist of which 343 were seniors, 182 were families, 143 had disabilities and 34 were single. Further the Report noted that 5,005 households are currently in core housing need of which 65% are renters. In addition, of the 11,600 new units that need to be constructed by 2031, fully 46% need to be geared to low income households or 525 new units per year. The Report identifies the need for 5,285 non-market units by 2031 (75% 1 person unit, 19% 2 person unit, 4% 3 person unit).



Types of housing

There are a variety of housing needs and types such as: emergency accommodation, temporary and year-round shelters and safe houses for women and children fleeing violence – all three require ongoing government support; transitional and supportive housing – require some specific directed on-going government support; non-market rental units provide rental options for individuals spending 30% or more of their income on average market rents - support services are not required – initial government

³⁴ Sakaki G., ‘Building with 50 affordable apartments opens in north Nanaimo.’ In [Nanaimo News Bulletin](#), December 1, 2023
Federal, provincial and local governments partner with non-profit on Hammond Bay Road building
Greg Sakaki about 19 hours ago about 19 hours ago

³⁵ City of Nanaimo [Housing Needs Report](#), CitySpaces 2023

³⁶ Op.Cit p. summary

funding or innovative funding mechanisms are required to build and construct these units; rent supplements form a bridge between non-market and market housing, with government assistance provided to individuals renting in the private market; and market rental and market ownership housing available through the private market without any public subsidy.

2.7 The Status Quo

The current number of homeless is increasing significantly. In 2016 there were 174 counted in the Nanaimo Point-in-Time Homeless-Count (PiT), 355 in 2018 and 433 in 2020. Current numbers suggest upwards of 800³⁷ are homeless (note: those who manage the PiT believe that the count does not capture all homeless). Those numbers suggest annual homeless numbers increase on average by up to 30 percent. Assuming a lower increase of 20 percent per year increase in homeless people by 2030, there could be upwards of 2,500 homeless in Nanaimo in 2030 unless significant action is taken to address homelessness.

It is evident that a 'do nothing' scenario is unacceptable.

2.8 Findings

There have been significant ideas and resources directed at trying to identify long-term solutions to the affordability housing crisis and associated homelessness that results from too expensive housing. While there are NGO's and others who are desperately trying to address homelessness, the number of homeless are overwhelming available supports. Simply, notwithstanding the good intentions of the *Nanaimo Affordable Housing Strategy*, *Nanaimo's Action Plan to End Homelessness 2018-2023*, and *2020 Health and Housing Action Plan* the system is failing to address both the housing affordability issue and the homeless need for housing and wraparound supports and services.

At a December 12th, 2020 Council meeting to review the *Health and Housing Action Plan*, City Councillor Sheryl Armstrong pointed to the on-going failure (and her frustration) to address the homeless issue. She said "everything in the action plan was previously attempted a decade ago with the Safer Nanaimo committee" and she hoped "this time there will be more specialized supports and more health and mental health resources". Further Councillor Armstrong noted that "There's nothing new in [this] report. Nothing." She continued: "And what happened [last time] is there was a lack of commitment from partners."³⁸ Her comments speak to the frustration that many have. That reality of an inability to coordinate across services, supports and sectors is an on-going challenge for most local governments attempting to deal with homelessness. Nanaimo is no exception.

2.9 Implications for action

1. It is my view that, in the absence of a comprehensive tested and successful approach, Nanaimo will continue to underachieve in addressing chronic homelessness and homeless numbers will grow significantly.
2. There needs to be a fulsome integrated approach to the delivery of housing and services.

³⁷ Applying a 30 percent increase (that increase is slightly less than actual homeless increases 2016-2020) to homeless numbers since 2020 (433) then the 2023 homeless number is likely 800 homeless (or more!).

³⁸ Sakaki G., 'Nanaimo's health and housing task force presents action plan to address homelessness' in [Nanaimo News Bulletin](#), December 15, 2020

3. Nanaimo's Systems Planning Organization needs to be fully supported and encouraged to lead in the delivery of appropriate housing and services required to address Nanaimo's homeless crisis.

3. Issues related to homelessness

There are some European studies and local evidence that explore the costs of homelessness, including the direct costs of lives lost and the externalities of skyrocketing service/support costs. In addition, there is anecdotal local evidence to suggest that the current state of homelessness is extremely costly in terms of impact on those living daily homelessness and those trying to provide services and supports. A few examples are discussed below.

3.1 Costs to those on the street

By simply walking Nanaimo's downtown, it is evident that the lives of those who live on the street are chaotic and challenging. Yet, studies on Skid Row in Los Angeles point to the reality that homeless people do not want to live on the street. One study found that 90% of homeless people when asked what they needed most responded that they wanted to get off the street and have shelter³⁹ (the other study found 92% wanted to get off the street). A 2020 PiT Count study in Nanaimo, also found 91 per cent wanted to get out of homeless living and have access to permanent housing⁴⁰. With nowhere to go, it is not surprising that those who live on the street become victims: victims of crime, victims of hunger, victims of substance abuse, victims of violence and victims of premature death. For instance, "people between age 25 and 44 who are living unhoused in Nanaimo are dying from illicit drug overdoses two and a half times more often than elsewhere on the Island". Further this "grim statistic arose during discussion of drug toxicity data at a City of Nanaimo governance and priorities meeting Monday, Dec. 11. . . . According to Island Health, from Jan. 1 to Oct. 31, B.C. Emergency Health Services attended 964 illicit drug poisonings in Nanaimo, compared to 586 for all of 2022. Nanaimo's rate for drug overdoses now stands at just over 906 per 100,000 people, more than double Island Health's average of 428 per 100,000. Drug toxicity deaths in Nanaimo have been rising in recent years. In 2019, overdoses killed 28 people, and in 2022, overdoses claimed 85 lives. As of Oct. 31 this year, 99 people had died, representing a death rate more than double that of the rest of the Island Health region."⁴¹ A 2011 study by Dr Bethan Thomas, from the University of Sheffield UK⁴², estimating the average age of death for the wider homeless, found that homeless people **die thirty years before the UK national average**⁴³. (my emphasis)

As Dr. Roger Walmsley, Island Health addiction medicine physician noted at the December 11 Nanaimo Governance meeting, "one of the other things that I'm very aware of when I work on the street is the increased amount of homelessness and I don't think that we can ... dismiss the challenges that the housing crisis has put on our community". He continued: "I'm seeing more elderly people living in their cars. I'm seeing people who are not substance users who are faced with homelessness." "He said in those situations people sometimes turn to addictions as a 'way to survive.' Many of the people that I

³⁹A-Mark Foundation, 'What do People Experiencing Homelessness Really Want,' September 13, 2022

⁴⁰ Chan A., CTV News, Homelessness on the rise in Nanaimo, according to latest count, October 13, 2020

⁴¹ Bush, C., 'Nanaimo's Death Poisoning Death Rate Double Vancouver Island's Average', in Nanaimo News Bulletin, December 15, 2023

⁴² Thomas B., 'A Silent Killer: A research brief on mortality amongst homeless people, in Crisis, December 2011

⁴³ Other key findings from the research into the mortality of homeless people are: Drug and alcohol abuse account for just over a third of all deaths Homeless people are over nine times more likely to commit suicide than the general population Deaths as a result of traffic accidents are three times as likely, infections twice as likely.

deal with on the street, they use drugs to stay up at night because they don't have a warm place to go to. There's not enough shelters in the city to go to to house all the people that we have".⁴⁴

Those thoughts were further corroborated by the following observation from a former Vancouver tent city occupant: "If there's one thing I know from my experience in Tent City, it's that while drugs and booze sometimes lead to homelessness, being homeless can make you turn to anything. In urban North America, the hardest aspect of vagrancy is not hunger, thirst or even exposure to the elements (though that can be a killer). The most torturous part is never being able to relax – not fully, in any kind of real comfort and safety. Eventually the psychic stress and exhaustion can break a person, so that a hit of something to become less fully aware is just a tiny bit of grace. But of course, out here, grace, too, spirals downward".⁴⁵

As Jason Harrison⁴⁶ Nanaimo Homeless co-chair worker noted, "Despite investments in social and supportive housing over the last five years and increased funding for service providers, the homeless crisis is increasing in our city."⁴⁷ It is not surprising that many homeless see no hope.

3.2 Costs to service and support those on the street

There are a number of costs associated with the mental health and drug use issues of many who live on the street. A number of studies (including one here in Nanaimo) have put the annual costs to address those on the street with mental and drug use issues at \$53,000 per person per year. One study in Surrey BC tracked a particularly challenging street person and determined the full yearly cost to address that person's use of the system to be \$171,000 per year (2007). Medicine Hat in 2019 noted that some people living on the street cost 120K per year to resource. A Swiss study of the cost savings resulting from addressing heroin users concluded that "the expenditure is more than compensated by 'significant savings to society', including less spent on criminal procedures and imprisonment"⁴⁸. In Canada "it was noted that it costs more to ignore our housing problem than it would to fix it. Consider the estimate that homelessness alone costs the Canadian economy over \$7 billion per year" (in 2014 dollars)⁴⁹. Further, "in Canada, the annual costs to society for persons struggling with both homelessness and severe mental illness are high – about \$75,000 per year, compared to about \$51,000 for homeless people with moderate needs. These costs are often related to health services, emergency shelters, and policing"⁵⁰. In comparison, it is estimated that it costs approximately \$37,000 to house one person in a shelter with attendant supports for one year (i.e. it is at least \$16,000 less per person to shelter someone than to leave them on the street). A 2009 CTV News report reported that the Surrey Business Association believed housing the homeless could reduce costs for each homeless person by 90%.⁵¹

⁴⁴ Bush, C., 'Nanaimo's Death Poisoning Death Rate Double Vancouver Island's Average', in [Nanaimo News Bulletin](#), December 15, 2023.

⁴⁵ Bishop-Stall, S., 'From Vancouver to Toronto, tent city dwellers carry on despite the constant threat of being swept aside', [Globe and Mail](#), December 16, 2023

⁴⁶ Jason is currently Executive Director, Mid-Island CMHA

⁴⁷ Chan A., CTV News, [Homelessness on the rise in Nanaimo, according to latest count](#), October 13, 2020

⁴⁸ [HTTPS://TRANSFORMDRUGS.ORG/BLOG/HEROIN-ASSISTED-TREATMENT-IN-SWITZERLAND-SUCCESSFULLY-REGULATING-THE-SUPPLY-AND-USE-OF-A-HIGH-RISK-INJECTABLE-DRUG](https://transformdrugs.org/blog/heroin-assisted-treatment-in-switzerland-successfully-regulating-the-supply-and-use-of-a-high-risk-injectable-drug)

⁴⁹ Stephen Gaetz, Tanya Gulliver, & Tim Richter: (2014) [The State of Homelessness in Canada 2014](#). Toronto: The Canadian Observatory on Homelessness Press.

⁵⁰ McGill Newsroom [Housing-First strategy proves cost effective especially for the most-vulnerable homeless August 2020](#)

⁵¹ CTV News/The Canadian Press, [Housing B.C. homeless would save \\$211M: report](#), March 22, 2008

A recent Nanaimo Fire Department Report⁵² estimated that in 2023 the fire department will respond to approximately 8,200 medical aid calls costing an estimated \$592,000. As Nanaimo Fire Chief Doyle noted: “There has been a jump ... that can pretty squarely be attributed to the toxic drug crisis . . . We’re seeing a huge increase in illicit drug use calls [for] overdoses.” There are other costs as well including increased police responses to homeless issues, ambulance responses to overdose and mental health issues, and safety patrols provided by the city. Further there are unaccounted externalities for private businesses related to significantly increased costs for security of businesses such as foot patrols, security staff manning doors, security cameras, protective fencing and increased door/window protection costs. In addition, there is very likely a significant toll on the health and well being of those who are repeatedly responding to numerous stressful calls for homeless people who are in need of life saving intervention. To what degree does such work lead to early retirement or job termination due to that added stress?

Further evidence of the costs of homelessness was identified in the 2020 Nanaimo *Health and Housing Action Plan*: “the draft action plan to council, acknowledged the \$18.5 million and \$65.5 million estimates sound like a lot of money, but it would be primarily cost-shared. (The consultant) compared spending \$40 per person per day with the \$363 it costs for a day in the hospital or \$144 for a day in jail. The action plan notes that “the potential return on investment can be as high as \$30:\$1.”⁵³ Medicine Hat found - between 2009-2023 - that their housing first approach reduced days in hospital by 36%, days in jail by 68% and court appearances by 25%.⁵⁴

While the actual costs of homelessness can vary widely depending on the status of the economy, housing costs, drug related issues, weather and available support, I believe that an order of magnitude of the direct economic costs to society of keeping people on the street is approaching \$21 million per year in Nanaimo (see Table 1). That does not include the issues related to costs of long term care needs for those who have experienced overdose and require long term special care⁵⁵, those who have developed chronic illnesses from living outdoors without adequate care or personal health/hygiene, those who become dependent on substances and spiral down to addiction, and those who ultimately (and often inevitably) die on the streets or as a result of street life (as per Dr. Thomas cited previously).

The following table projects yearly service and support costs to simply keep people on the streets of Nanaimo. Cost per person is based on Section 3.2. It demonstrates that significant financial resources continue to be directed to supporting life on the street without a longer term transition to housing and associated supports. In effect, the current delivery of services to the homeless perpetuates the problem.

There needs to be a rethinking of financial resource expenditure so that funds spent on a never ending cycle of homeless supports for those living on the streets can be directed over the long term to appropriate housing and support services which in itself leads to less homelessness and associated issues.

⁵² ‘Fire Department challenged by soaring overdose calls’, Nanaimo News Bulletin, November 9, 2023

⁵³ Sakaki G., Nanaimo News Bulletin, ‘Nanaimo’s health and housing task force presents action plan to address homelessness’, December 15, 2020

⁵⁴ Rogers, J., ‘Homelessness, Mental Health and Substance Abuse: Promising Strategies in ending Homelessness’, Power Point, Winnipeg, December 7, 2023

⁵⁵ The increased health risks associated with opioid use has been well documented. See: Kotlinska-Lemieszek A., ‘Less Well-Known Consequences of the Long-Term Use of Opioid Analgesics: A Comprehensive Literature Review, in Drug Design, Development and Therapy, January 2022:16 p. 251-264

Table 1: Estimated Yearly Cost of Homelessness for Services and Supports in Nanaimo

Number of homeless*	Category and percent	Cost per person	Total cost
7	1%: severely Chronic	\$120,000/year	\$840,000
32	5% severe mental illness	\$75,000/year	\$2,400,000
96	15%: mental health issues	\$53,000/year	\$5,088,000
128	20%: substance abuse issues	\$53,000/year	\$6,784,000
224	35%: living on street with minor health and other issues	\$10,000/year	\$2,240,000
108	17% : living in shelters	\$37,000/year	\$3,996,000
45	7%: living partially on street/couch surfing	\$5,000/year	\$225,000
TOTAL: 640*	100%		\$21,573,000

*Note: assumes 800 homeless of which 80% require supports/services

All of these costs are unacceptable. Most are unnecessary (assuming appropriate housing and necessary supports are in place).

3.3 Barriers to Integration of Homeless Services

There are a number of issues that have impeded the seamless delivery of homeless programmes and desired outcomes. For instance:

The lack of housing stock – particularly permanent supportive housing, affordable housing – makes it challenging for service providers to assist clients in exiting homelessness. Funding requirements may present challenges as funders have different expectations about how services will be provided, who the target population is. Ideological differences in the way services are provided need to be addressed. For example, abstinence-only shelters and harm reduction programs would need to work to find common ground and means of partnering. Most partnership/coordination/collaboration efforts are aimed within a sector (i.e. housing) and are not cross-sectoral (i.e. housing, education, child welfare, corrections). Governments may support the concept of service integration but do not invest in the mechanisms needed to create change within and between sectors. Agencies may fear the loss of funds, control, jobs, the loss of autonomy.⁵⁶

As a result, it is essential that any homeless strategy be founded on programme and inter-sectoral integration, collaboration and coordination.

3.4 Is housing the homeless cost effective?

As noted above, while there are studies that point to the costs of people living on the streets, there are few studies that have quantified the comparable costs of housing those on the street versus leaving them on the street. Professor Dittman confirms that there are no such studies completed in Switzerland⁵⁷. But, as he and others note, the Swiss believe, through anecdotal review of their experiences, that the costs of housing the homeless is, in a full cost accounting framework, a better investment (less stress on health, policing, justice services) and better quality of life for all (i.e.,

⁵⁶<https://www.homelesshub.ca/solutions/why-do/potential-barriers-and-challenges-integration-homelessness-services>

⁵⁷ Email, November 20, 2023 Professor Jörg Dittman of University of Applied Sciences Northwestern

emotional, health, social and economic supports for those who lived on the street and no encounters with street people for residents while utilizing urban centres). In Finland, there is clear evidence that it is less expensive to invest in housing for homeless people than leaving them to fend for themselves as homeless people. For instance:

Keeping people homeless, instead of providing homes for them, is always more expensive for the society. In Finland we have some scientific evaluations of the cost of this program. When a homeless person gets a permanent home, even with support, the cost savings for the society are at least 15,000 Euros per one person per one year. And the cost savings come from different use of different services.⁵⁸

Medicine Hat believes that its Housing First policy is cost effective when compared to the costs of those living on the street.⁵⁹ “Year after year, **the data from Medicine Hat confirms that it is less costly to provide appropriate housing and support to a person experiencing homelessness than maintaining the status quo approach that relies on emergency and institutional responses**”. (Ibid) (my emphasis)

3.5 Importance of political leadership and will

For those cities and countries that have addressed homelessness, there is a common factor for success: political leadership and will to continue to invest in housing and wrap around supports. As a leader in Finland notes: “What has been crucial in Finland is that there has been a political understanding and political consensus: this is a national problem that we should solve together. Since 2008, we have had several governments with several different political coalitions. All these governments have decided to continue to work to end homelessness.”⁶⁰

3.6 Importance of keeping people housed

While much attention is paid to the visible homeless, there is a need to minimise the number of people who lose their accommodation and end up on the street. For instance, Medicine Hat Alberta found early on in its homeless work “that ending homelessness was easier on the upstream side than on the downstream. In other words, **helping people keep their housing is both easier and less expensive than helping them afterward**. (my emphasis) Once a person is homeless, everything else becomes harder. Concerns of nutrition, hygiene, physical safety, dangerous weather events, crime, addiction, and joblessness all follow. This is why Housing First is a vital principle”.⁶¹ Professor Dittman and Canton of Basel staff also confirmed that a focus on supporting those at risk of being homeless was a key priority activity to minimise homelessness.

3.7 Role of Community

Interviews in Basel, identified the important role that a cross-section of organisations and the broader community play in supporting homeless strategies and action plans undertaken across much of Basel. For instance, Professor Jörg Dittman noted that addressing homelessness in Basel was possible because of the “importance of the power of community” and the “importance of neighbourhoods” in accepting their role in accommodating homeless populations. Further he felt that addressing homelessness was

⁵⁸ CBC *Sunday Magazine*, ‘Housing is a human right; How Finland is eradicating homelessness’, January 24, 2020

⁵⁹ 2023-24 Service Delivery Plan, Medicine Hat Community Housing Society p.18

⁶⁰ CBC *Sunday Magazine*, ‘Housing is a human right; How Finland is eradicating homelessness’, January 24, 2020

⁶¹ ⁶¹ Edgar G., Moose Jaw Today, ‘Lessons from Medicine Hat’s first-in-Canada Functional Zero Homelessness Feb. 6, 2022

supported because it fostered “the possibility of community activating its interests.”⁶² Regula Kürg with the Canton of Basel-Stadt described how a cross-section of organisations and private initiatives supported the ‘right to living space’. In particular, much of the Canton’s energy and that of supporting organisations is directed at keeping people housed (and off the street) by supporting those who are at risk of losing their rental accommodation.⁶³ As a result, Basel’s successful homelessness programmes is contingent on a broad cross-section of citizens, organisations, and non-profits and a willingness of neighbourhoods to accept homeless people in a variety of housing types and locations. For Basel, it appears that the community working together to address homelessness is a key tool to move the homeless agenda forward successfully.

Jaime Rogers of Medicine Hat also confirmed that much of the City’s success in addressing homelessness can be attributed to a committed community and variety of community-based supports.⁶⁴

3.8 Findings

Addressing homelessness will require a concerted community effort with a long term commitment to continuing to provide the needed housing and services over many years to get homelessness to a manageable level, while recognising it will never disappear completely. Such an effort will need political courage and leadership. It will also require innovative solutions and tough decisions.

The costs of homelessness are extraordinary in the form of lives lost, family trauma, low quality of life for those on the streets, decreased community well-being as well as traditional financial costs. Those costs will not decrease unless there is a will to address homelessness in a coordinated, comprehensive, integrated and committed way. Initial financial requirements to move homeless numbers down to a more manageable level will be challenging but essential in order to spend less money on homeless street survival and more on long term solutions that move people off of the streets into housing with appropriate services. There is ample evidence to confirm that the expenditure in appropriate housing and associated wraparound services/supports can make a significant difference in the homeless population and ultimately and fundamentally to their quality of life and that of the entire community.

3.9 Implications for action

1. With the significant financial costs associated with servicing the homeless in Nanaimo (approximately \$21 million per year), there comes a crucial need to rethink and redirect such significant financial costs (which as well do not provide options to change behaviour or the level of the crisis).
2. There is evidence that solutions exist that can be replicated in Nanaimo.
3. When we talk of addressing homelessness we need to also talk about addressing at risk or vulnerable populations that could end up homeless due to factors that are controllable.
4. Any long term success will depend on the community of Nanaimo supporting and encouraging bold but necessary action. That suggests that the SPO must actively and continually build and nurture support.

⁶² ⁶² Interview June 2, 2023 Professor Jörg Dittman of University of Applied Sciences Northwestern

⁶³ Personal interview with Regula Kürg, lic.rer.pol., Department Head, Presidential Department of the Canton of Basel-Stadt, Cantonal and Urban Development, Housing and Development Department, June 15, 2023

⁶⁴ Interview with Jaime Rogers, Manager, Homeless and Housing Development Department, Medicine Hat Community Housing Society, December 18, 2023

4 Lessons from Elsewhere

Switzerland and Finland are examined to identify what other countries are doing to address homelessness.

4.1 Switzerland

The Swiss believe that providing housing through a Housing First program is not only a socially responsible response to homelessness but that it is also a very cost effective way of dealing with homeless populations. To that end, Switzerland (and Finland, Iceland, Japan, Portugal and Norway) have invested in Housing First and its associated wrap around supports (Note: Basel calls this approach Housing First Plus). In December 2020 Switzerland completed a country-wide homeless survey. It identified 2,200 homeless people across the nation which had a population of 8.65 million in 2020. That equated to a ratio of 0.25 homeless people per 1000 of the Swiss population (c.f., 7.7 homeless per 1000 residents in Nanaimo).⁶⁵

In Basel Switzerland with a population of 174,000 there are 20-30 homeless people; the majority of whom are temporary illegal residents and not able to get government supports (the illegal immigrants tend to sleep in the nearby international airport located in Germany). The remainder (literally a handful in numbers) who are un-housed are Swiss citizens,⁶⁶ who prefer to sleep outside in wooded parks and ravines in the summer and under cover in the winter. Except for those few individuals, there are no long term homeless people in Basel. There are 50-60 'houseless' residents who daily all make use of overnight shelter spaces and associated supports, including food. As a result, they do not live on the street.

Basel has adopted a Housing First-Plus programme. In the Canton of Basel-Stadt, "the right to housing has been written into the cantonal constitution, and the canton has established a housing foundation, set up a fund to finance cooperative housing, expanded social welfare assistance, put a Housing First model into practice, decided on affordable new construction in new housing sites, and established a coordination office tasked with addressing precarious housing conditions"⁶⁷. The Canton of Basel-Stadt determined that "housing is a basic human need: a secure housing situation is the basis for participation in social life and integration into society" and "as part of the overall social housing concept, Housing First should definitely be continued and expanded."⁶⁸ To that end Basel Stadt has undertaken a "comprehensive template" that embodies pursuing a number of pilot and long term housing related projects. As a result, "the government council wants to . . . pursue a long-term, uniform and coordinated strategy in the area . . . of social housing." (*ibid*)

In particular, "the Housing First project is intended to create a housing offer in which independent living in furnished one-room apartments or studios is possible. Apart from the simplest of rules such as a

⁶⁵ Interview June 2, 2023 Professor Jörg Dittman of University of Applied Sciences Northwestern

⁶⁶ Note: Interview July 4 2023 with Basil Studer: MA thesis: "Us and our City: Politicising Public Space through Participatory Photography" confirmed he had to modify his thesis on homelessness because he could not find enough homeless people to interview in Basel. He worked with street organisations to identify homeless people but could only find 6 homeless in total.

⁶⁷ <https://www.europenowjournal.org/2023/07/06/homelessness-in-switzerland-from-a-blind-spot-to-new-approaches-in-research-and-practice/>

⁶⁸ Original in German: Der Regierungsrat stärkt das Soziale Wohnen in Basel-Stadt 26.06.2023 (10:00): Press Release Government Council Basel Stadt June 26, 2023

minimum of order, renunciation of drug dealing and violence, no requirements are made of the residents. The offer is supported by experts from around the clock. The aim of 'Housing First Plus' is to stabilize the personal situation of the residents".⁶⁹



A modern new Basel affordable senior housing complex located adjacent to a residential district, main tram line, intercity train station and shopping district

It is my view that Basel's ability to declare that it has successfully tackled homelessness reflects several key initiatives and processes:

1. Basel has a Government Council that supports long term homeless intervention through an activist agenda, including adopting housing as a human right through the Housing First-Plus project;
2. Basel (and other Swiss Cantons) is less reliant on the Swiss federal government for funding local initiatives;
3. Basel has the financial means of independently funding a housing first policy⁷⁰;
4. Basel has a city administration that actively addresses homeless issues through policy development and advocacy;
5. Basel addresses those at risk of losing their housing, youth housing and seniors housing as core Housing First activities;
6. Basel has taken a government leadership role in identifying homeless strategies and resource requirements, including fulsome wraparound supports;
7. Basel has developed integrated and coordinated responses to homeless needs;
8. Basel has purposefully and carefully dispersed affordable and supportive housing throughout the Canton so that there is no visible difference in the lifestyle and location of those on government assisted housing supports;
9. Basel has recognised that those with mental health and substance abuse issues are highly susceptible to being homeless unless active supports are in place to keep them safe and housed;
10. Basel has funded a variety of housing initiatives including leading some through ownership of 2,000 affordable housing units, facilitating third party construction of affordable housing units

⁶⁹Original in German: Der Regierungsrat stärkt das Soziale Wohnen in Basel-Stadt 26.06.2023 (10:00)

⁷⁰ Unlike Canada, Canton's have access to income and corporate taxes that are raised locally by each Canton for Canton purposes. Basel's income tax rate is 40.5% and its corporate tax rate is 13%. Nevertheless, OECD calculates an overall tax to GDP ratio of 33.2 for Canada and 28.0 for Switzerland.

and ensuring that those who may be faced with loss of housing are provided advice and support⁷¹.

As a result of those aforementioned steps, affordable housing is embedded in the daily life of the city. There are no affordable housing ghettos (like France). There are no visible people living on the streets, no tents, no shopping carts⁷², no ‘vagrants sleeping it off’ in parks and no public drug use. Quite literally walking in Basel in 2023 is like walking in Nanaimo in 2010: it is an enjoyable experience absent seeing homeless people in varied states of helplessness.

Basel points to the need to integrate homeless people throughout the Canton in a more community-based housing model where homeless people are not marginalised or segregated in ghettos.



Scattered among these flats are families whose rent is subsidized by the Canton of Basel-Stadt. But, their individual circumstances are only known to the supported families.

4.2 Finland

In Finland (population 5.5 million), “the number of homeless people has fallen sharply. The reason: The country applies the ‘Housing First’ concept. Those affected by homelessness receive a small apartment and counselling – without any preconditions. 4 out of 5 people affected thus make their way back into a stable life. And: All this is cheaper than accepting homelessness”.⁷³



One of the apartment complexes built as part of Finland's national homelessness strategy. (photo: Y-Foundation)

⁷¹ As Professor Dittman noted, it is key to keep people off the street where they can easily and quickly spiral into challenging lifestyles (c.f. Medicine Hat’s focus on keeping people in their homes).

⁷² I have seen one shopping cart filled with ‘stuff’ in seven trips to Basel over 6 years.

⁷³ <https://scoop.me/housing-first-finland-homelessness/Nov-2020>

Since the 1980s, Finnish governments had been trying to reduce homelessness. Short-term shelters were built. However, long-term homeless people were still un-housed because there were too few emergency shelters and many affected people couldn't find jobs – without a housing address. And without any job, they couldn't find accommodation. Furthermore, they had problems applying for social benefits. “All in all, homeless people found themselves trapped. But in 2008 the Finnish government introduced a new policy for the homeless: It started implementing the ‘Housing First’ concept. Since then the number of people affected has fallen sharply”⁷⁴

As a result, “in Finland, the utilisation of emergency and temporary accommodations, such as shelters, hostels, and temporary supported housing, has significantly declined. The number of homeless individuals residing in hostels or boarding houses decreased by 76% from 2008 to 2017. This reduction is attributed to the widespread adoption of prevention strategies, the replacement of outdated models of communal supported housing with Housing First and housing-led approaches, which largely replaced emergency shelters”.⁷⁵

Finland offers another example of how Housing First can successfully address homelessness. It has invested in high quality housing and associated wraparound supports for the homeless. In addition, Finland recognises that investing in addressing homelessness is a long term continuous process.

4.3 Findings

A long term coordinated, holistic, integrated and collaborative response to homelessness is essential to ensure a fulsome and robust response. Both Switzerland and Finland were in dire situations and were desperate for solutions before they realised they had no choice but to act.

4.4 Implications for action

1. Housing First has proven successful in addressing homelessness (as a result it is examined in detail in 6.3.1 below).
2. Political and administrative leadership is an important common element that is required to foster long term success.
3. Identifying a lead agent/agency/structure in addressing homelessness is essential to ensure coordinated and accountable action.
4. Nanaimo must act because it now finds itself in a similar desperate situation with exceedingly high homeless numbers and associated acute health issues.

5. Lessons from Canada

Unlike Switzerland and Finland where there are robust homeless programmes and policies, Canada has a patchwork of delivery models to try and address homelessness. Currently, Medicine Hat Alberta seems to be the most comprehensive Canadian approach (and as a result has the most successful homeless strategy).

⁷⁴ Op.Cit.

⁷⁵ Europe Hub, Housing First n.d.

5.1 Medicine Hat, Alberta

Medicine Hat Alberta (population 63,000) decided to make Housing First a city priority and since then has brought more than 1,900 off the street (35% were children). Medicine Hat's 'Plan to End Homelessness' originated in 2009 with a housing first approach. In 2014, Medicine Hat developed a second homeless plan entitled *At Home in Medicine Hat: Our Plan to End Homelessness*. "The Plan is based on a 'housing first' philosophy and outlines an effective strategy to address homelessness in the community. A comprehensive and coordinated system of care has been built and continues to evolve, ensuring timely access to the right resources and supports to prevent and end homelessness in peoples' lives. The Homeless and Housing Development Department functions as the Community Based Organization and Community Entity, established for the purposes of system planner and administering funding targeted to initiatives aimed at ending homelessness"⁷⁶. "Housing First provides housing with supports through intensive case management (ICM) for individuals and families who experience chronic and episodic homelessness and who present with higher acuity needs. The duration of the program is approximately 12 months"⁷⁷.

In 1999 Medicine Hat City Council delegated the responsibility of implementing the homelessness initiative to the Medicine Hat Community Housing Society (MHCHS) with a mandate to provide access to affordable housing and supports. MHCHS is a non-profit community-based organisation with an 11 member Board of Directors. The Board is independent of City Council and does not receive municipal funding. The Homeless and Housing Development Department of the MHCHS is tasked with housing programs and homelessness initiatives.

Medicine Hat has addressed its homeless challenge by providing: permanent supportive housing, graduate rental assistance, community-based youth shelter, youth hub outreach services, cultural addictions worker, social supports ad employment, community capacity building and centralised support fund. In June of 2021 Medicine Hat announced that it had become the first city in the country to 'functionally end' chronic homelessness – meaning that there were no more than three individuals facing chronic homelessness in the city for three consecutive months. "While the numbers have gone up and down since, the city has maintained its role as a Canadian leader in the battle against homelessness"⁷⁸.

Subsequently, "a point-in-time count, held every two years, took place the evening of Sept 26 (2022). The unofficial number before dozens of volunteers hit the streets to start the count was 17 'chronically, active homeless,' with another two dozen people considered in and out of homelessness. The survey found the number of chronically homeless people has climbed to 19, while the number of those in and out of homelessness soared to 50"⁷⁹. Even so, with a 2022 homeless population of 69, Medicine Hat's ratio of homeless to its population was 1 homeless per 1000 compared to Nanaimo's at 7.7 homeless per 1000. In October 2023, the number of homeless in Medicine Hat had decreased to 12 making its homeless ratio 0.2/1000.⁸⁰

⁷⁶ <https://mhchs.ca/homelessness-initiatives/>

⁷⁷ Community Based Homeless Initiatives, Medicine Hat Community Housing Society

⁷⁸ Gregersen, L., "How A Small Canadian City Took On Chronic Homelessness" in *Next City*, Aug. 2022

⁷⁹ CBC News Calgary, ".Medicine Hat says it ended homelessness a year ago, but it didn't last long.", October 4, 2022 Note: while 69 seems like a large number, it pales in comparison to Nanaimo's 800+.

⁸⁰ Interview with Jaime Rogers, Manager, Homeless and Housing Development Department, Medicine Hat Community Housing Society, December 18, 2023

Medicine Hat Council declared it also ended chronic homelessness in 2015 “bringing accolades and attention from all over the world”⁸¹, including an article in the New York Times. “But Medicine Hat’s claim points to the fuzzy logic of the problem: The end of homelessness is a state, not a moment. There will always be people who become homeless, and there will always be people who prefer to remain homeless, even in Medicine Hat”.⁸² That is the reality of homelessness. It will fluctuate over time.

Medicine Hat uses the Homeless Management Information Systems (HMIS) which are local information technology systems specifically designed for coordinated access in a community. They protect confidentiality, track program attendance, and allow providers to send those in need exactly where they need to go. Only the necessary information reaches each provider, ensuring the privacy of those in the system. “A growing number of Canadian communities are using such tools”.⁸³ The Homeless Individuals and Families Information System (HIFIS) is a federally-supported tool currently on its fourth iteration.⁸⁴ The HMIS that Medicine Hat uses, therefore, doesn’t just account for people who have become homeless – it also accounts for people who are at risk of homelessness



Medicine Hat’s Homeless Strategy

The Government of Alberta has provided a \$2.6Million yearly since 2009 and currently \$3.1 million to support the work of the Community Housing Society which is tasked with coordinating housing first work. The Federal Government (approximately \$1 million per year) has also committed funding in support of the work of the Society. As noted earlier, the City does not fund the Society.

Of particular note, “Year after year, the data from Medicine Hat confirms that it is less costly to provide appropriate housing and support to a person experiencing homelessness than maintaining the status quo approach that relies on emergency and institutional responses.”⁸⁵ For instance in 2022-23, for the 201 homeless adults serviced by the Community Housing Society, there was a 74% reduction in hospital days, 59% fewer days in jail and 76% decrease in the number of court appearances.

⁸¹ Smith C.S., New York Times, ‘Homeless Find a Champion in Canada’s Medicine Hat’, Feb. 26, 2017

⁸² Op.Cit.

⁸³ Edgar G., Moose Jaw Today, ‘Lessons from Medicine Hat’s first-in-Canada Functional Zero Homelessness Feb. 6, 2022

⁸⁴ Op.Cit.

⁸⁵2023-24 Service Delivery Plan, Medicine Hat Community Housing Society p.18

Medicine Hat's homeless experience can inform Nanaimo. For instance, between 2009-23, of those who had been on the street 55% experienced mental health conditions, 41% experienced physical health issues, 33% experienced substance abuse issues, 29% had experienced family violence, 19% had been in foster care, and 4% suffered from FASD (note: some had more than one issue). Of those who went through Medicine Hat's homeless programme in 2009-23, 84% had a positive exit from the program wherein they ended up in housing: 20% in subsidized housing, 62% in market housing, 9% with family/friends and 9% in other forms of housing. In 2022-23, 94% had a positive exit from the program. While the 84% and 94% exit into housing points to a successful programme, Medicine Hat continues to provide supports for many who have been housed and those who returned to the street.

Medicine Hat provides some vital lessons for Nanaimo. A 'Teams' interview with Jaime Rogers, Manager Homeless and Housing Development Department pointed out several key lessons⁸⁶:

- Cost avoidance is central to effectively managing scarce financial resources. "You can't do it all." Manager Roger's experience confirms that first year costs are high and that investment in re-training and staffing are high to ensure relevance. In addition, they have found that if they start something new then they need to stop something else. Their "focus is on programme effectiveness rather than program expansion"; making do with the same to accomplish more.
- The use of a Coordinated Access System (CAS) needs to identify who is served first and why (much like a hospital's emergency department). To do that, "there needs to be an organisation – a backbone organisation - that has complete oversight that ensures quality of delivery of service and supports". (ibid)
- A systems response is "instrumental to focus on the quality of the entire system". (ibid)
- Medicine Hat has determined that "their first priority is helping the dying". (ibid) In addition, being objective is important.
- "Prevention work is critical." As Jaime Rogers noted, "opioid addictions change everything." In addition, "Medicine Hat does lots of housing loss prevention." (ibid)

Of particular note, Medicine Hat has had a relatively successful outcome to its adoption of Housing First. The City has acknowledged that much of its success comes from its approach of combining the Housing First model with essential wraparound supports (i.e., it has used a model similar to Basel). Further, while it has twice declared that it has addressed chronic homelessness, it has also confirmed that its homeless population will fluctuate as economic and social needs change. Medicine Hat continues to be recognised as a leader in addressing homelessness.

5.2 London Ontario

London (population 420,000) has developed a unique response to its homeless population of 2,000. The city organised three Health and Homeless Summits that produced a report entitled: People Centred and Housing Centric Health and Homelessness in London Ontario: A Whole of Community System Response (February 2023). The report notes that "We believe that housing is healthcare and a fundamental human right".⁸⁷ The three summits involved 200 individuals representing 70 organisations and a pledge "to do things differently". (ibid) In addition, there was agreement that there were multiple entry points

⁸⁶ Interview with Jaime Rogers, Manager, Homeless and Housing Development Department, Medicine Hat Community Housing Society, December 18, 2023

⁸⁷ City of London, People Centred and Housing Centric Health and Homelessness in London Ontario: A Whole of Community System Response (February 2023) p.5

or referral sources for assistance and support and that each and every ‘door’ used to ‘enter’ the homeless conversation was appropriate.

London has identified ‘hubs’ as a focal point for addressing homeless needs. There will be 12-15 hub locations across the community with 5 to start. It is projected that 25-30 people would be served per location. In addition, there will be 100 support housing units built immediately with a total of 600 over three years. Those hubs will be fully supportive and comprehensive providing: coordinated multi-agency intake, coordinated outreach & warm transfers, transportation, basic needs (food, shower, laundry, rest), quick access to acute & primary care, housing access support, income supports, integrated care planning, translation, intentional connections to health & wellness services (e.g. harm reduction via Carepoint mental health, treatment, stabilization, general medical), 24/7 safe spaces (population-specific, including private, semi-private, congregate, flexibility to come and go), transitional, medical respite and crisis stabilization beds, justice system services, and one number to call for referral. (*ibid*) As well, “there is a continued focus on prevention and advocacy to address the systemic issues that cause community members to experience health and homelessness issues”.⁸⁸

At the same time London has 300 people living in tents. To address tent homeless, London has gone farther than most. “Instead of clearing tent dwellers out, the city has built portable toilets and washing stations, and given people resources to keep their shelters clean and safe.”⁸⁹ In July it set up four “depots,” open for 90 minutes a day, close to encampment sites. “There, staff started handing out snacks, socks, soap and a host of other everyday items. They also directed visitors to help finding housing or getting addiction treatment. To prevent sprawling tent cities from springing up, the city tries to keep encampments to six tents or less. It asks campers to keep their shelters as inconspicuous as possible, set back from bike paths or playgrounds”. (*ibid*)

London’s approach is focused on making life for street people less stressful, healthier and more acceptable. But, its ‘housing’ targets seem to be less than needed and its acceptance of tent living troubling.

5.3 Findings

The review of selected other communities points to workable solutions to address homelessness. While learning from others helps point the way, the differences of culture, politics and resources must also be considered. Nevertheless, in the case of the aforementioned example communities, there are some common elements of success that can be applied to Nanaimo. For instance, the 2007/8 work of Nanaimo’s Working Group on Homelessness is vindicated by the overwhelming success of the Housing First approach to homelessness that is demonstrated in Basel, Finland and Medicine Hat. It is worth exploring in detail.

Operationalizing homeless intervention structures and processes seems to vary from internal local government controlled interventions (Basel), to state controlled processes (Finland) to third party empowered organisations (Medicine Hat).

⁸⁸ Op.cit. p.10

⁸⁹ Marcus, Gee ‘Faced with growing homeless encampments London Ontario tries hospitality instead of hostility’, [Globe and Mail](#), November 20, 2023

5.4 Implications for action

1. Housing First has proven successful and is explored in detail (see 6.3.1 below).
2. Political and administrative leadership is an important common element that is required to foster long term success.
3. Identifying a lead agent/agency/structure in addressing homelessness is essential to ensure coordinated and accountable action.

6. A Way Forward

There are a number of lessons noted in the preceding section that point to ways where Nanaimo could reduce the number of homeless people over the near and long term. Several are explored below.

Fundamentally, however, as noted by London Ontario, “bolstering affordable and quality housing options, as well as ensuring that citizens at risk of losing their homes are kept housed will be critical long-term preventative measures”.⁹⁰ Professor Dittman of Basel confirmed this when he said, “it is a mistake to respond to homelessness as an emergency” (as we often do in Nanaimo) rather “it is better to address it in a preventive proactive way”⁹¹.

Based upon a review of the literature, observation and interviews, it is my view that Housing First has proven to be an effective tool at addressing homeless needs.

6.1 Canadian attitudes about homelessness

A 2020 Nanos poll “confirms a strong majority of Canadians—across the country and across the political spectrum—support urgent action on homelessness and investments in affordable housing as part of the pandemic recovery.” Further, the poll noted the following:

- Canadians rate the urgency of ending homelessness a 7.5 out of 10.
- Over 8 in 10 Canadians say they support or somewhat support investing in building new affordable housing

This broad support for addressing homelessness provides a foundation upon which to build an achievable homelessness implementation strategy.

6.2 Nanaimo’s Official Community Plan: City Plan 2022

Nanaimo’s Official Community Plan provides solid support for addressing housing affordability.

Nanaimo’s City Plan provides the direction for future land use policy and practice in the city. It contains 30 affordable housing policies and actions to address the city’s housing supply gaps and needs (C3.2). The desired outcomes of these tools and policies include: • More affordable housing options; • Ongoing leadership; • Equitably distributed affordable housing options; • Low- to moderate-income households continuing to succeed; • Affordable housing innovations; • Strong community support and trust; and • Leveraging of external resource opportunities.⁹²

⁹⁰ <https://www.sdgcities.ca/2023/04/04/the-cost-of-chronic-homelessness-and-solutions-for-the-city-of-london/>

⁹¹ Interview June 2, 2023 Professor Jörg Dittman of University of Applied Sciences Northwestern

⁹² City of Nanaimo Housing Needs Report, CitySpaces 2023

As a result the community has provided direction to address affordability and through that some aspects related to homelessness.

6.3 Housing First: An Idea that has found its time

In the 1980s, a Canadian psychologist working in New York had an idea: maybe the best way to solve the problem of homelessness was to give people homes. Sam Tsemberis was one of the earliest proponents of a model known as Housing First. The idea was viewed as outlandish and unworkable.

Skeptics argued that complex issues like addiction and mental health had to be addressed first before someone was a suitable candidate for long-term housing. How would the cost be justified to hardworking taxpayers?

But the idea has caught on.

Housing First projects have appeared in municipalities across Asia, Europe and North America, including Medicine Hat, Alta.⁹³

6.3.1 Housing First

As noted above, Housing First has become a very successful approach to addressing chronic homelessness. But, what does it mean for Canada and Nanaimo, and what are its essential elements?

York University's Canadian Observatory on Homelessness and the homeless hub identify a number of Core Housing First Principles:

1. Immediate access to permanent housing with no housing readiness requirements. Housing First involves providing clients with assistance in finding and obtaining safe, secure and permanent housing as quickly as possible. Key to the Housing First philosophy is that individuals and families are not required to first demonstrate that they are 'ready' for housing. Housing is not conditional on sobriety or abstinence. Program participation is also voluntary. This approach runs in contrast to what has been the orthodoxy of 'treatment first' approaches whereby people experiencing homeless are placed in emergency services and must address certain personal issues (addictions, mental health) prior to being deemed 'ready' for housing.

2. Consumer choice and self-determination. Housing First is a rights-based, client-centred approach that emphasizes client choice in terms of housing and supports.

Housing - Clients are able to exercise some choice regarding the location and type of housing they receive (e.g. neighbourhood, congregate setting, scattered site, etc.).

Choice may be constrained by local availability and affordability.

Supports – Clients have choices in terms of what services they receive, and when to start using services.

3. Recovery orientation. Housing First practice is not simply focused on meeting basic client needs, but on supporting recovery. A recovery orientation focuses on individual well-being, and ensures that clients have access to a range of supports that enable them to nurture and maintain social, recreational, educational, occupational and vocational activities.

⁹³ ⁹³ CBC *Sunday Magazine*, 'Housing is a human right; How Finland is eradicating homelessness', January 24, 2020

For those with addictions challenges, a recovery orientation also means access to a harm reduction environment. Harm reduction aims to reduce the risks and harmful effects associated with substance use and addictive behaviours for the individual, the community and society as a whole, without requiring abstinence. However, as part of the spectrum of choices that underlies both Housing First and harm reduction, people may desire and choose ‘abstinence only’ housing.

4. Individualized and client-driven supports. A client-driven approach recognizes that individuals are unique, and so are their needs. Once housed, some people will need minimum supports while other people will need supports for the rest of their lives (this could range from case management to assertive community treatment). Individuals should be provided with “a range of treatment and support services that are voluntary, individualized, culturally-appropriate, and portable (e.g. in mental health, substance use, physical health, employment, education)” (Goering et al., 2012:12). Supports may address housing stability, health and mental health needs, and life skills.

Income supports and rent supplements are often an important part of providing client-driven supports. If clients do not have the necessary income to support their housing, their tenancy, health and well-being may be at risk. Rent supplements should ensure that individuals do not pay more than 30% of their income on rent.

It is important to remember that a central philosophy of Housing First is that people have access to the supports they need, if they choose. Access to housing is not conditional upon accepting a particular kind of service.

5. Social and community integration. Part of the Housing First strategy is to help people integrate into their community and this requires socially supportive engagement and the opportunity to participate in meaningful activities. If people are housed and become or remain socially isolated, the stability of their housing may be compromised. Key features of social and community integration include:

Separation of housing and supports (except in the case of supportive housing)

Housing models that do not stigmatize or isolate clients. This is one reason why scattered site approaches are preferred.

Opportunities for social and cultural engagement are supported through employment, vocational and recreational activities.

While all Housing First programs ideally share these critical elements, there is considerable variation in how the model is applied, based on population served, resource availability, and other factors related to the local context. There is no ‘one size fits all’ approach to Housing First.⁹⁴

In addition a 2014 study⁹⁵ entitled, National At Home/Chez Soi Final Report, identified Housing First as an important tool to help address homelessness. It provided seven key findings:

1. Housing First can be effectively implemented in Canadian cities of different size and different ethnoracial and cultural composition.
2. Housing First rapidly ends homelessness.
3. Housing First is a sound investment.
4. It is Housing First, it is not housing only.

⁹⁴ <https://www.homelesshub.ca/solutions/housing-accommodation-and-supports/housing-first>

⁹⁵ Paula Goering, Scott Veldhuizen, Aimee Watson, Carol Adair, Brianna Kopp, Eric Latimer, Geoff Nelson, Eric MacNaughton, David Streiner & Tim Aubry (2014). National At Home/Chez Soi Final Report. Calgary, AB: Mental Health Commission of Canada.

5. Having a place to live with supports can lead to other positive outcomes above and beyond those provided by existing services.
6. There are many ways in which Housing First can change lives.
7. Getting Housing First right is essential to optimizing outcomes.

Further, the Government of Canada is supportive of housing first and states:

Housing First involves moving people experiencing homelessness —particularly people experiencing chronic homelessness—rapidly from the street or emergency shelters into stable and long-term housing, with supports. Stable housing provides a platform to deliver services to address issues frequently faced among the chronically and episodically homeless. The goal is to encourage housing stability and improved quality of life for persons served by Housing First and, to the extent possible, foster self-sufficiency.⁹⁶

The Government of Canada went on to note that **“the Housing First approach is supported as a proven approach to tackling homelessness, including chronic homelessness, which remains an important priority.”** (*ibid*) (my emphasis)

In Nanaimo, Island Crisis Care Society has adopted Housing First. It notes that “Housing First provides housing and support without requiring sobriety. Those unfamiliar with the science behind this model sometimes question the wisdom of ‘giving addicts housing.’ The concern is that the pressure to work hard will be removed and people will become a drain on society. We take the concern seriously, and choose a neighbourly response. First a good neighbour cares for people with no strings attached . . . Then a good neighbour encourages independence and interdependence with the wider community.”⁹⁷ Further, “when people have a safe place to live, the threat of homelessness recedes. The results can be powerful . . . An important part of Housing First is offering medical and psychological supports once the brain calms down. In our programs, when that happens, clients turn again and again, to the work of developing themselves”. (*ibid*)

As noted in the Nanaimo’s Working Group on Homelessness Report after implementing Housing First with associated supports: “there is a perceived decrease in use of expensive publicly funded services such as ambulances, emergency room visits, doctor’s appointments and calls to police”. Further, “communities that have adopted a supported housing first approach have seen significant decreases in their homeless population”.⁹⁸

6.3.2 Housing First and Harm Reduction

Nanaimo’s Working Group (2008) on Homelessness identified a path forward in *A Response to Homelessness in Nanaimo: A Housing First Approach*. Much of the content of that report applies today. The following provides a detailed overview of how housing first and harm reduction go hand in hand:

Traditionally, there was a view that homeless individuals needed to become “housing ready” before being placed in permanent housing. This would involve a period of transitional housing and access to treatment and other programs. In contrast, “Housing First” approaches are based on the idea that stable housing enables individuals to better address their barriers to

⁹⁶ (<https://www.infrastructure.gc.ca/homelessness-sans-abri/resources-ressources/housing-first-logement-abord-eng.html>)

⁹⁷ <https://www.islandcrisiscaresociety.ca/programs/orca-place/>

⁹⁸ ⁹⁸ CitySpaces, *Response to Homelessness in Nanaimo: A Housing First Approach: Best Practices, January 2008* p.4

employment, addictions and poor health. Research has shown that formerly homeless individuals, even those with multiple barriers, can successfully maintain their housing when they have supports in place appropriate to their needs.

A harm reduction or “low demand” approach combined with supportive housing has been widely reported to be an effective way to address the needs of homeless people with substance use issues. Proponents of housing first and harm reduction approaches purport that most people who are homeless can be successfully housed if they are given the right supports when they want them. These approaches are therefore viewed as a means to help end homelessness.

- **Use of a continuum approach to address homelessness.** Typically, a range of housing options and services are needed to address homelessness. This includes alcohol and drug-free environments to accommodate individuals who are in treatment or recovery. It also includes policies and programs that use a housing first approach so that people who are homeless can have direct access to permanent housing, with support as needed.
- **Adoption of Housing First.** Safe and secure housing is identified as a key factor that makes it possible for residents/program participants to address their substance use issues and to become abstinent, reduce their substance use or reduce the negative impacts of their use.
- **Implementation of a continuum of care.** A continuum of care model ensures a full range of services is provided by community agencies to move homeless persons from the street or shelter to a stable and secure life and to prevent the cycle of homelessness from repeating itself.
- **Types of services.** Harm reduction programs and services include street outreach, drop-in centres, information groups that allow people who are actively using drugs to take part in treatment activities, “wet” shelters or housing that does not require abstinence.⁹⁹

Further, “it is generally acknowledged that clients participating in harm reduction programs undergo positive changes related to housing stabilization, substance use, physical and mental health and income. Some clients participate in employment training, return to school, are able to develop social networks or re-establish contact with their families”. (*ibid*)

In the preceding report, Nanaimo explored and identified housing first as a workable and acknowledged way of addressing homelessness. It is time to recognise that important work was prescient and should be the foundational element of a homelessness strategy in Nanaimo.

6.3.3 Housing First is Cost Effective

Housing-First strategy proves cost effective especially for the most-vulnerable homeless . . . investing in Housing First for people struggling with homelessness and severe mental illness is the most cost-effective way of spending limited public dollars to help these individuals regain and keep permanent housing.

Most of the costs of Housing First for people struggling with severe mental illness are offset by savings in other areas like emergency shelters, reducing the price of the intervention from about \$20,000 to \$6,300 (69%) per person per year. For people with moderate needs, the intervention is less expensive, about \$14,500, and the savings are smaller (46%), so the net cost is \$7,900. The cost for one more day of stable housing is about \$42, compared to \$56 for people with moderate needs. In either case, Housing First costs about the same as many other housing

⁹⁹ *A Response to Homelessness in Nanaimo: A Housing First Approach: Relevant Best Practices, City Spaces Ltd. January 2008*

interventions that provincial governments already pay for, while providing permanent instead of temporary housing.¹⁰⁰

As Eric Latimer, a Professor in the Department of Psychiatry at McGill University and Research Scientist at the Douglas Research Centre notes “We know that Housing First is a cost-effective solution for people with moderate needs; this new research demonstrates that for people with the most needs, the savings are even more dramatic. You get more bang for your buck by serving this group, in terms of reducing costs of shelters, health visits, and incarcerations”.¹⁰¹

“Housing First has also been shown to be more cost-effective than traditional rapid rehousing efforts. According to research from NAEH (National Alliance to End Homelessness), the average cost savings of a Housing First program can range from \$23,000 to more than \$31,000 per program participant”¹⁰². “In addition, housing for people with mental illness should be framed from a moral-ethical perspective rather than an economic perspective. We concur that housing should be viewed as a human right”¹⁰³. A study from Finland notes: “(Funding a) Housing First” programme . . . is far less than the cost of homelessness itself. Because when people are in emergency situations, emergencies are more frequent: Assaults, injuries, breakdowns. The police, health care and justice systems are more often called upon to step in – and this also costs money. In comparison, “Housing First” is cheaper than accepting homelessness: Now, the state spends 15,000 euros less per year per homeless person than before”¹⁰⁴. Medicine Hat has also confirmed that Housing First is cost effective when compared to leaving people un-housed¹⁰⁵.

6.4 The Four Pillar Approach

To be successful, Housing First needs to be aligned with a successful drug programme, such as Switzerland’s four pillar approach. Switzerland developed the highly regarded four pillar approach to substance abuse in the ‘90’s. It is a model that continues to be used in Switzerland and replicated in many other countries. It is based on the following:

- *Harm reduction* helps to reduce the negative consequences of drug use on the consumer and indirectly on society as well, by providing individually tailored and socially less problematic ways of consuming drugs.
- *Therapy or treatment* helps to reduce drug consumption by enabling users to break free of their dependency and to stay free of it, or at least by keeping this option open to them. In addition it promotes the social integration of those under treatment and helps to improve their health.
- *Prevention* helps to reduce drug consumption by making it harder to start using drugs and by preventing the development of addiction.
- *Law enforcement* uses appropriate regulatory measures to implement the prohibition of illegal drugs, thus helping to reduce the negative consequences of drug taking for society as a whole¹⁰⁶

¹⁰⁰McGill Newsroom [Housing-First strategy proves cost effective especially for the most-vulnerable homeless](#) August 2020

¹⁰¹ Op.cit.

¹⁰² <https://kmb.camh.ca/eenet/resources/evidence-glance-housing-first-and-costs>

¹⁰³ Davis R., ‘How to Fix Housing First’, [In Housing First](#), July 2022

¹⁰⁴ <https://scoop.me/housing-first-finland-homelessness/>

¹⁰⁵ *2023-24 Service Delivery Plan*, Medicine Hat Community Housing Society

¹⁰⁶ <https://www.drugpolicyfacts.org/node/1681>

The City of Vancouver has adopted the four pillar approach. The City of Vancouver confirms the following:

Successfully used in such cities as Geneva, Zurich, Frankfurt, and Sydney, this four pillars approach has resulted in a:

- Dramatic reduction in the number of drug users consuming drugs on the street
- Significant drop in overdose deaths
- Reduction in the infection rates for HIV and hepatitis.

The prevention pillar includes strategies and interventions that help prevent harmful use of alcohol, tobacco, and both illegal and prescription drugs. In November 2005, Council unanimously endorsed the drug policy prevention plan, Preventing Harm from Psychoactive Substance Use. The plan is the result of extensive research and diverse community consultations.

The plan is also the first of its kind at the municipal level in Canada. It is comprehensive, integrated, and based on the best evidence and research available. It aims to expand awareness, understanding and discourse around prevention.

The treatment pillar includes a range of interventions and support programs that encourage people with addiction problems to make healthier decisions about their lives. Treatment improves health by decreasing preventable deaths, illnesses and injuries, while improving social integration¹⁰⁷.

The four pillar programme has proven to be an effective and critical tool to address substance abuse-related homelessness. It is needs to be adopted as part of a Housing First program in Nanaimo. And, fundamentally it must be delivered in a collaborative and coordinated approach. The former BC Coroner spoke to that essential need when she said: "I want to be hopeful that we can turn this crisis around and I think it takes courage, and I'm ever hopeful our political leaders whether elected or not will at some point recognize [it]," she said. "It sounds naive, but we need to collaborate if we truly want to reduce the suffering that we're seeing and the deaths we are experiencing."¹⁰⁸

6.4.1 Addressing drug use

Starting in 1991, Switzerland began a major paradigm shift based on the concept of harm reduction: it decriminalized drug consumption, and to stop overdose deaths and the spread of HIV/AIDS, it opened clean, supervised consumption rooms where users can inject themselves with substances they bring in and exchange used needles for clean ones. "The offers of help no longer reached just the drug users who wanted to quit, but also those who were still unwilling or not capable of doing it."¹⁰⁹

"The cost savings for its opioid abuse treatment programs have been great: the six-month cost to the Swiss government for treating a person in its outpatient methadone treatment was \$1,750, compared to \$20,000 for six months of incarceration, or \$21,500 for not providing any treatment . . . The prevalence of opioid dependence has remained fairly constant, however those who get addicted, stay addicted. But new cases of opioid use have fallen to almost zero."¹¹⁰

¹⁰⁷ City of Vancouver <https://vancouver.ca/people-programs/four-pillars-drug-strategy.aspx>

¹⁰⁸ Meissner, D., 'B.C.'s chief coroner exits, frustrated and disappointed with government's OD response' in *The Vancouver Sun*, December 13, 2023

¹⁰⁹ <https://psychnews.psychiatryonline.org/doi/full/10.1176/appi.pn.2018.6b15>

¹¹⁰ Op cit

Other positive results include “a huge drop in overdose deaths, crime, and the spread of HIV and hepatitis”¹¹¹. In addition, participants have “improved social functioning and employment.”¹¹² Further, “Czechia, the Netherlands, Portugal and Switzerland are among a handful of countries that have decriminalized drug use and possession for personal use and that have also invested in harm reduction programmes. Consequently, diagnoses among people who inject drugs in those countries are low”.¹¹³

6.5 Findings

Housing First has been an important and proven approach across many jurisdictions. It has been studied and documented by many researchers as a proven tool. Likewise the use of harm reduction, prevention, treatment and law enforcement have been essential ‘backstops’ for the successful application of Housing First. Simply, Housing First requires appropriate wraparound supports in order for it to be successful. The two go hand-in-hand.

6.6 Implications for action

There are number of key takeaways from the preceding analysis:

1. Continued supportive leadership at the municipal and provincial level is key to a sustained, informed and committed intervention to address homelessness.
2. Homelessness and housing affordability should not be decoupled, both are mutually related.
3. Actions need to be coordinated across all delivery organisations, sectors and government agencies to ensure that programme interventions are holistic, integrated, sustained, transparent, focused and accountable and that results address the disparate needs of the homeless.
4. Long term investment of financial and programme resources is essential with associated monitoring of results, needs and potential re-focus as homeless needs change over time.
5. Housing First with associated wraparound services and supports is a proven successful model and should be adopted for Nanaimo so that homeless people are housed first without conditions but with required services and supports to ensure their safety and well-being from self harm and from others.
6. As part of Housing First the four pillar substance abuse programme of harm reduction, treatment, prevention and enforcement proven to be successful across many countries and cultures should be adopted in Nanaimo.
7. There needs to be a continuum of care and intervention from ensuring that currently housed people remain housed and those living on the streets with chronic exacerbated substance abuse, brain injury and/or mental health issues receive immediate and specialised care, support, services and housing.
8. A commitment is required that identifies unique Nanaimo-based needs and requirements by establishing and implementing a Nanaimo-centric homeless strategy that builds on the lessons from elsewhere, including Housing First with wraparound services and supports as well as the four pillar substance abuse programme.

¹¹¹ Op.cit

¹¹² Op. cit

¹¹³ UNAIDS, ‘Decriminalization works, but too few countries are taking the bold step’, March 2020

9. Recognise that Medicine Hat’s successful Community Housing Society and its Homeless and Housing Development Department that functions as the Community Based Organization and Community Entity addressing homeless is similar to Nanaimo’s Systems Planning Organization which bodes well for potential success in Nanaimo.
10. Consider using ‘Homeless Management Information Systems’ (also used by Canada’s ‘About Reaching Home’ initiative) to manage homeless numbers, needs, services, supports, housing allocation and outcomes.
11. Monitor and share homeless intervention outcomes on a yearly basis including successes, issues, challenges and benefit/cost findings.
12. Recognise that, once homeless numbers decrease, there needs to be a continued long term commitment to invest in managing all aspects that contribute to homelessness so that its numbers are not allowed to balloon again.

7. Supporting and Funding a Homeless Action Plan for Nanaimo

As the number of homeless across Canada continues to grow, senior levels of government are beginning to take notice and commit increased resources to address this systemic issue. The following section examines British Columbia and Government of Canada potential supports to address homelessness in Nanaimo.

7.1 City of Nanaimo

Unlike many European countries where homelessness is addressed through unique tax systems¹¹⁴, Nanaimo is limited in terms of its ability to fund homeless initiatives. Property taxes are the largest tax pool for most Canadian local governments but their ability to fund major projects such as homelessness is limited. Therefore, the City of Nanaimo can coordinate homeless initiatives but it cannot fully fund them. Other senior levels of government must and should step forward to partner with Nanaimo to address homelessness.

Nevertheless, local governments need to be much more proactive in addressing homelessness if they are to reduce the detrimental impacts of homelessness on the lives of those directly affected and the population at large. Nanaimo could develop and initiate a robust senior government homelessness ask by approaching senior governments in concert with SPO and key member organisations.

7.2 Provincial Government role

British Columbia has a major jurisdictional and financial role to play in addressing homelessness. There are a number of programmes that service a cross-section of homeless or at risk of homeless needs. They include:

- **Homes for People:** designed to speed up delivery of new homes and increase the supply of middle-income small-scale, multi-unit housing that people can afford, including town homes, duplexes and triplexes through zoning changes and proactive partnerships. It will focus on the provision of rental units. The programme includes \$4 billion budget over three years and a commitment to invest \$12 billion over the next 10 years.
- **Belonging in B.C.** is the Province’s collaborative plan to prevent and reduce homelessness. The plan includes immediate actions backed by \$633 million in Budget 2022 (over three years) and

¹¹⁴ Basel Switzerland and other Swiss Cantons are able to raise funds through income and corporate taxes. Finland funds homeless programmes at the federal level.

\$1.5 billion in Budget 2023 to help thousands of people maintain and access housing and supports.¹¹⁵

- Outreach services aim to meet people where they are, whether that's on the street, in a shelter or in a temporary place.
 - o The Homeless Outreach Program helps people find an outreach worker and access immediate supports in their community.
 - o The Homeless Prevention Program supports individuals at transition points who are at greater risk of homelessness (for example, youth transitioning out of foster care). The program provides rent supplements and services to help individuals access the private rental housing market.
 - o Community Integration Specialists connect people experiencing homelessness with local agencies and organizations offering supports.¹¹⁶
- Homeless Community Action Grants Program: Since 2019 SPARC BC received \$12 Million of which two Nanaimo organisations received a total of \$70,000 to explore homeless issues.
- Shelters and Supportive Housing: emergency shelters, modular housing¹¹⁷, supportive housing (helps people experiencing or at risk of homelessness find and maintain stable housing), women in transition housing (help women who are at risk of or who have experienced violence. Women and children are provided a temporary place to stay) and complex care housing (provides long-term care and support to people who may be experiencing: mental health challenges, substance use challenges, developmental disability and brain injury).
- Homeless encampments: help people in encampments to: stay safe and healthy find stable housing and access support services.

Through the preceding programmes, the BC Government has committed to addressing the various layers that contribute to and affect homeless people. Further the BC Government admits more needs to be done. For instance, more recently, “the British Columbia government says results from the latest surveys of people living on the streets show current support levels aren’t enough and more services are needed to address rising homelessness”.¹¹⁸

The foregoing suggest that the time is right for Nanaimo to work with SPO to initiate a collaborative framework with the provincial government and lobby forcefully for funding from the preceding areas to address Nanaimo’s significant homeless needs. The Homeless Community Action Grants Program offers a source for further defining needs, solutions and operational plans.

It is my contention that, in response to the recent government statements about the need to act on homelessness, there is a significant opportunity for Nanaimo to take action, set clear Housing First goals and become a leader in British Columbia in addressing those at risk of losing their home (and ending up on the street) and homelessness in a holistic progressive way.

¹¹⁵ <https://www2.gov.bc.ca/gov/content/housing-tenancy/affordable-and-social-housing/homelessness>

¹¹⁶ Op.cit.

¹¹⁷ Modular housing offers an extraordinary means of addressing the cost of housing. See: <https://www.cbc.ca/listen/live-radio/1-63/clip/16026200>

¹¹⁸ Globe and Mail, ‘More supports needed to address homelessness, B.C. government says after survey’ October 6, 2023

7.3 Federal Government role

Until the mid '80's the federal government was a major player in the provision of affordable housing across the country. Since then its role has diminished significantly in the delivery of affordable housing. More recently, realising that housing affordability has created a serious social and economic impact on the marginalised, the federal government has committed significant financial resources to try and increase affordable housing stock. Canada Mortgage and Housing Corporation (CMHC) and Infrastructure Canada have been tasked with implementing the federal government's new programmes.

The following explores two of those major initiatives.

7.3.1 Reaching Home:

Canada's Homelessness Strategy is a community-based program aimed at preventing and reducing homelessness across Canada. This program provides funding to urban, Indigenous, rural and remote communities to help them address their local homelessness needs.

Reaching Home supports the goals of the [National Housing Strategy](#), in particular, to support the most vulnerable Canadians in maintaining safe, stable and affordable housing and to reduce chronic homelessness nationally by 50% by fiscal year 2027 to 2028.

In 2019, the federal government committed \$2.2 billion to tackle homelessness. Since the commitment has increased to nearly \$4 billion over 9 years.

Reaching Home is a community-based program delivered by a local Community Entity . . . In each community, a Community Advisory Board or a Regional Advisory Board supports the Community Entity by coordinating partnerships with homelessness stakeholders and establishing priorities to prevent and reduce homelessness in the community or region.

A Community Entity is normally an incorporated organization, such as a municipal government or an established not-for-profit organization that enters into a funding agreement with Employment and Social Development Canada. The Community Entity brings together community stakeholders to form a Community Advisory Board to help develop a community plan. The Community Entity also has the responsibility to implement the community plan, solicit project proposals, approve projects, contracts, monitor all agreements with third-party service providers, and prepare contribution agreements, report on its activities and disbursements, collect and share data and information and report on the community results¹¹⁹.

'Reaching Home' offers significant financial resources to support: housing services (transitional housing, permanent supportive housing, long term housing), housing placement, emergency housing funding, prevention and shelter diversion (at risk of losing housing), basic needs services, clinical and treatment services, economic integration services and capital investments. It appears SPO fits the Community Entity requirement.

7.3.2 National Housing Strategy

The federal government has earmarked \$82 Billion for the National Housing Strategy.

The federal government is re-engaging in affordable housing through the National Housing Strategy. It provides a platform for the public, private and non-profit sectors to come together. Their collaborative efforts will provide more Canadians with a place to call home.

¹¹⁹ <https://www.infrastructure.gc.ca/homelessness-sans-abri/index-eng.html>

The goal of this historic strategy is to make sure Canadians across the country can access housing that meets their needs and that they can afford. Over the next 10 years, the Strategy will:

- cut chronic homelessness in half
- remove 530,000 families from housing need
- invest in the construction of up to 160,000 new homes

To achieve the goal, the strategy will first focus on the most vulnerable Canadians first.¹²⁰

Further, “expanded and reformed federal homelessness programming, a new Canada Housing Benefit, and a rights-based approach to housing will ensure that the National Housing Strategy prioritizes the most vulnerable Canadians including women and children fleeing family violence, Indigenous peoples, seniors, people with disabilities, those dealing with mental health and addiction issues, veterans and young adults”.¹²¹

Specific elements include:

National Housing Co-Investment Fund: The National Housing Co-Investment Fund is expected to create up to 60,000 new units of housing and repair up to 240,000 units of existing affordable and community housing. The Fund will consist of nearly \$4.7 billion in financial contributions and \$11.2 billion in low interest loans. The Government’s recently announced Rental Construction Financing Initiative will be integrated into the National Housing Co-Investment Fund, as will the Government’s recently created Affordable Rental Innovation Fund. The National Housing Co-Investment Fund will attract partnerships with and investments from the provinces and territories, municipalities, non-profits and co-operatives, and the private sector, to focus on new construction and the preservation and renewal of the existing affordable housing supply. The Fund will support more shelter spaces for survivors of family violence, transitional and supportive housing, new and renewed affordable and community housing, and ways of making homeownership more affordable.¹²²

Canada Community Housing Initiative: (\$4.3 billion fund) the federal government will support the provinces and territories as they protect and build a sustainable community-based housing sector. In order to participate in the program, provinces and territories will be required to cost-match this funding. This level of funding will enable provinces and territories to protect affordability for the total number of households currently living in community housing administered by provinces and territories and supported by former federal programs. It will also support repair and renewal of the existing supply, and expansion of the supply of community-based housing.¹²³

Canada Housing Benefit (\$ 4 billion benefit). Designed to meet local needs and delivered by provinces and territories, the Canada Housing Benefit will be a new tool to fight the challenge of housing affordability. Launching in 2020, the Canada Housing Benefit will provide affordability support directly to families and individuals in housing need, including potentially those living in social housing, those on a social housing wait-list, or those housed in the private market but struggling to make ends meet. The Government estimates that the Canada Housing Benefit will deliver an average of \$2,500 per year to each recipient household. Over time, the Canada Housing Benefit will grow to support at least 300,000 households across the country.¹²⁴

¹²⁰ <https://www.placetocallhome.ca/what-is-the-strategy>

¹²¹ Government of Canada, Canada’s National Housing Strategy, A Place to Call Home, n.d. p. 3

¹²² Op.cit p.10

¹²³ Op.cit. p.12

¹²⁴ Op.cit. p.15

7.3.3 Implementation issues

As noted in the [Globe and Mail](#):

The federal departments tasked with curbing chronic homelessness in Canada don't know if the billions of dollars in public money they've spent have helped to get people into homes, Canada's auditor general reported.

Auditor General Karen Hogan found that the Canada Mortgage and Housing Corporation (CMHC) and Infrastructure Canada have failed to collect sufficient data about their programs, which are designed to connect the most vulnerable people with homes.

These two agencies are largely responsible for delivering the federal government's National Housing Strategy, which has a target of reducing chronic homelessness by 50 per cent by the 2027-28 fiscal year. But without data, there's no way to know if the government is getting good value for its money or if the 50 per cent target will ever be achieved, the AG said.¹²⁵

It is my view that the recent issues around accountability offer an opportunity for Nanaimo to develop and manage a resilient and transparent homelessness and housing affordability plan that helps the federal government point to the benefits of its ambitious Homelessness Strategy and National Housing Strategy.

7.4 Private Sector, Society and NGO Involvement

While of much of the focus of funding for non-market housing and housing first initiatives will rely on government support, there will be significant opportunities for private sector, housing society and NGO housing construction for niche housing that uses unique financing methods such as Foundations and fundraising. As well, private financing for market housing that is affordable (rental and owned) will be essential.

7.5 Findings

The two senior levels of government have committed significant funds to address affordability and through that homeless housing. But, there seems to be a disconnect between funding allocation and demonstrated need. Therefore, access to those funds will require considerable collaborative and coordinated efforts on the part of the SPO and the City.

Given that Nanaimo shares a higher proportion of both overall homeless people and drug use, it is incumbent on senior levels of government to facilitate addressing Nanaimo's plight.

7.6 Implications for action

1. A concerted carefully crafted ask will be needed to secure Nanaimo's share of senior government housing dollars.
2. SPO will need to play a lead supporting role in organising senior government asks.
3. Partnerships with private sector financing, NGO's and Societies will be a critical part of any successful housing initiative.

¹²⁵ Tasker J., [Globe and Mail](#), 'After spending billions, federal government doesn't know if it's reducing chronic homelessness: AG' November 15, 2022

8. Next Steps

Nanaimo has studied affordability and homelessness multiple times (See Section 2.1). Each time there has been a set of recommendations put forward that explored a range of actions. But, there has not been a concerted effort to address what many believe to be the most prudent, successful and cost effective approach to addressing homelessness: Housing First. Yet, it is interesting to recall that the first homeless study completed in Nanaimo was undertaken by a Nanaimo Working Group on Homelessness, a partnership strategy between service providers, local businesses and government agencies. That group in 2008 recommended a well documented Housing First strategy for Nanaimo. That recommendation was one year earlier than Medicine Hat's adoption of Housing First as their tool to address homelessness. As noted elsewhere, Medicine Hat has been able to document over 1,900 homeless people successfully taken off the street with 84% re-engaged back into society. And, while it is true that Medicine Hat continues to experience sporadic increases in homelessness, Medicine Hat's number of homeless for a population of 63,000 remains remarkably much lower than Nanaimo's homeless numbers (see: Section 5.1).

The previous Nanaimo studies documented in Section 2.1 were all well intended. They were all built on working collaboratively with service providers and government agencies. Many intended to address affordability and homelessness. But, at the end of 2023 the results are in. Nanaimo faces an increasing affordability and homeless crisis. Nanaimo's homeless population has increased dramatically with numbers likely approaching 800. Nanaimo is not able to provide enough shelter beds to get people off the streets during cold winter nights. In addition, unlike Medicine Hat which has detailed real homeless counts, Nanaimo continues to only estimate homeless numbers because so many are on the streets resulting in the system being overwhelmed.

This paper is a plea. It is a plea for the City of Nanaimo to recognise that past meaningful efforts have failed. They have failed badly leaving more and more people on the streets with associated opioid and use of other substances increasing significantly. This paper is a plea to recognise that Nanaimo's once thriving downtown will not return to its pre-pandemic energy until and unless the City addresses affordability and homelessness in a more fulsome way with the City of Nanaimo **leading** discussions with senior levels of government and setting out to become a leader in British Columbia in addressing affordability and homelessness.

To that end, **the City of Nanaimo should formally agree to explore Housing First as the means of working with others, including NGO's and senior governments, to become a model for all of British Columbia.** The time is right. The Provincial and Federal Governments are eager to participate in proven strategies and provide real time lessons for other local governments so that the affordability and homeless crisis is addressed and managed for all.

8.1 What will it take?

There are significant monies being spent to just keep homeless people homeless (my estimate \$21million per year). It is time to invest in long term housing and supports to take people off our streets and to prevent more entering the streets due to increasing costs of housing. Others have shown that taking people off the streets is a cost effective way to deal with homelessness. As documented elsewhere in this paper, not only does it save lives, it also reduces the costs on the health care system, policing and emergency services, on the private sector, on the toll on families and lives lost and on the fabric of everyday living.

8.1.1 Potential Housing Development Plan

To be successful a Housing First Plan will require municipal government leadership and coordination of financial and service and support resources from a diverse mix of interests and sources, including Government of Canada, Province of British Columbia, City of Nanaimo, the SPO, many NGO's, private sector lenders and design and construction industry. Together in partnership those sources can and should come together to address homelessness in Nanaimo.

8.1.2 Identifying the Numbers of Units and Types of Housing

Building on Table 1, Table 2 identifies the number and types of housing units needed over the next few years (2025-28 inclusive¹²⁶).

Table 2: Potential Type of Housing Response to Homeless Need (c.f. Table 1)

Number of homeless	Type of Homelessness	Type of Housing Provided	Percent Addressed
7	severely chronic	3.Special Needs Housing	100%
32	severe mental illness	3. Special Needs Housing	100%
96	mental health issues	2.New interim (up to 6 months) Shelter Housing 5.New supportive transition housing	100%
128	substance abuse issues	1.New emergency Shelter space	78%*
224	living on the street with minor issues	5.New supportive transition housing 6.Seniors affordable rental housing 7.New affordable rental family housing	100%
108	living in shelters	4.New youth in transition housing 6.Seniors affordable rental housing 7.New affordable rental family housing	100%
45	living partially on street and part-time couch surfing/living in vehicles/family/friends	4.New youth in transition housing 6.Seniors affordable rental housing 7.New affordable rental family housing	100%
160	remainder of homeless	4.New youth in transition housing 6.Seniors affordable rental housing 7.New affordable rental family housing	100%

*The remaining 22% will be accommodated in the following years as those initially taken in 'graduate' out to permanent rental units.

Table 3 links Table 1 and 2 by identifying the number and costs of building the required number of units to address Nanaimo's 2023 homeless population. Potential sources of funding are also identified.

¹²⁶ 2025-28 was chosen to give one year to develop and organise an implementation plan.

Table 3: Potential Housing Response to Homeless Need (c.f. Table 2)

Type of housing	Design type	Total Number of units by 2032	Total Units 2025 -30	Class 'C' Cost (does not include land cost) 2025-2030	Annual Support costs	Potential Source of funds
1. Emergency Shelter spaces	4 bldgsx25 beds with full supports	100 units	100	\$1,150,000/ 25 bed structure: \$4,600,000	\$37,000/ person \$3,700,000	-BC: Belonging in BC -NGO's
2 Low barrier shelter housing (up to 6 months)	5 buildings of 20 single rooms with common areas	100 units	60	\$1,650,000/5,000 sqft bldg 3bldgsx20 rooms: \$4,950,000	\$20,000/ Person \$1,000,000	-BC: Belonging in BC -Canada: Reaching Home -NGO's
3. Special needs housing for chronic health issues	10 buildings with 5 special needs individuals per building	50 units	40	\$1,350,000/ 5 resident/ homex8 homes@ 3,000sqft: \$10,800,000	\$40,000/ Person \$1,600,000	-BC: Belonging in BC -Children & Family Development -Indigenous Relations & Reconciliation; -Mental Health & Addictions
4. Youth in transition housing	4x6.000sqft buildings with 10 250sqft rooms plus common areas, dining, supports	40 units	20	\$2,400,000/10 youth in residence: 2 buildings: \$4,800,000	\$30,000/ Person \$600,000	-BC: Belonging in BC -Children & Family Development -Indigenous Relations & Reconciliation
5. New supportive transition housing	2x15,000sqft bldgs - 40 250sqft rooms plus common areas, dining, supports	80 units	80 units	2 bldgs \$6,000,000 each \$12,000,000	\$15,000/ Person \$1,200,000	-BC: Homes for People -Social Development & Poverty Reduction -Canada: Reaching Home
6. Seniors affordable rental housing	Ten buildings with 50 one bedroom apartments	500 units	200 units	\$200,000/unit (450 sq.ft.): 30,000 sq.ft. bldg \$13,500,000 or \$4,050,000 (assume 70% is financed through market; 30% is subsidized)	-	-Canada: Reaching Home -NGO's sponsor one building -City of Nanaimo builds one building + Ability to pay occupant rent

7.New* affordable rental family housing	Mix of townhouse, three/four stories blended in with market housing	341/year to meet City of Nanaimo Housing needs report: 2,728 units	400	300 x 1 bedroom @ 450sqftx\$400: \$54,000,000 100x2 bedroom @ 550sqft@\$400: \$24,750,000 \$78,750,000 or \$23,625,000 <i>(assume 70% is financed through market; 30% is subsidized)</i>	-	-BC: Homes for People -Canada: National Housing Co-investment Fund -Canada Community Housing Initiative - Private investment + Ability to pay occupant rent
New Units		3,648	900*	\$64,825,000	\$8,100,000	

*Note: While there are 900 units, the projected accommodated population includes seniors one bedroom with the potential to have two seniors per residence and 100 two bedroom rentals. The latter would address at risk young families.

Table 3 provides Class 'C' cost estimates and a short term and long term housing plan that can address current homeless numbers, reduce those at risk of losing their accommodation and provide affordable rental housing for those who are entering the housing market on low income.

8.1.3 Reallocating Resources to a Housing First Approach

As noted in Table 1, the City of Nanaimo, Province of British Columbia and a number of NGO's together spend in the order of \$21million annually (and growing as homeless numbers increase) to support those unable to afford or unable to live in accommodation. By adopting and implementing a Housing First approach, the current cost of 'managing' homeless people can be significantly reduced over time as housing options are provided. Clearly, in the absence of a robust housing programme, the numbers of homeless will only increase further taxing existing resources and increasing the costs well beyond the 2023 \$21 million estimate.

Table 4 provides an overview of the transformation of spending from street supports and services to a Housing First model where people are housed and supports provided.

Table 4: Reinvestment of Current Homeless Costs

Year	Costs of services/supports	Investments in Housing	Number of units	Cost Savings	Accumulative savings for reinvestment in housing
2023-24	\$21,573,000	Design stage	-	-	-
2024-25	\$22,000,000	1.New emergency Shelter space	50	-	-
		2.New interim (up to 6 months) Shelter Housing	20		
2025-27	\$20,400,00	1.New emergency Shelter space	50	\$1,600,000	-
		2.New interim (up to 6 months) Shelter Housing	40		
		3.New Special needs housing	40		
		4.New youth in transition housing	20		

2027-28	\$13,460,000	5.New supportive transition housing 6.Seniors affordable rental housing 7.New affordable rental family housing	80 100 150	\$6,940,000	\$8,540,000
2028-29	\$7,000,000	6.Seniors affordable rental housing 7.New affordable rental family housing	100 300	\$6,460,000	\$15,000,000
2029-30*	\$2,650,000		900	\$4,350,000	\$19,350,000

*Assumes 50 homeless remain on street at annual cost of \$53,000 per person.

As noted there is the potential for savings in the order of \$19 million per year. Over the period of five years those savings could total \$90 million. As a result, building housing to relocate people from a homeless state to being housed is affordable. Studies in Finland confirm that the costs savings are significant.

Further, over the long term the annual support costs identified in Table 3 (\$8,100,000) could be more reasonably covered through the aforementioned cost savings and when combined with the \$2,650,000 identified in Table 4, a total of \$10,750,00 would be available for provision of services and supports as needed.

8.1.4 On-going support services

As noted in Table 3 \$8,100,000 in annual support costs will be required to provide services and support to those in shelters, special needs housing, youth housing and supportive transitional housing. Further, there will be a continued long term need for supportive organisations such as Island Crisis Care Society and the Mid-island Canadian Mental Health Association to provide counselling, support, services and advice to those who have transitioned into affordable rental housing. Assuming Nanaimo will have a successful programme exit rate of 84% (Medicine Hat's rate) then the current system and associated financing should be able to manage those who require further on-going support.

8.1.5 Paying for it all

The preceding numbers are nothing less than intimidating especially for a municipality of 104,000 residents and 2022 Revenues of \$226,162,613. Yet, a continued growth in Nanaimo's homeless population will seriously further tax the financial, service and human resources of the city. Without intervention, the costs to service and support the homeless population could reach upwards of \$25,000,000 by 2028. As noted in Table 4, investments in housing will lead to a significant decrease in public dollars spent on servicing and supporting those who are homeless. Over seven years of strategic investment in non-market housing, there exists a potential to recoup \$19 million. After 2029/30, the savings could be upwards of \$19,000,000 per year or a total of \$171,000,000 by 2032. This suggests that the investment of \$65,000,000 in 900 housing units required by 2029/30 could be fully recovered (including land costs). Further, as the homeless population is housed and those at risk of being homeless decreases because of the implementation of a robust and fulsome Housing First programme, the demand for housing units that do not generate a rental income (i.e., shelters, emergency shelters and supportive transition housing) will drop significantly because the overall homeless population and those in need will also drop significantly. As other cities that have implemented Housing First have shown,

there is a high rate of return to society for those formerly homeless. For instance, Medicine Hat has experienced a return of 84% to being productive members of society. Assuming that of that 84%, who are no longer homeless (800 x's 84% or 672), a number will be contributing directly or indirectly taxes back into the city revenue stream, then there would be a net gain in tax revenue in the city. In addition, there would be an increase in available service industry and other workers in an economy where there exists a shortage of those workers.

In addition, there are a number of externalities or costs that will be saved but are difficult to quantify, such as a reduction in the loss of life due to overdoses, the reduction of brain injury from overdoses and the reduction in fractured families (and associated social supports). Further, there will be a reduction in private sector costs as homelessness becomes a manageable and less disruptive element on our city. Such outcomes have been experienced in Medicine Hat. In Basel and Finland life on the streets is 'normal' with no need for increased security. As well, quality of life for all increases as residents return to a vibrant and safe downtown (real and perceived) and homeless residents now live in a safe, housed and healthier lifestyle. While all benefits are not quantifiable, they are immeasurably important for all.

8.2 Recommendations

Section 2.1.1 provided a summary of Nanaimo's Working Group on Homelessness's Report *A Response to Homelessness in Nanaimo: A Housing First Approach* (2008). While this report is now 15 years old, it still provides a clear and well articulated outline of what needs to be done to implement a Housing First agenda across all of Nanaimo. As noted by the Nanaimo's Working Group on Homelessness "proponents of housing first and harm reduction approaches purport that most people who are homeless can be successfully housed if they are given the right supports when they want them. These approaches are therefore viewed as a means to help end homelessness".

The following key recommendations identified are based on the preceding research findings and upon the Nanaimo report, *A Response to Homelessness in Nanaimo*. Recommendations consist of eight Strategic Recommendations and eleven Operational Recommendations.

8.2.1 Defining Principles to Address Homelessness in Nanaimo

1. Recognise that the majority of homeless people are homeless not by choice but by circumstance
2. Acknowledge that the majority of homeless people desire to be housed
3. Recognise that the majority of homeless people in Nanaimo are Nanaimo residents
4. Provide a range of unconditional housing for homeless people
5. Provide a range of supports that address the diversity of homeless needs
6. Commit to minimising people at risk of being homeless
7. Acknowledge that homelessness is a long term challenge that requires long term solutions
8. Use the Systems Planning Organization as the key delivery tool to address homelessness

8.2.2 Strategic Recommendations

The following eight strategic recommendations identify critical decisions and action that is foundational to the advancement of a successful homeless action plan.

Recommendation 1: Recognise that homelessness in Nanaimo is an existential crisis that must be addressed with a fulsome response

The evidence is clear. The facts are indisputable. Homelessness in Nanaimo is severe and acute. Nanaimo's homeless numbers and severity of associated issues are egregious. Nanaimo has one of British Columbia's most severe homeless challenges in terms of both numbers and types of homelessness needs.

The why and how:

- As a result of a number of interconnected factors, including significant housing affordability issues, Nanaimo has at least 800 homelessness people or 8 homeless for every 1000 residents.
- Unless there is a systematic, coordinated and collaborative response to address this homeless crisis, the number of homeless could easily exceed 2,500 by 2030.
- Nanaimo has established the System Planning Organisation which is empowered to address the homeless crisis. It needs to be encouraged to do its work and coordinate appropriate actions to begin the long process of assisting the homeless population by advocating for and coordinating delivery of appropriate housing, and ensuring that appropriate services and supports are provided to those in need.
- Reconfirm Systems Planning Organization’s mandate and publicly support its role in implementing the recommendations embedded in this report.

Recommendation 2: Formally endorse the concept that homelessness violates the principle of human dignity

The United Nations has identified in the Universal Declaration of Human Rights that homelessness is a violation of human dignity enshrined in Articles 1 (Free and equal. All human beings are born free and equal and should be treated the same way) and Article 22 (Right to social security. Society should help individuals to freely develop and make the most of all advantages offered in their country). Further the Special Rapporteur on the right to adequate housing stated: "Homelessness is a profound assault on dignity, social inclusion and the right to life. It is a prima facie violation of the right to housing and violates a number of other human rights in addition to the right to life, including non-discrimination, health, water and sanitation, security of the person and freedom from cruel, degrading and inhuman treatment."¹²⁷

The why and how:

- “Homelessness has emerged as a global human rights violation even in States that have adequate resources to address it. It has, however, been largely insulated from human rights accountability, and rarely been addressed as a human rights violation requiring positive measures by States to prevent and eliminate it”.
- “Homelessness not only indicates a State failure to guarantee access to safe, affordable and adequate housing for all, it violates as well a number of other human rights:
For example, being exposed to homelessness impairs strongly the health of those affected undermining their right to the highest attainable standard of health”.
- “Homelessness causes, every year several thousand premature and preventable deaths, indicating as well a failure of States to protect the right to life adequately. In addition, it must be noted the right to life entails in itself more than mere survival, as it encompasses the core notion that everyone has the right to enjoy her or his life in dignity”.
- “Homelessness is stigmatized and often addressed with criminalization, violence, and aggressive policies that violate, rather than safeguard, the rights of the persons involved”.
- “Persons experiencing homelessness are also often discriminated on the basis of their housing status or due to their lack of official address, affecting their political, economic and social rights, such as their right to participation in elections, their right to work, or their right to access certain social benefits”.¹²⁸

¹²⁷ United Nations Human Rights Office of the High Commissioner, Special Rapporteur on the right to adequate housing. Homelessness and Human Rights, 2023

¹²⁸ United Nations Human Rights Office of the High Commissioner, Special Rapporteur on the right to adequate housing. Homelessness and Human Rights, 2023

- Adopt a supporting Council resolution that confirms Nanaimo recognises and reaffirms Articles 1 and 22 of the Universal Declaration of Human Rights and that it is committed to addressing homelessness through the lens of equity and dignity for all its citizens.

Recommendation 3: Adopt Housing First as the foundational element of a homeless strategy

Getting off the streets is the desired wish for most homeless people. Appropriate, safe and secure housing is essential to begin to address homelessness. Evidence suggests that intervention absent a secure housing option will fail. Housing First has proven to be an effective way of addressing homelessness in cities where it has been adopted and applied in concert with full wraparound services and supports.

The why and how:

- “Safe and secure housing is identified as a key factor that makes it possible for residents/program participants to address their substance use issues and to become abstinent, reduce their substance use or reduce the negative impacts of their use”.¹²⁹
- “Housing First (HF) is an evidence-based approach to ending chronic homelessness among people with mental illness and helping them address their complex needs (e.g., chronic health problems, addictions). HF combines rent supplements with support, typically in the form of Assertive Community Treatment (ACT) or Intensive Case Management (ICM). Rather than providing ‘treatment first’ before providing housing, the focus of HF is to provide people with housing immediately”.¹³⁰
- Adopt a supporting Council resolution that confirms the City will use Housing First as its principle approach to addressing homelessness.
- Council request the System Planning Office to explore the implementation details and requirements to actualize a Housing First model in Nanaimo.
- Adopt the Principles embedded in The Health and Housing Action Plan
- Use the Nanaimo’s Working Group on Homelessness *A Response to Homelessness in Nanaimo: A Housing First Approach* to help guide implementation of Housing First

Recommendation 4: Create a purpose driven Housing First position

Evidence shows that words are not enough to secure long term solutions that address the systemic nature of homelessness. There must be a fulsome commitment to a Housing First Action Plan with attendant structure, supports and action to ensure that homelessness is addressed in a multi-layered, coordinated, collaborative and integrated fashion.

The why and how:

- While there are a variety of excellent supports and services scattered across the community, many are uncoordinated and working independently.
- The evidence from successful housing first programmes identifies coordination and collaboration as central tenets to long term successful delivery of a homeless strategy.
- Create a five year term housing first position within the System Planning Office to coordinate and lead a housing first action plan with clear measureable goals and outcomes.

¹²⁹ CitySpaces, *Response to Homelessness in Nanaimo: A Housing First Approach: Best Practices, January 2008* p.4

¹³⁰ <https://kmb.camh.ca/eenet/resources/evidence-glance-housing-first-and-choice>

Recommendation 5: Develop a robust plan to minimise at risk of homeless people

It is clear that homelessness will only be reduced when fewer people lose their accommodation. Preventing homelessness is as important as reducing homelessness.

The why and how:

- Those cities that have successfully addressed homelessness have developed robust mechanisms to keep people housed before they enter street life.
- There will be a need to create a central housing support office (the SPO?) to provide guidance and supports to ensure people are not forced out on the streets.
- In addition, see Recommendation 10.

Recommendation 6: Prioritize addressing the 20 percent of homeless who suffer from acute health issues

Those homeless who are suffering from chronic issues are those who need the most supports and services and overload the system. Their impact on hospital use, ambulance use, fire department use, police use, and court use is substantial. Such use has a significant financial burden and staff burnout burden on the overall systems.

The why and how:

- While these individuals are the hardest to serve and house and many are likely to return to the streets, they are the most disruptive to other homeless individuals and to the daily life of citizens (see Prelude).
- Special accommodation is needed in the form of safe secure housing with 24/7 supports and services to try and stabilize that population so that their disruptive impact is reduced.
- An immediate push to address that homeless population is critical to the success of the overall programme. While it may seem counter-productive to focus on those who are less likely to remain in housing, the reality is that their disruptive behaviour is problematic to all.

Recommendation 7: Implement a continuum of housing and wraparound supports

Unconditional housing with wraparound supports is essential to addressing homeless needs. Time and again such an approach has proven to be effective, cost effective and compassionate. Lessons from successful housing first programmes can and should inform Nanaimo's approach and action.

The why and how:

- "The combination of housing and support is what is different from other housing. Support services for the homeless must be connected with housing for either to work effectively".
- "The availability of a range of housing options is necessary to meet the needs of a diverse target group. Some individuals prefer scattered sites in an anonymous landlord-tenant relationship and others prefer the camaraderie and group activities and sense of community available in dedicated buildings".
- "Provide social activities for participants/residents, e.g., communal meals and activities that builds sense of community".
- "Locate affordable housing in neighbourhoods away from drug dealing but accessible to public transportation, amenities and services".
- "Access to stable housing is central to attaining treatment goals. In addition, appropriate housing plays a critical role in stabilization, quality of life, and

initiation of treatment for homeless dually-diagnosed individuals”.¹³¹

Recommendation 8: Provide comprehensive, coordinated, intensive and integrated services and supports

In addition to the formal government responses to homelessness, there have been a number of well developed and purpose driven community-based NGO’s that have provided supports and services to homeless people facing a variety of daily needs. There is clear evidence from those communities that have successfully addressed homelessness that all of these government and NGO interventions needs to be comprehensive, collaborative and coordinated.

The why and how:

- “Effective treatment for homeless people with substance use issues requires comprehensive, highly integrated and client-centred services as well as stable housing”.
- “Disorders cannot be treated apart from the concerns of the whole person. Services must address the range of people’s needs including food, shelter and support. This includes outreach, drop-in services, substance use treatment, health care, skills training, nutrition education, budgeting skills, housekeeping, hygiene, vocational education, family support, socialization, adequate income, employment services and housing”.
- “Providing integrated services for people with co-occurring substance use and mental health problems holds more promise than offering services in sequence or parallel. Close liaison and coordination to enhance referral and case management need to occur among the respective specialized services and informal street level agencies in a community. Excluding people with mental health problems from addictions treatment and excluding those with alcohol or drug problems from mental health treatment is discouraged”.
- “The same clinicians or team of clinicians work in one setting providing appropriate mental health and substance use intervention in a coordinated fashion”.
- “Integrated, client-centred support services for the homeless, addicted and mentally ill population not only work better, they cost less than an uncoordinated and fragmented service delivery system”.
- “High levels of support, including availability in the evenings and weekends. Typically, a range of housing options and services are needed to address homelessness. This includes alcohol and drug-free environments to accommodate individuals who are in treatment or recovery. It also includes policies and programs that use a housing first approach so that people who are homeless can have direct access to permanent housing, with support as needed”.¹³²

8.2.3 Operational Recommendations

Eleven Operational recommendations focus on the need to provide foundational delivery of services and supports that actualize effective abatement of homelessness issues that contribute to homelessness.

¹³¹ CitySpaces, *Response to Homelessness in Nanaimo: A Housing First Approach: Best Practices, January 2008* p.4

¹³² CitySpaces, *Response to Homelessness in Nanaimo: A Housing First Approach: Best Practices, January 2008* p.4/5

Recommendation 9: Continue to support the work and independence of the System Planning Organization (SPO)

There is ample evidence to recognise that an independent agency removed from City of Nanaimo oversight is an important means to address the complicated issues surrounding homelessness. Certainly, Medicine Hat confirms how important such independence is to actualize the ambitions of addressing homelessness.

The why and how

- The SPO Charter clearly sets out the authority, vision, guiding principles and operational mandate to address homelessness.
- The SPO brings together those who have a role in addressing homelessness and ensures that the essential elements of collaboration, integration and coordination are front and centre in all decision-making.
- The SPO should include those with the specialized expertise in addressing the complicated and nuanced issues surrounding homelessness.
- City Council should reaffirm its confidence in the SPO as the key tool for addressing homelessness in Nanaimo.

Recommendation 10: Put in place supports to significantly reduce at risk households from becoming homeless

As noted by Basel, London and Medicine Hat, it is critical that those who face homelessness are kept housed. Once they enter the world of the homeless, they become susceptible to all of the issues of homelessness including entering a world of substance abuse.

The why and how:

- If homelessness is to be significantly reduced one of its main ‘feeders’ the risk of being homeless must be addressed.
- Efforts should be directed toward ensuring that there are adequate supplemental rent supports in place.
- Establish a coordination office (within SPO?) tasked with addressing precarious housing conditions.

Recommendation 11: Address substance abuse through a client-centred model using the four pillar methodology

The four pillar substance abuse approach has proven to be a successful model that is applied across the globe. It involves integrated application of four steps of harm reduction, treatment, prevention and enforcement. Each step is applied as required depending upon circumstance and need.

The why and how:

- “A harm reduction approach in itself provides flexibility and focuses on the individual needs of each client”.
- “Policies and programs are based on the principle of putting the client at the centre, that is, providing people who are homeless with choices about their housing”.
- “Provides a client-centred approach to working with people ‘where they are’ rather than ‘where they should be’ as determined by treatment providers”.
- “Flexible and intensive case management is based on a trusting and

respectful relationship”.

- “Success depends on ability to respond to different needs and provide individualized services adapted to the daily reality of clients”.
- “Individual treatment based on client’s needs, wishes, capacities, and timeframe rather than on a program’s predetermined benchmark for client outcomes”.
- “Case management has varied forms and can include client identification and outreach, assessment, planning to develop a service plan, linkage to services, treatment and support systems, monitoring and client advocacy to help clients to access services”.
- “Embodies the concept of low-threshold, which means removing traditional barriers to treatment that insist on a commitment to abstinence as a requirement of admission and as the only acceptable goal”.
- “Facilitates access to services even when people continue to use drugs and are unwilling to enter traditional substance abuse treatment programs that require abstinence.
- “Enables access to services such as safe housing, health care, psychological help, and safer means of drug use”.
- “Low barrier housing with supports is the key to addressing the public disorder resulting from homelessness, mental illness and addiction”.¹³³

Recommendation 12: Develop a Decolonization and Indigenization of the system of care

Recognising that there exists a significant disproportion of Indigenous People in the homeless population, there needs to be a concerted effort to developing a decolonization and Indigenous practices approach to homelessness decision-making.

The why and how:

- Outreach and housing solutions should build on Indigenous knowledge and make use of Indigenous approaches to human interaction.
- Snuneymuxw First Nation should be asked to participate in developing protocols that enhance relationships with homeless Indigenous People.

Recommendation 13: Develop a robust government agenda that ensures a coordinated approach with needs, land and approvals in alignment

The why and how

- It is well documented that Nanaimo has a higher proportion of homeless numbers, substance abuse deaths and unsheltered homeless than most other cities in BC and Vancouver Island. Nanaimo should and can argue for a rightful portion of housing and services and supports to address its excessive homeless population.
- Nanaimo is in competition for scarce senior government dollars to finance homelessness initiatives. In the past many financial commitments, especially from BC Housing, have gone to other local governments in BC, such a Campbell River, Kamloops, Port Alberni and Victoria. Nanaimo needs to work closely with the SPO to ensure that housing needs are addressed by working together to access BC Housing funds.

¹³³ CitySpaces, *Response to Homelessness in Nanaimo: A Housing First Approach: Best Practices, January 2008* p.4/5

- Such advocacy should be a coordinated between all affected parties and with significant city staff support ‘to make things happen’ and make sure Nanaimo was ‘at the front of the line’ for homeless needs.
- There needs to be clarity of task to show programme integration and collaboration.

Recommendation 14: Clearly define the role of staff in creating a trust environment

Evidence confirms that homeless people feel marginalized and ostracized and therefore are sceptical of services and supports. Many homeless resist services and avoid what appear to be institutionally delivered supports.

The why and how:

- “The relationship between staff and client is critical to treatment success. Staff are uniquely qualified – they have a helpful approach, a respectful way of treating participants and are knowledgeable of client issues”.
- “Staff are well trained. On-site and visiting staff share a client-centred, flexible approach to support and work cooperatively as a team”. (Ibid)

Recommendation 15: Require and foster a collaborative approach

Evidence points to the essential need for all who are involved in homeless issues to work collaboratively to foster success and address the primary issue of moving people into housing and required supports and services. Fragmented service delivery will continue to lead to failure.

The why and how:

- “Among agencies – particularly between housing and service providers”.
- Connections with community services – to help participants get involved in community activities and be able to contribute to community.
- “Municipality, region, and province work jointly with non-profit agencies to shift from the existing continuum of housing services to a model that supports “housing first” for all homeless people”.
- “Horizontal (between agencies) and vertical integration (within agencies) needs to occur at the policy, funding and governance levels, as well as in service delivery”.(Ibid)

Recommendation 16: Provide a range of services that address the breadth of need

The diversity of homeless people and their varied cultural and demographic mix confirms that the type, level, focus and management of services needs to be diverse and client specific.

The why and how:

- “Harm reduction programs and services include street outreach, drop-in centres, information groups that allow people who are actively using drugs to take part in treatment activities, “wet” shelters or housing that does not require abstinence. Examples include: Needle exchange programs, Methadone maintenance, Education and outreach programs that tell users how to reduce risks associated with using drugs, Law enforcement policies that place priority on enforcement of laws against drug trafficking while using a cautioning policy toward drug use, Tolerance areas, e.g. injection rooms, health rooms, centres where drug users can obtain clean injection equipment, condoms, advice and/or medical attention.¹³⁴

¹³⁴ CitySpaces, *Response to Homelessness in Nanaimo: A Housing First Approach: Best Practices, January 2008* p.3

Recommendation 17: Ensure there is stable funding and monitor delivery

Long term funding commitments are needed to not only build appropriate housing but also to provide long term services and supports that ensure homeless people are able to stay housed. Concomitant with appropriate funding commitments is the need to monitor the effectiveness and delivery outcomes of such investments. The two should go hand in hand.

The why and how:

- “A commitment to continued funding and supply of housing that meets the needs of individuals along the entire housing continuum”.
- “Affordable housing and prevention focused initiatives help support social sustainability in Communities”.
- “Ongoing review of key indicators and assessment of program effectiveness and outcomes”.¹³⁵

Recommendation 18: Adopt and implement the Homeless Management Information Systems

Homeless Management Information Systems (HMIS) are local information technology systems specifically designed for coordinated access in a community.

The why and how:

- HMIS protect confidentiality, track program attendance, and allow providers to send those in need exactly where they need to go.
 - They are local information technology systems specifically designed for coordinated access in a community. They protect confidentiality, track program attendance, and allow providers to send those in need exactly where they need to go.
- SPO should adopt HMIS.

Recommendation 19: Explore the potential to establish a modular housing initiative to serve Vancouver Island

Part of achieving a rapid and affordable housing response will involve the exploration of new rapid cost effective tools and strategies¹³⁶. “With the current housing crisis in Canada, modular construction can be part of the solution”.¹³⁷ Modular housing offers some significant opportunities to build affordable and easily constructed housing. “Prefabricated modular construction can be completed in less time than conventional on-site construction, while also offering high quality assurance and predictability”.¹³⁸ Further, “modular construction is poised as one of Canada’s premier answers to ever-growing issues in producing economic and environmentally smart buildings”.¹³⁹

Others have adopted a modular housing approach such as:

In 2019, Ontario’s Durham Region committed to creating one thousand new affordable dwellings by 2024. Part of this initiative, Durham Modular Supportive Housing, will provide 47 transitional housing units for unhoused individuals, as well as on-site access to counsellors, nurses, and personal support workers, and facilitated access to a wider range of off-site services and training opportunities.

Reflecting the pressing need for this type of accommodation, the team used modular construction to accelerate project delivery. (ibid)

¹³⁵ ibid p.5

¹³⁶ CBC, “The Current”. ‘Tackling the housing crisis with prefabricated modular homes’, November 28, 2023

¹³⁷ CSA Group, ‘Standards to Seize the Modular Construction Opportunity’, “Canadian Architect”, November, 2023

¹³⁸ “Canadian Architect”, ‘Durham Modular Supportive Housing’, ‘Winner 2021 Canadian Architect Award of Excellence, November, 2021.

¹³⁹ CSA Group, Op.Cit.

The why and how:

- Modular building is being used around the world. It is now more common in Canada. With the abundance of wood construction in British Columbia, there is opportunity to establish a modular prefabrication facility in Nanaimo to serve Nanaimo and the rest of Vancouver Island. As noted above, modular housing can be more cost effective and provide high quality housing in a faster delivery model.
- Work with the Prosperity Corporation to explore the opportunity to establish a modular housing programme in Nanaimo.

The preceding recommendations provide a roadmap for addressing homelessness and its associated challenges.

9. Conclusion

Homelessness in Nanaimo and across Canada is an existential crisis that deserves an equivalent response to ensure that the current crisis does not continue to detrimentally affect the well-being of those who are homeless and those affected by homelessness.

There are known solutions and methods to address most aspects of homelessness such as Housing First and associated wraparound supports and services. Those solutions are costly. They take time. They also require considerable political and community will. While the task is formidable and costly, the 'return on investment' has proven to be significant.

The alternative is unacceptable. Action is necessary; compassionate, focused action; action that may require tough decisions. Mechanisms exist. Nanaimo's System Planning Organization was recently constituted to address homelessness. It is time for it to be asked to implement a fulsome Housing First agenda with wraparound supports. Time is of the essence. Federal and provincial governments must be approached in the near term for their support to implement a robust action plan to address Nanaimo's homeless crisis.

Much needs to be done. Much is at stake. Without concerted action, the homeless crisis will only get worse.

No decision is a decision.

DATE OF MEETING JANUARY 22, 2024

AUTHORED BY DAVID THOMPSON, MANAGER, ROADS AND TRAFFIC SERVICES

SUBJECT ROADWAY ASPHALT ASSET MANAGEMENT AND MAINTENANCE PLAN

OVERVIEW

Purpose of Report

To obtain the Governance and Priorities Committee direction on asphalt maintenance funding and associated changes to the maintenance plan.

Recommendation

That the Governance and Priorities Committee recommend that Council consider increasing the annual road maintenance budget by \$1.5 million per year as part of the 2025 – 2029 Draft Financial Plan and adjusting the maintenance plan as proposed in the 2022 Pavement Condition Assessment Report, Table D-5.

BACKGROUND

The City of Nanaimo (City) operates and maintains approximately 1,110 lane kilometers of asphalt roadway (517 linear kms). This transportation network serves the commercial, personal and emergency needs of City residents and businesses in a safe, convenient manner. The current replacement value of this asset class is estimated at \$374M (2021) in the City's latest Asset Management Plan.

Nanaimo's Asset Management Plan considers:

1. **Technical Level of Service:** How the organization provides the service using technical terms. For asphalt roadways, the primary mechanism for this component is through the setting of technical standards, Manual of Engineering Standards and Specifications (MoESS), construction inspections and condition assessment (Pavement Quality Index (PQI)).
2. **Customer Level of Service:** How the customer receives and perceives the service. This requires feedback from the community and usually includes metrics such as quality, function and capacity (or use).

The City is required under Provincial regulation to have an Asset Management Plan and has had one in place since 2010. The purpose of this update is to inform the Governance and Priorities Committee (GPC) on the recent work by Staff and consultants to complete the Customer Level of Service work, which augments and informs the Technical Level of Service going forward and to obtain the GPC's direction on changes to the maintenance plan for this asset class.

This work was supported by a grant from Federation of Canadian Municipalities (FCM's) Municipal Asset Management Program

DISCUSSION

Technical Level of Service

The design, material specification and construction of asphalt roadways within the City is governed by the current version of the MoESS. For asphalt roadways, the most significant recent change, is minimum asphalt thickness, which was increased from 50mm to 75mm. This provides for a more robust roadway, extending useful life and reducing maintenance over its lifetime. The most significant contributor to deterioration is through water penetrating to the road base, either through pavement cracks or by flowing under from the edges. Thicker asphalt is more resistant to cracking and water penetration.

Pavement is inspected visually each year to develop the annual maintenance program, which includes:

- sealing of cracks;
- repair of shoulders;
- removal and replacement of local failures (minor patching); and,
- removal and replacement of larger sections of degraded pavement (major patching).

In addition to this maintenance program, capital renewal or replacement is planned. Efforts are made to coordinate capital renewal with utility replacements to maximize the effectiveness of each investment.

A detailed pavement condition assessment is undertaken periodically (every 3-5 years). Using laser measurements and a variety of other specialized equipment, the PQI is calculated for each roadway segment. This index is made up of measurements of Ride Comfort Surface Distress and Structural Adequacy. Each factor can be preferentially weighted in the calculation based on the road classification (Local, Collector, Arterial). In the City's model, Local roads are weighted for surface distress, whereas Collector and Arterial roads are weighted for ride comfort. Weighting is based on expected vehicle speeds and volumes for each classification.

Once pavement conditions are assessed, the values are imported to a Pavement Management System (PMS) that assesses condition against a suite of repair options. Different scenarios can be run based on constraints to repair type and funding available.

The modelling for the Asset Management Plan forecast the average PQI for the City's road network at 72.5. Results from the latest condition assessment indicate that the average PQI is 78. Unexpectedly, the industrial roads are in significantly worse condition than other classifications.

Minimum acceptable PQI scores have been set based on road classification, as follows:

- Mobility Arterial 50
- Urban Arterial 50
- Industrial Collector 45
- Mobility Collector 35
- Urban Collector 35
- Industrial Local 45
- Mobility Local 35
- Urban Local 35

The table below shows the results of the last three inspections. Notably, the average PQI has remained relatively stable with the level of expenditures on maintenance and renewal in this time period.

Year	No. Section	CL-KM	LN-KM	PQI
2022	3,488	512	1,093	78
2017	3,430	508	1,087	79
2013	3,281	496	1,060	77

Results from modelling the 2022 asphalt conditions, at current funding level, indicate that roadway conditions will deteriorate over the next 10 years. Currently, 2% of the City roadways are deficient, relative to the target minimum PQI. In 10 years, 90% of the City’s roadways will fail to meet the minimum PQI established.

From a purely technical perspective, to maintain road conditions in their current state, annual funding for maintenance and renewal would need to increase significantly from the current levels to \$13.6M/yr. Any increase from current levels will decrease the amount of roadways failing to meet the minimum PQI.

Customer Level of Service

In 2020, the City engaged Urban Systems to undertake a Customer Level of Service Study. The details of that effort are contained in the attachments, including public engagement results.

One of the key outcomes of the consultation, was that residents understand the importance of asset management as a responsible financial tool, preferring to invest in maintenance to achieve the best fiscal outcome. It was found that there was a small willingness to pay to maintain road conditions, rather than see them deteriorate. Within the focus groups, the willingness to pay was found to be approximately \$40/yr/folio. This would increase overall funding for roadway maintenance by roughly \$1.575M/yr.

This funding level does not include the benefit of any concurrent projects and the funding brought through those projects. As discussed later, this funding is highly variable, and while effective, cannot be relied upon for regular, ongoing maintenance efforts.

Current Maintenance Plan and Funding

Maintenance of roadways is by the Roads Unit at Public Works. The Roads team consists of 11 positions that are responsible for all maintenance work on the roadways, supplemented by contractors and summer labour, as required.

The 2023 budget included the following for maintenance efforts:

Item	2023 Budget	2023 Forecast Expenditures
General road repairs	\$983k	\$1.05M
Crack Sealing	\$182k	\$115k
Minor patching	\$183k	\$309k
Major patching*	\$400k	\$415k
Total	\$1.75M	\$1.89M

*Most carried out by contractor

A key driver for maintenance expenses is the cost of materials, which is largely tied to the price of oil. Staff have seen significant gains in productivity since purchasing a milling machine in 2018. Increases in productivity mean that more area of roadway can be repaired with the same labour effort.

Current Renewal Plan and Funding

Pavement renewal (also referred to as “road rehab”) is delivered through the annual project plan and includes dedicated roadway renewal and renewals undertaken concurrently with other utility projects. Funding levels for concurrent projects vary from year to year. The 2024 – 2028 Financial Plan includes \$16.4M over the next five years for pavement renewal projects.

In 2023, the following projects were completed:

- Bowen Road, Meredith to Dufferin \$920k
- Needham Street, Old Victoria to View \$69k
- Holyrood Drive, Marlborough to Glenayr \$350k

The City also “inherits” new or rebuilt roads through the development process. During permitting, these opportunities are identified by Staff in accordance with the applicable development bylaws. This helps to provide renewed asphalt roadways at no cost to the taxpayer.

When considering this matter, the GPC should balance the level of investment for this asset class against other competing investment opportunities, while being aware of the level of service requested from users and the technical function of the City’s roadways. |

OPTIONS

1. That the Governance and Priorities Committee recommend that Council consider increasing the annual road maintenance budget by \$1.5 million per year as part of the 2025 – 2029 Draft Financial Plan and adjusting the maintenance plan as proposed in the 2022 Pavement Condition Assessment Report, Table D-5.
 - The advantages of this option are that additional maintenance effort can be put towards this asset class to somewhat meet users desired level of service, based on the Customer Level of Service Study.

- The disadvantages of this option is that investment levels will fall short of the full funding required to maintain asphalt roadways in their current condition as modelled in the 2022 Pavement Condition Assessment Report, and as set out in the Asset Management Plan for this asset class.
 - Financial Implications: Increasing the road maintenance budget by an additional \$1.5 million in 2025 would increase the projected property tax increase for 2025 by approximately 1.0%
2. That the Governance and Priorities Committee recommend that Council consider increasing the annual road maintenance budget by \$775,000 per year as part of the 2025 – 2029 Draft Financial Plan and adjusting the maintenance plan as proposed in the 2022 Pavement Condition Assessment Report, Table D-4.
- The advantages of this option are that additional maintenance effort can be put towards this asset class to somewhat meet users desired level of service, based on the Customer Level of Service Study.
 - The disadvantages of this option is that investment levels will fall short of the full funding required to maintain asphalt roadways in their current condition as modelled in the 2022 Pavement Condition Assessment Report, and as set out in the Asset Management Plan for this asset class.
 - Financial Implications: Increasing the road maintenance budget by an additional \$775,000 in 2025 would increase the projected property tax increase for 2025 by approximately 0.52%
3. That the Governance and Priorities Committee recommend that Council consider increasing the annual road maintenance budget by \$250,000 per year as part of the 2025 – 2029 Draft Financial Plan and adjusting the maintenance plan as proposed in the 2022 Pavement Condition Assessment Report, Table D-3.
- The advantages of this option are that additional maintenance effort can be put towards this asset class to somewhat meet users desired level of service, based on the Customer Level of Service Study.
 - The disadvantages of this option is that investment levels will fall short of the full funding required to maintain asphalt roadways in their current condition as modelled in the 2022 Pavement Condition Assessment Report, and as set out in the Asset Management Plan for this asset class.
 - Financial Implications: Increasing the road maintenance budget by an additional \$250,000 in 2025 would increase the projected property tax increase for 2025 by approximately 0.17%.
- 4 That the Governance and Priorities Committee provide alternate direction to Staff. |

SUMMARY POINTS

- The City is responsible for the maintenance and operation of approximately 517km of asphalt roadway with a replacement value of \$374 million (2021).

- A Customer Level of Service Study was completed which found that users would like to see the roadways maintained in good condition.
- Additional maintenance effort is required to maintain roadways in their current, good condition.

ATTACHMENTS:

Attachment A – Asphalt Levels of Service What We Heard Report, Urban Systems, Oct. 14, 2022

Attachment B – Levels of Service Table, Urban Systems, Feb. 22, 2023

Attachment C – Life Cycle of a Road

Attachment D – 2022 Pavement Condition Assessment Report

Attachment E – Roadway Maintenance – Level of Service and Asset Management, PowerPoint Presentation

Submitted by:

David Thompson
Manager, Road and Traffic Services

Concurrence by:

John Elliot
Director, Public Works

Laura Mercer
General Manager, Corporate Services

Bill Sims
General Manager, Engineering & Public Works

Please use the following link to review Attachment 'D' 2022 Pavement Condition Assessment Report:

https://www.nanaimo.ca/docs/your-government/city-council/meeting-attachments/rpt_pms_20231011_fin.pdf

ASPHALT LEVELS OF SERVICE

WHAT WE HEARD REPORT

CITY OF NANAIMO

October 14, 2022



550 - 1090 Homer Street, Vancouver, BC V6B 2W9 | T: 604.235.1701

PREPARED FOR:

City of Nanaimo
455 Wallace Street
Nanaimo, BC V9R 5J6

File: 1296.0085.01

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TABLE OF CONTENTS

Introduction.....	4
Engagement Objectives.....	4
Who We Heard From	4
Participant Recruitment.....	5
Demographic Polling.....	5
What We Heard.....	6
Key Themes.....	7
Detailed Findings.....	9
Appendix A: Focus Group Presentation	14

INTRODUCTION

There are nearly 570 kilometres of paved roads in Nanaimo and maintaining the condition of the roads is one of the many important services provided by the City. This includes patching potholes, repairing rutting, sealing cracks, maintaining road shoulders, rehabilitating and resurfacing roads, and more.

The City of Nanaimo is facing challenges in achieving sustainable funding levels to maintain the current overall pavement condition of its roadway assets and to meet public and Council expectations. To address this challenge, the City engaged Urban Systems Ltd. to conduct public engagement to better understand residents' expectations for road surface conditions, and how much they're willing to pay for the services required to maintain them.

As part of this consultation, the City and Urban Systems conducted four focus groups to engage in dialogue with the community about asphalt levels of service. Focus groups were selected as the method of engagement because they allow for two-way conversation and deliberation about levels of service and willingness to pay.

The input and feedback received during the engagement process will help influence the City's decisions about road investments and guide the City in how to make the best use of the allotted funding to meet the community's expectations and needs.

Engagement Objectives

The primary engagement objectives were to:

- Inform residents of the trade-offs associated with asphalt levels of service (LOS) to equip them to provide valuable input on desired LOS.
- Gather residents' input on desired LOS for asphalt to inform City Council decisions on target LOS and funding levels.
- Gather input from a representative sample of residents and focus on the driving experience as the primary customers of the asphalt surface.

WHO WE HEARD FROM

32

PARTICIPANTS

A total of **four virtual focus groups** were held on May 11th and 12th, 2022. The goal of the focus groups was to collect resident feedback on key elements related to the study.

Hosted on Zoom, the four focus groups were identical in format, content, and discussion topics, but scheduled on different days and at different hours to allow participants the flexibility to attend the session that worked best for them. Each event lasted approximately two hours in length.

The first half of the focus group included an overview presentation of the Asphalt Levels of Service Study to provide the public with the information required to contribute knowledgeable feedback. The second half of the session captured in-depth feedback on key topics and allowed participants to ask subject matter experts specific questions.

PARTICIPANT RECRUITMENT

R.A. Malatest & Associates Ltd. was engaged to recruit a diverse sample of participants for the focus groups. The sample was drawn from a known telephone service provider (Malatest uses ASDE Survey Sampler Inc.).

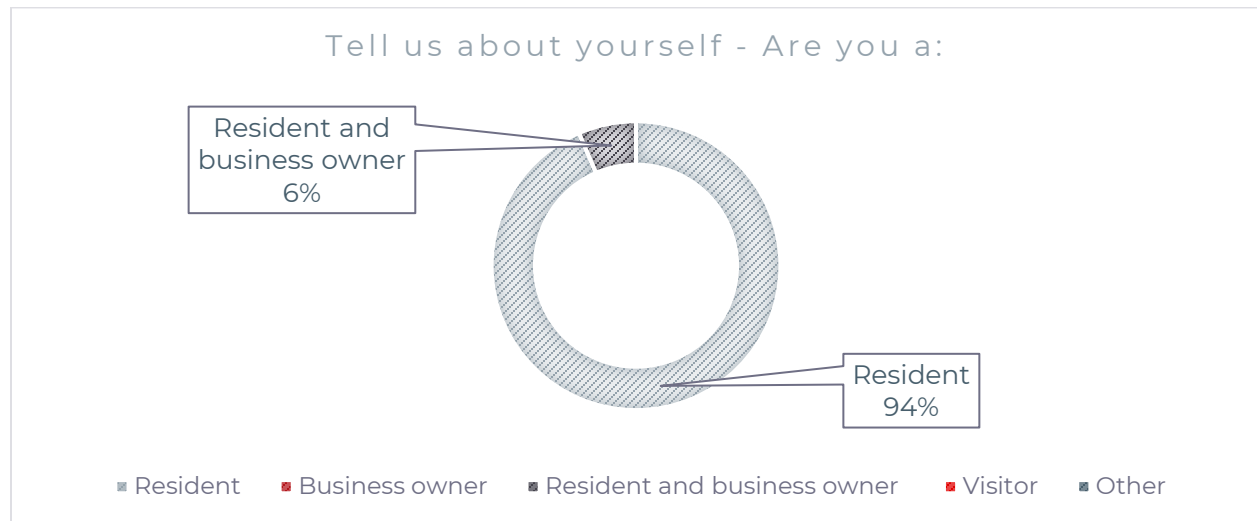
Participants were selected at random and screened to ensure they met a number of specific criteria, including residence within City boundaries. The composition of participants in each group was balanced across age, gender, and neighbourhoods of residence. As it is customary, focus group participants were provided with an honorarium incentive to encourage them to attend the focus groups, and to thank them for their time and their opinions.

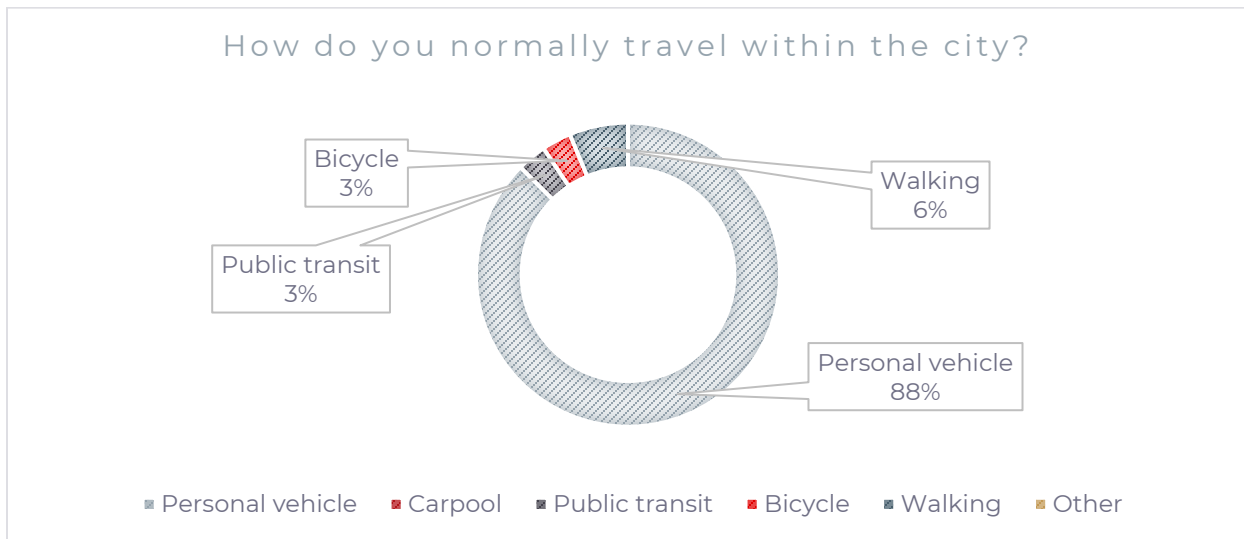
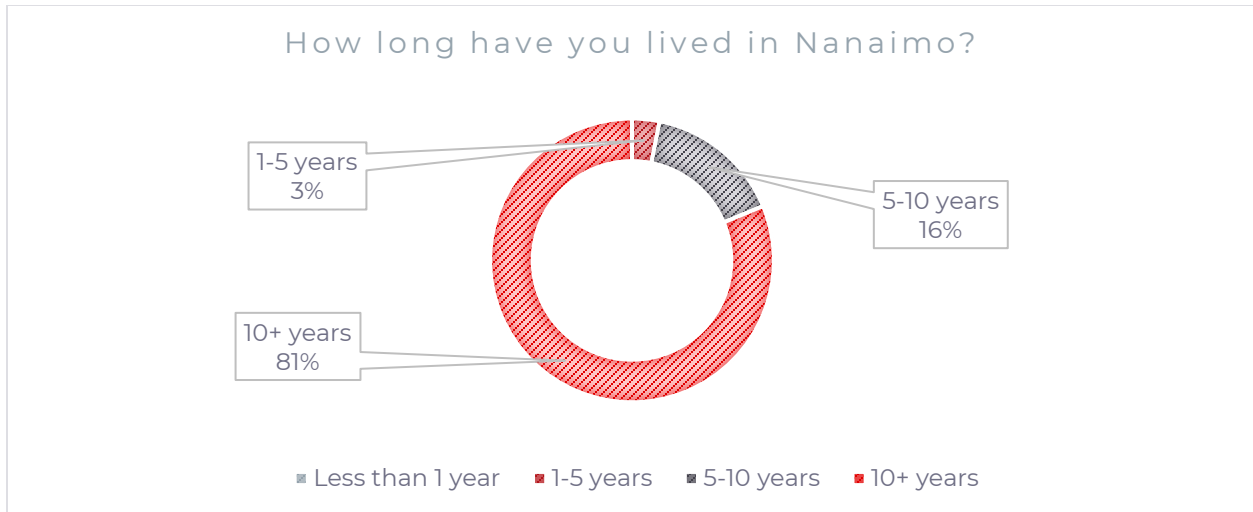
DEMOGRAPHIC POLLING

Each focus group consisted of six to nine participants, for a total of 32 participants overall. At the start of the workshop, participants were asked three demographic polling questions for staff to gain a better understanding of who was participating. Participants were asked:

- How long have you lived in Nanaimo? (Options: Less than 1 year, 1-5 years, 5-10 years, 10+ years)
- Tell us about yourself – are you a: (Options: Resident, Business Owner, Resident and Business Owner or Other)
- How do you normally travel within the City? (Options: Personal Vehicle, Carpool, Public transit, Bicycle, Walking, Other)

The majority of participants were residents (100%), who have lived in the City for more than 10 years (81%) and travel via personal vehicle (88%). See results below.





WHAT WE HEARD

Following the polling questions and the presentation of the Asphalt Levels of Service Study, participants were asked to provide input on questions related to driving experience and road conditions, priorities for road maintenance, and willingness to pay. Feedback was captured by staff note-takers using Mural, a virtual whiteboarding platform.

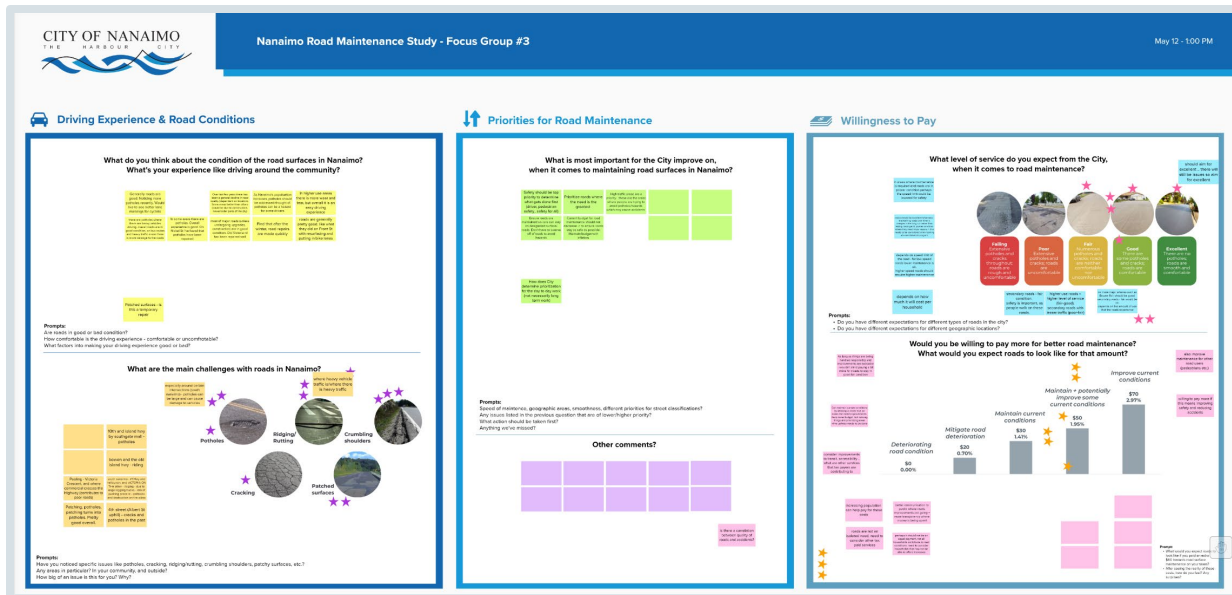


Figure 1. Example of focus group #3 Mural board

KEY THEMES

Overall, participants commonly noted that their driving experience and road conditions varied depending on where they were driving in Nanaimo. The key themes that emerged during the focus groups are summarized in the table below.

Table 1. Summary of key themes

Conditions & Driving Experience	Challenges & Opportunities	Expectations Around Level of Service
<ul style="list-style-type: none"> Majority of participants expressed either neutral or positive views regarding the roads in Nanaimo Driving experience and quality of roads varies depending on the location in the city Safety of all road users, including pedestrians and cyclists, is a top priority 	<ul style="list-style-type: none"> Certain areas have higher road degradation Areas of high use are a priority for maintenance Overall, potholes are noted as the most disruptive form of road degradation 	<ul style="list-style-type: none"> Fair to good roads was the most common level of expectation Maintaining the current road conditions is the minimum expectation from the majority of participants Participants expressed concerns regarding increased costs to maintain roads and would like to see transparency in how funds are used
Sample of responses:		
<p><i>"Generally, my experience driving in the city is fair-good. Don't see many potholes, issues are more around cracking,</i></p>	<p><i>"Busy roads = potholes and ridging"</i></p>	<p><i>"Fair to Excellent - prioritize based on amount of traffic and the speed of traffic. Highly trafficked areas and areas where people are accessing the</i></p>

edge degradation - but does not look neglected"

"In higher use areas there is more wear and tear, but overall it is an easy driving experience"

"Most of the major roads (unless undergoing upgrades or construction) are in good condition. Old Victoria Road has been repaired well"

"Depends on where you're driving. Some places are okay, others not as much"

"Potholes - speed of repair. especially on major roadways"

"High traffic areas are a priority- these are the areas where I see people are trying to avoid potholes/hazards"

"Prioritize roads where the need is the greatest"

"For the main - well traveled roads: good to fair. side streets: fairish. Areas where there is the most traffic should be a priority - work within budget constraints"

highway are most important to me"

"Main arterial roads in good condition. Small/ lower traffic roads in fair condition"

"How will the \$70 be used? There needs to be flexibility in the plans to respond to all the issues facing Nanaimo. Lower the priority on some roads if needed"

"As long as things are being handled responsibly and improvements are noticeable - I wouldn't mind paying a bit more for roads to stay in good-fair condition"

DETAILED FINDINGS

The following section dives into greater detail about the key themes that surfaced in all four focus groups.

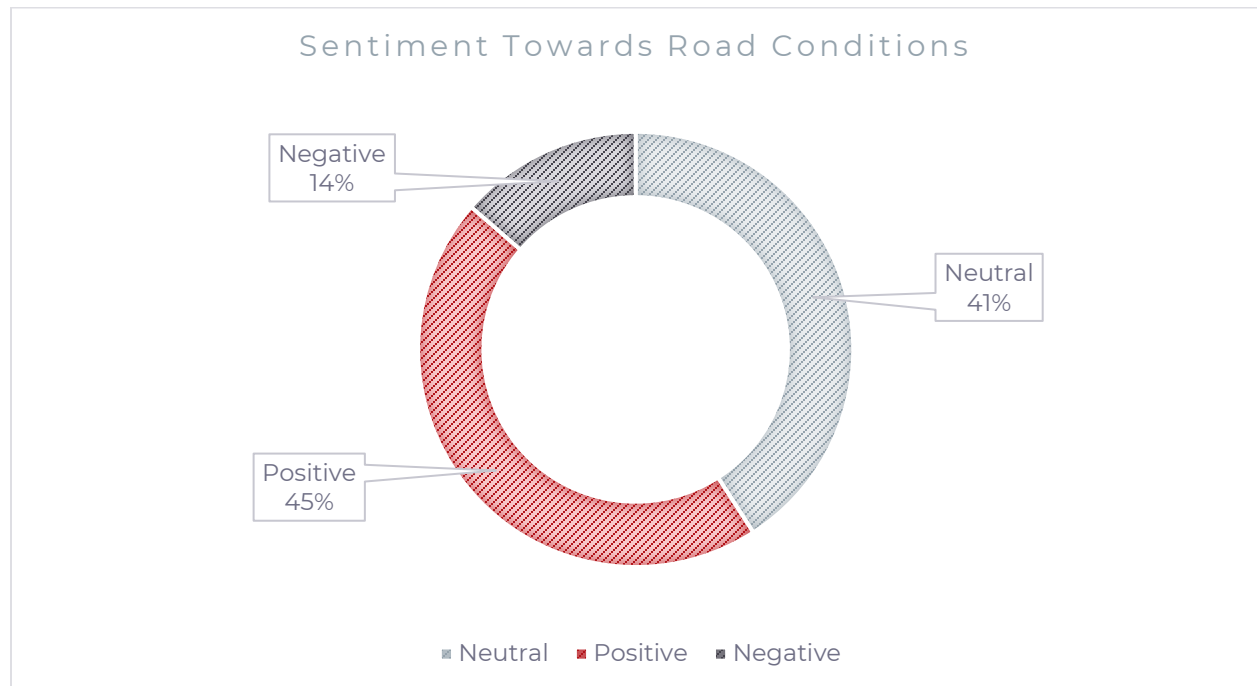
Conditions & Driving Experience

Participants were asked what they think about the condition of the road surfaces in Nanaimo, and what their experience is like driving around the community.

ROAD CONDITIONS

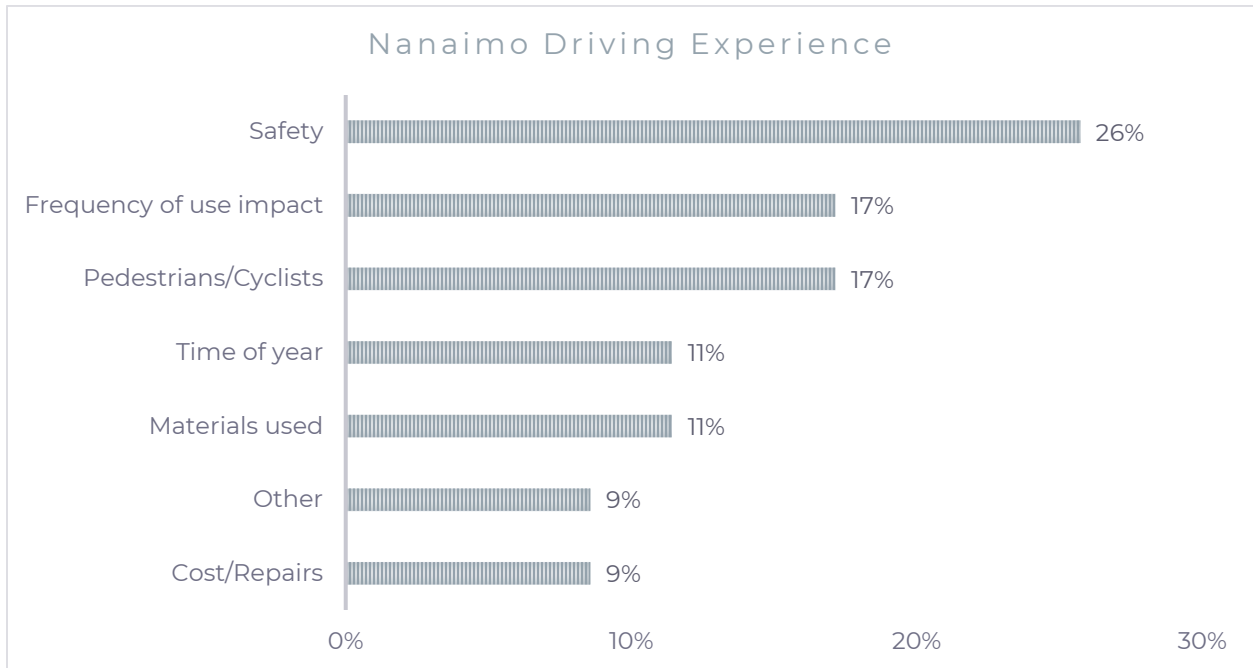
Overall, **road conditions are generally viewed as positive or neutral** (86%), with nearly half of all participants (45%) indicating that conditions are positive, and 41% selecting neutral.

Participants expressed a variety of opinions regarding the roads in Nanaimo, commenting that **conditions vary depending on location**. However, many expressed that they view the **road conditions in Nanaimo as being generally good**, or they have a neutral opinion. It was noted that perspectives on what makes a “good road” is subjective to each participant.



DRIVING EXPERIENCE

When discussing the driving experience in Nanaimo, the following key themes were discussed by participants:



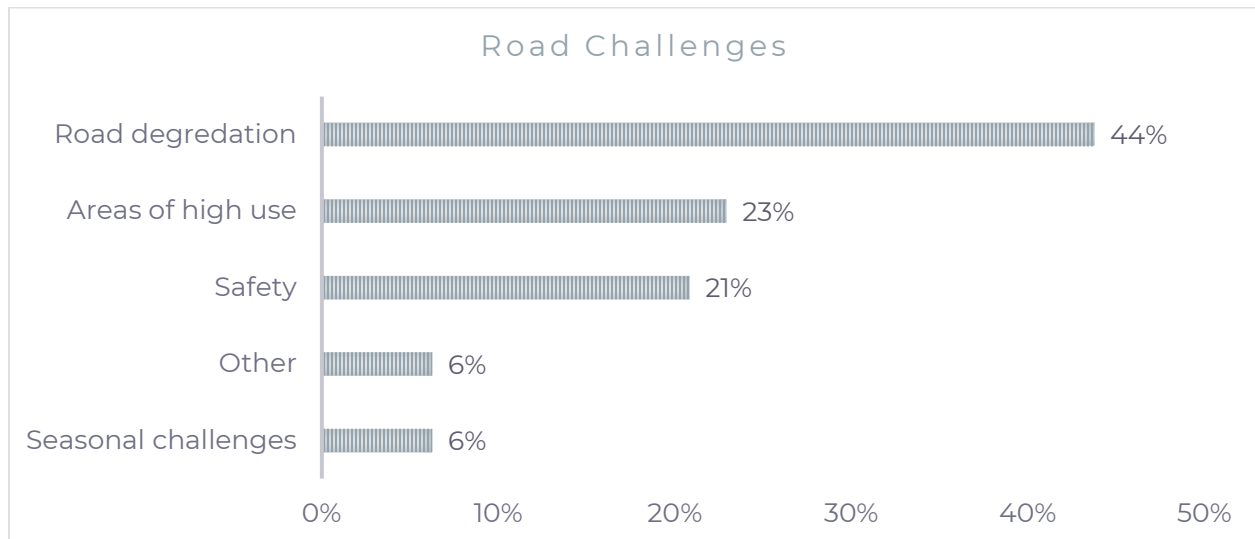
Overall, **safety of the roads** is a high priority for all users, including pedestrians and cyclists. Many participants expressed concerns regarding **unsafe road conditions**, noting hazards such as potholes, deteriorating shoulders, and high-speed vehicle traffic. The connection between areas of **high use and road conditions** was observed, with participants commenting on how poor road conditions are typically most noticeable in areas that experience higher traffic and heavier vehicle use.

Challenges & Opportunities

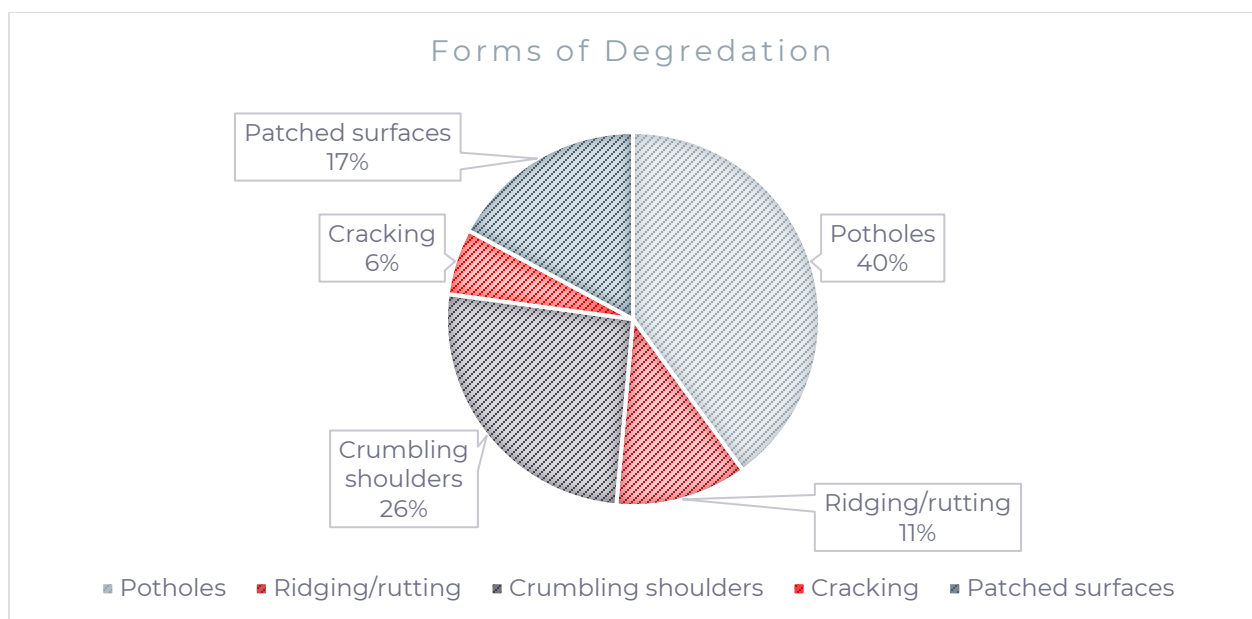
Participants were asked what the main challenges with roads in Nanaimo are, and what is most important for the City to improve on when it comes to maintaining road surfaces in Nanaimo.

CHALLENGES

Road degradation is viewed as the largest challenge with roads in Nanaimo (44%), followed by **areas of high use** (23%), and **safety** (21%).

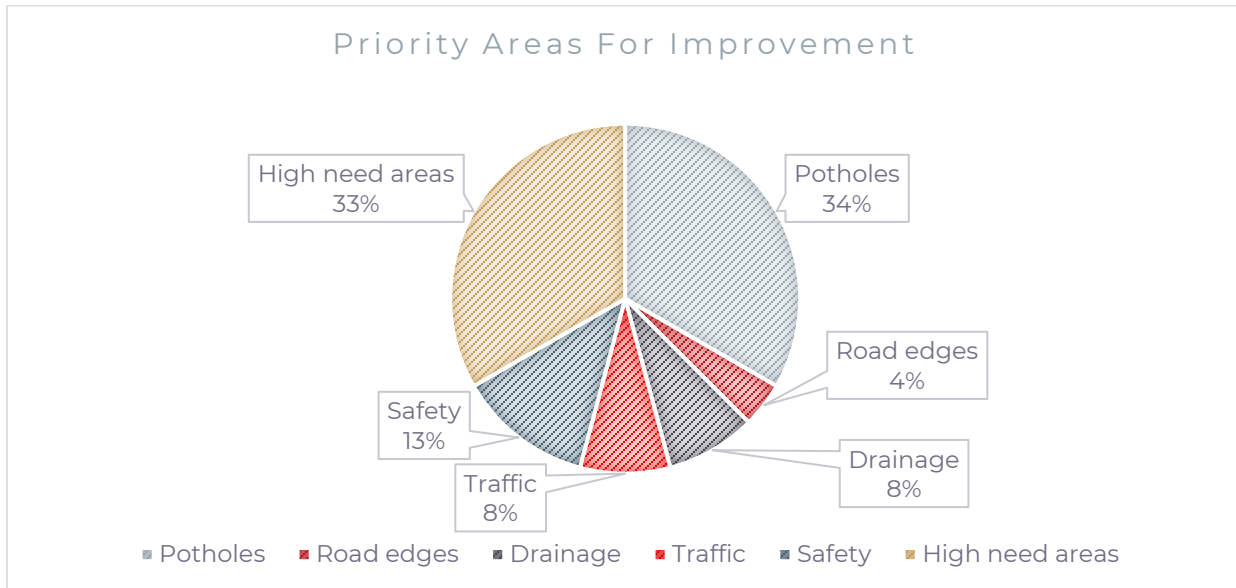


When asked to specify which forms of road degradation were most challenging or impactful, **potholes were cited as the leading issue** that should be prioritized by the City (40%), followed by **crumbling shoulders** (26%), and **patched surfaces** (17%).



OPPORTUNITIES

Participants expressed that **potholes were the top area for improvement** (34%). However, focusing on the **areas of the highest use by the community**, regardless of the form of road degradation, is also considered a high priority for the City by participants (23%).

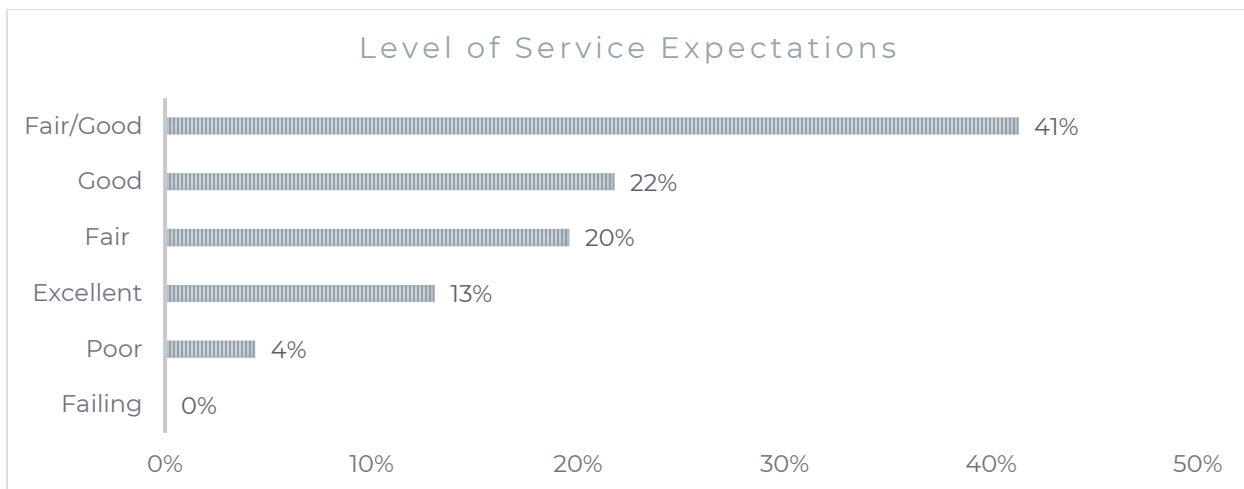


Expectations Around Level of Service

Participants were asked what level of service they expect from the City when it comes to road maintenance, and if they would be willing to pay more for better road maintenance, and what they would expect roads to look like for that amount.

LEVEL OF SERVICE

Generally, participants expect a **fair to good** level of service (41%), with higher expectations of service in areas that experience high use or heavy traffic.



WILLINGNESS TO PAY

When asked if they would be willing to pay more for better road maintenance, many participants expressed that ideally, they would want road conditions to fall somewhere between “**maintain current conditions**”, and “**maintain and potentially improve road conditions**”, at an approximate \$40 annual tax increase.

Overall, many expressed a desire for **transparency** from the City about where funds are being allocated and the management of tax dollars.

Additionally, participants voiced concerns regarding the **overall cost of living** and an **increase in household costs**, noting that they were worried about how additional tax increases would impact community members.

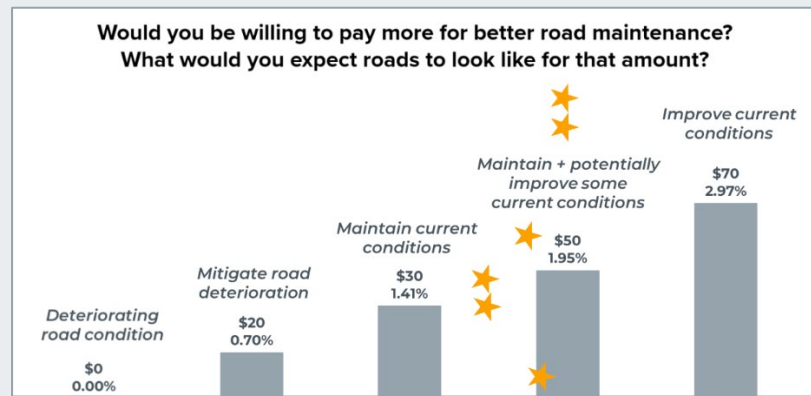
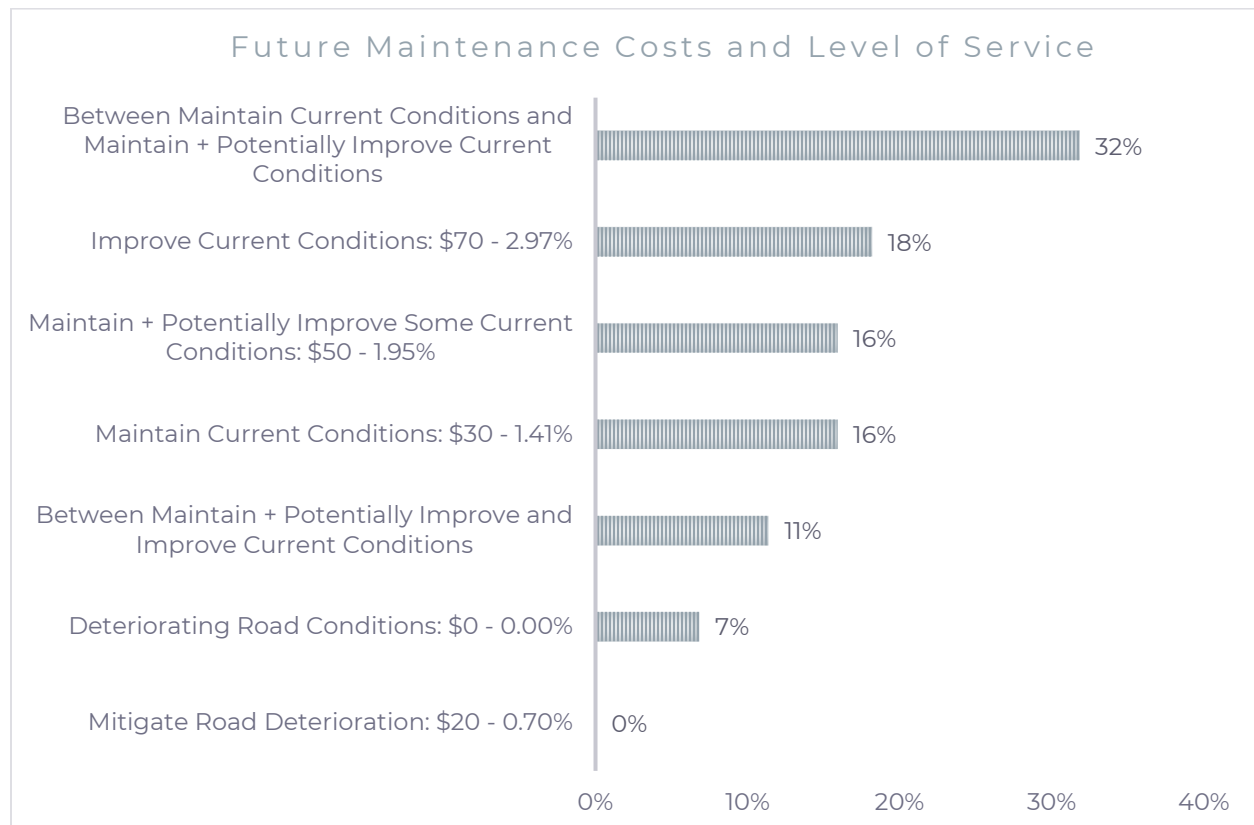


Figure 2. Participants' responses in focus group #2

Participants were shown the scale above and asked to indicate how much they would be willing to pay to improve road conditions. The numerical values represent the annual tax increase associated with the level of maintenance. Participants' responses were recorded using gold stars.



APPENDIX A: FOCUS GROUP PRESENTATION



ASPHALT LEVELS OF SERVICE FOCUS GROUP

CITY OF NANAIMO

MAY 2022

CITY OF NANAIMO
THE HARBOUR CITY

URBAN
SYSTEMS

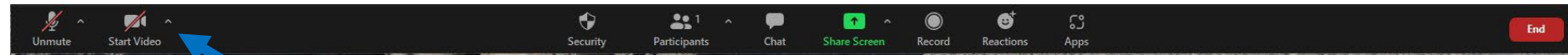
AGENDA

1. Purpose of today's session
2. Zoom tools and best practices
3. Demographic polling
4. Overview presentation of Asphalt Levels of Service
5. Feedback sessions
6. Final questions and feedback
7. Next steps and closing

PURPOSE OF TODAY'S SESSION

1. Develop a common language about road surface conditions
2. Gather input on your driving experience in the City of Nanaimo
3. Gather input on your expectations for road surface conditions and what you're willing to pay for them

ZOOM TOOLS AND BEST PRACTICES

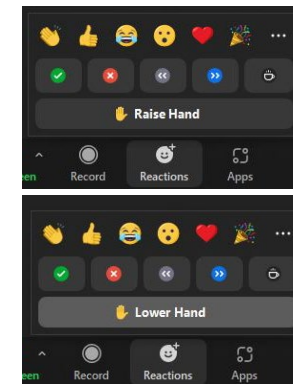


Mute/Unmute

Video on/off

Click here to open 'Chat' function

Click here to raise or lower hand



A photograph of a road paving operation. In the center, a large asphalt paver truck is moving forward, spreading a thick layer of dark asphalt. Several construction workers in high-visibility orange and yellow safety vests and hard hats are positioned around the paver, using long-handled tools to guide and smooth the material. The scene is set on a clear, sunny day with a blue sky and some light clouds. In the background, there are residential houses, a white pickup truck, and a chain-link fence. A single orange traffic cone is visible on the right side of the road. The overall atmosphere is one of active construction work.

DEMOGRAPHIC POLLING

A photograph showing a road construction site. In the center, a large asphalt paver machine is moving along the road, spreading a fresh layer of dark asphalt. Several workers in high-visibility orange and yellow safety vests are positioned around the machine, some using long-handled tools to guide the paving process. To the right, a white pickup truck is parked on the shoulder, and an orange traffic cone is visible. The background shows a clear blue sky and some residential buildings. The text "ASPHALT LEVELS OF SERVICE PRESENTATION" is overlaid in large, white, bold letters across the middle of the image.

ASPHALT LEVELS OF SERVICE PRESENTATION

WHAT IS ASPHALT IN THE CONTEXT OF THIS STUDY?

We are talking about...

the black material used for constructing and maintaining the surface of the road that vehicles drive on



We are not talking about...

- *sidewalks*
- *bike lanes*
- *crosswalks*
- *traffic lights*
- *bypasses*
- *major highways*

These were covered in the recent Nanaimo Transportation Master Plan, which included community engagement

WHY ARE WE TALKING ABOUT ASPHALT?

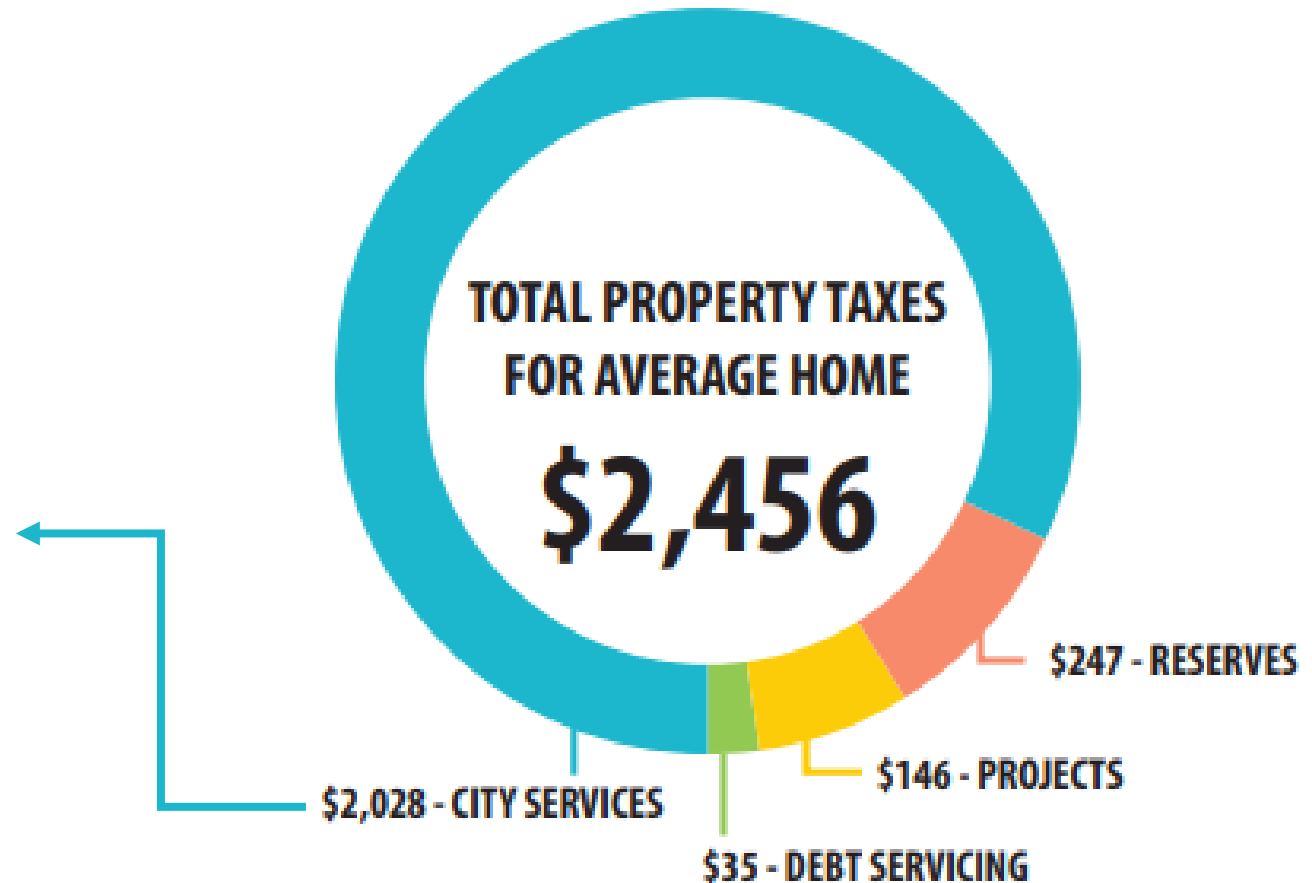
- Asphalt is expensive and there are different options of road surface conditions that the City could provide
- The City hears some complaints from time to time, but wants to make sure that decisions about allocating money are informed by the opinions of the community as a whole

WHAT'S INVOLVED IN MAINTAINING ASPHALT?

- Repaving the surface of the road
- Repairing potholes
- Crack seal programs
- Road shoulder maintenance
- Etc.

HOW DO WE PAY FOR ROAD MAINTENANCE?

- \$545 – RCMP
- \$383 – PARKS, RECREATION & CULTURE
- \$313 – NANAIMO FIRE RESCUE & 911
- \$249 – CORPORATE SERVICES
- \$236 – ENGINEERING & PUBLIC WORKS**
- \$117 – DEVELOPMENT SERVICES
- \$111 – CITY ADMINISTRATION
- \$43 – CORPORATE AND BUSINESS DEVELOPMENT
- \$20 – PORT OF NANAIMO CENTRE
- \$11 – CORPORATE FACILITIES



HOW MUCH ARE WE SPENDING ON ROAD MAINTENANCE?

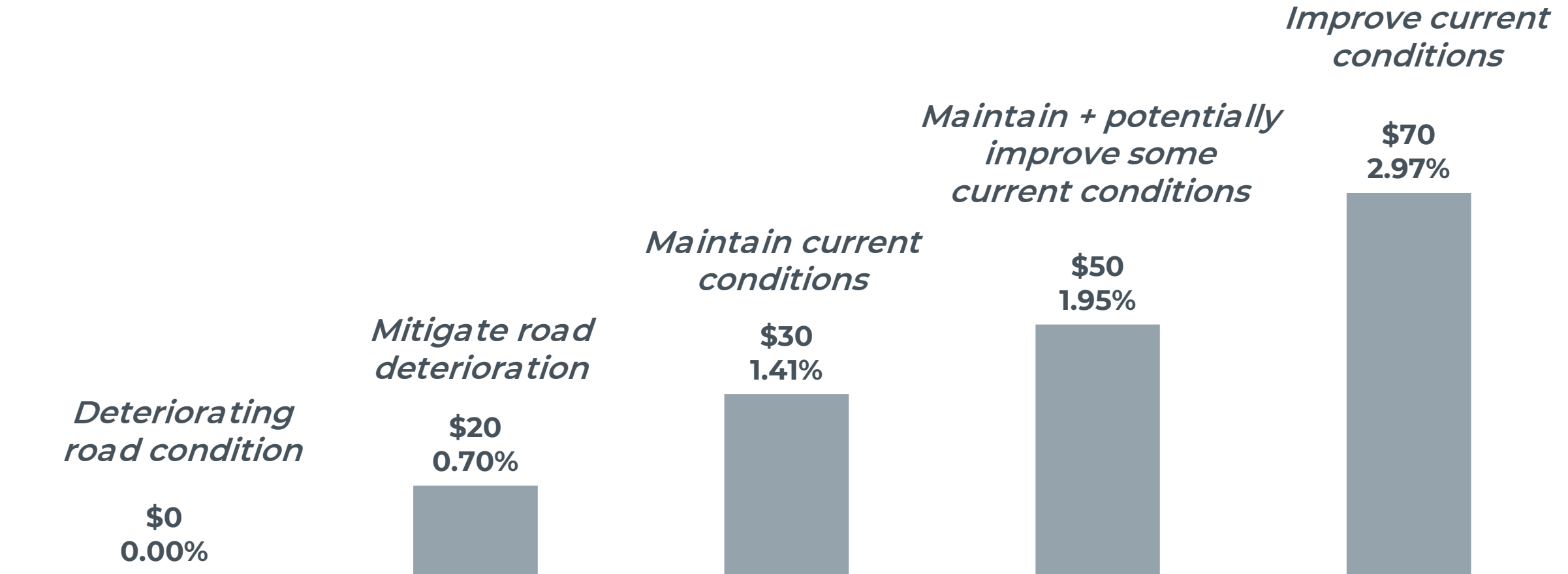
- The current annual funding for maintaining and replacing roads is \$3.2M
- If the current funding for road maintenance remains the same, the condition of roads will degrade
- This could look like potholes, cracking, ridging/rutting, crumbling shoulders, etc.

SOMETHING TO THINK ABOUT...

- When considering costs for road maintenance, it might be helpful to think about it like you would your vehicle maintenance
- Consistently paying a little bit more now (on oil changes, regular maintenance, etc.) can help prevent costly repairs later on for major problems.



HOW MUCH SHOULD WE SPEND ON MAINTAINING ROADS?



Note: does not consider inflation

COMMON ISSUES

Potholes



**Ridging/
Rutting**



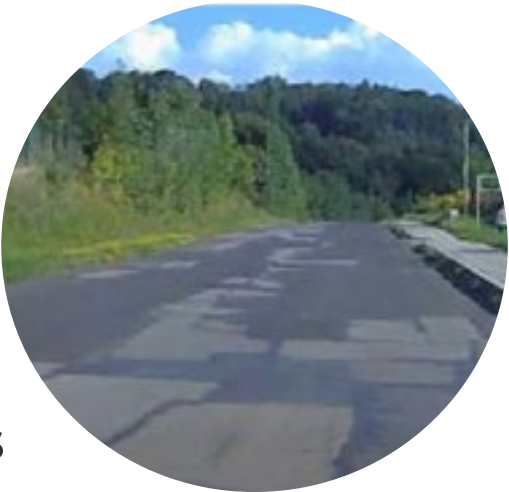
**Crumbling
shoulders**



Cracking



**Patched
surfaces**



TYPES OF ROAD CONDITIONS



Failing

Extensive potholes and cracks throughout; roads are rough and uncomfortable

Poor

Extensive potholes and cracks; roads are uncomfortable

Fair

Numerous potholes and cracks; roads are neither comfortable nor uncomfortable

Good

There are some potholes and cracks; roads are comfortable

Excellent

There are no potholes; roads are smooth and comfortable

A photograph of a road paving operation. In the center, a large asphalt paver truck is moving forward, depositing a thick layer of dark asphalt. Several workers in high-visibility orange and yellow safety vests and hard hats are positioned around the truck, using long-handled tools to guide and smooth the fresh pavement. The scene is set on a clear, sunny day with a blue sky and some light clouds. In the background, there are residential houses, a white pickup truck, and a chain-link fence. A single orange traffic cone is visible on the right side of the road. The overall atmosphere is one of active construction work.

FEEDBACK SESSIONS

A photograph of a road paving operation. In the center, a large asphalt paver machine is moving along a road, laying down a fresh layer of dark asphalt. Several construction workers in high-visibility orange and yellow safety vests and hard hats are working around the machine, using long-handled tools to guide and smooth the asphalt. To the right, a white pickup truck is parked on the shoulder, and an orange traffic cone is visible. The background shows a clear blue sky, some trees, and residential buildings. The text "FINAL Q&A AND FEEDBACK" is overlaid in large, white, bold letters across the middle of the image.

FINAL Q&A AND FEEDBACK

NEXT STEPS

1. Review and analyze all feedback
2. Incorporate feedback and comments from this session
3. Develop our final report to present to City of Nanaimo



THANK YOU

DATE: December 15, 2023
TO: David Thompson, MBA, P.Eng.
FROM: Jody Rechenmacher, Laura Bernier
FILE: 1296.0085.01
SUBJECT: Asphalt Levels of Service (LOS) Table

1.0 BACKGROUND

Following the City of Nanaimo's (the City) Asset Management Update in 2012, the City completed the 2017 Road Condition Assessment. The Road Condition Assessment included a comprehensive evaluation of 528 kilometres (km) of roads. This evaluation used a pavement management system to rate the roads using four (4) metrics to determine pavement performance and to develop an overall pavement performance indicator, the Pavement Quality Index (PQI). Pavement performance is rated along the PQI from failed (0) to perfect (100) and categorized into ten (10) condition ranges (poor to good). Results showed that approximately 115 km of roadways are below the acceptable PQI value of 79, with approximately 10 km of roads needing immediate rehabilitation.

Based on annual budgets, roadway investments (both capital and operational) are insufficiently funded to maintain current service levels. Current asphalt expenditures fluctuate annually, but on average are approximately \$3.2 M per year, including capital and operational costs. This average annual spending falls short of the required funding of \$5 M to maintain the current PQI of 79 recommended in the study.

As part of an earlier phase of this Asphalt Level of Service (LOS) Study, the City conducted a public engagement process that included detailed discussions with four focus groups (32 participants) with the goal of better understanding residents' expectations for road surface conditions, and how much they're willing to pay for the services required to maintain them. The results of the public engagement process, which are documented in the Asphalt LOS What We Heard Report, indicated that the overall quality of the service was fair to good. Participants indicated a Willingness To Pay (WTP) approximately \$40 each per year (above current levels) to maintain the current asphalt conditions and potentially improve some current conditions.

2.0 PURPOSE

A key outcome of the Asphalt LOS Study is to establish a target LOS that the City will aim to provide. The process of identifying the target LOS will assist the City with making decisions about road investment levels and guide the City in how to make the best use of the allotted funding to meet the community's expectations and needs.

The purpose of this technical memo is to develop a set of draft customer and technical levels of service (LOS) measures for the City's asphalt, including current performance, proposed targets based on engagement results and gaps in performance. The memo documents the draft LOS measures and how the engagement and technical inputs informed the development of the targets.

This memo contains:

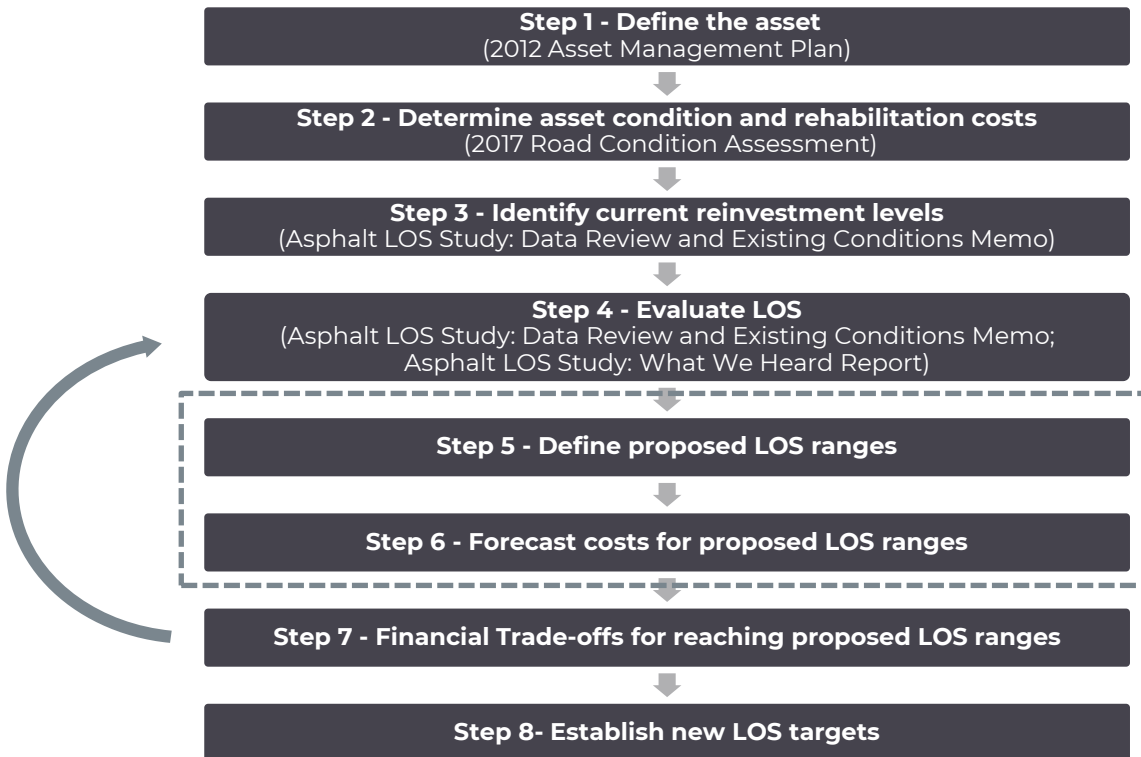
- The methodology for determining levels of service (LOS) for the City's asphalt, including the key measures for defining LOS and inputs and assumptions used to determine LOS ranges
- The resulting draft table of LOS ranges
- Next steps for determining the asphalt LOS target

3.0 METHODOLOGY

To accomplish the broader goals of the Asphalt LOS Study, the City has been following an eight-step process for establishing new LOS targets for road surfaces (Figure 1 below). The City has completed the first four steps of this process (through the Asphalt LOS Study and through previous work). The focus of this technical memo is on defining the proposed LOS ranges and forecasting the projected costs for the proposed ranges (Steps 5 and 6).

Determining the LOS ranges and their costs supports evaluating the financial trade-offs (Step 7). If rate payers are not willing to accept the proposed costs, then service levels should be reduced to the point where costs are acceptable.

Figure 1. Process for Establishing Levels of Service (LOS)



Refining and confirming the proposed LOS ranges requires iteration until LOS and WTP are aligned. The following methodology will allow the City to better understand LOS trade-offs and undertake the iterative process.

3.1 MEASURES FOR DEFINING THE PROPOSED LOS RANGES AND FORECASTED COSTS

The following measures were used to develop the proposed LOS ranges and their respective forecasted costs.

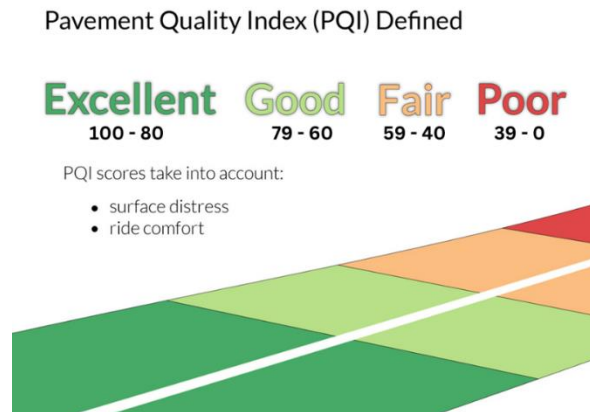
1. **Indicators** describe the quantity, quality, and reliability of current and future LOS in a way community members and Council understand.
2. **Costs** associated with providing the range of defined LOS so an informed decision can be made.
3. **Anticipated customer service feedback** on the performance of LOS ranges based on public engagement.

3.1.1 Indicators

Indicators are used to describe the quantity, quality, and reliability of the service for asphalt services:

- **Quantity:** The number of kilometers (km) of roads that will be deficient by 2027 that require major rehabilitation (2017 Road Condition Assessment).
- **Quality:** The Pavement Quality Index (PQI) provides an overall indication of the quality of pavement with regard to present and future service to the user from failed (0) to perfect (100). The PQI is derived through a combination of Riding Comfort Index (RCI), Surface Distress Index (SDI), and Structural Adequacy Index (SAI) (2017 Road Condition Assessment).

Figure 2. Understanding Pavement Quality Index (PQI)



Source: ArcGIS Hub. Pavement Quality Index (PQI): Safe and Secure Communities. Available : <https://hub.arcgis.com/pages/f222847cc6cb42f48a8814be1d52bbae>

- **Reliability of service:** Based on feedback from residents, reliability of the service includes the perceived ride comfort by the public, the number of unexpected disruptions in services, and the amount of significant distress areas (potholes, rutting, cracking) (see What We Heard report).

3.1.2 Costs

The City's services are largely funded through property taxes; asphalt is one service of many provided through Engineering and Public Works.

Although annual asphalt spending varies from year to year, based on annual budgets and information from City staff, asphalt budgets receive on average \$3.2M of funding per year.

To develop the proposed LOS ranges, the average annual investment has been assessed as a cost per parcel. The number of parcels in Nanaimo is 36,098.

<p>AVERAGE INVESTMENT PER YEAR = COST PER PARCEL <i>e.g., \$3.2M = \$88.65 × 36,098 parcels</i></p>
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3.1.3 Anticipated customer service feedback

During the public engagement (see What We Heard report), participating residents indicated that roads in Nanaimo are in “fair” to “good” condition. Feedback for enhancing the asphalt LOS was neutral, as most participants noted that their current driving experience is largely satisfactory. Primary concerns were related to the significant variability in driving conditions, emphasizing that experiences differ based on location and road class. Concerns were voiced regarding specific locations that require targeted improvements.

Residents indicated that it is important to maintain the current LOS expectations and are willing to pay an additional **\$40 per year each (per parcel)** to do so. Participants expressed a strong expectation that the City continue to strategically focus these investments on improvements to high-traffic areas and road classes, and that increases should be considered within the wider context of other cost increases and competing priorities.

4.0 RESULTS

The following table summarizes LOS ranges and their respective measures and indicators.

Table 1. LOS Table based on Willingness to Pay (WTP) and 2017 Pavement Quality Index (PQI)

LOS Scenario	Indicators			Costs			Anticipated Customer Feedback	
	Average PQI (2027)	PQI Description	Quantity of deficient roads (2027)	Total Average Investment per Year	Average Cost per Parcel	Average Cost Increase per Parcel	Level of Service (LOS) Satisfaction	Willingness to pay (WTP)
Scenario 1	64	<ul style="list-style-type: none"> - The road is in good condition with minor observable distress. - Limited cracking or rutting may be present, but the pavement remains serviceable. - Routine maintenance is recommended to address emerging issues. 	60 km	\$0	\$0	(\$88.65)	Significant Public displeasure with LOS	Significantly lower than the WTP threshold
Scenario 2	69	<ul style="list-style-type: none"> - The road is in good condition with minor distress. - Similar to PQI 64, with limited cracking or rutting. - The pavement is serviceable, and routine maintenance is advised 	37 km	\$2.0M	\$55.40	(\$33.24)	Certain public displeasure with LOS	Significantly lower than the WTP threshold
Scenario 3	70	<ul style="list-style-type: none"> - The road is in good condition with minimal distress. - Minor cracking or rutting may be present, but the pavement remains in a serviceable state. - Routine maintenance is recommended to preserve the current condition 	30 km	\$3.0M	\$83.11	(\$5.54)	Some public displeasure with LOS	Significantly lower than the WTP threshold
Scenario 4	75	<ul style="list-style-type: none"> - The road is in good condition with very minor distress. - Limited to no significant cracking or rutting. - The pavement is smooth and structurally sound, requiring routine maintenance for optimal performance 	10 km	\$5.0M	\$138.51	\$49.86	Some public displeasure with LOS	Begins to exceed WTP threshold
Scenario 5	79	<ul style="list-style-type: none"> - The road is in excellent condition with minimal to no distress. - A smooth surface and overall good structural and functional condition. - Routine maintenance is recommended to sustain the high-quality pavement 	5 km	\$5.7M	\$157.90	\$69.26	Meets public expectations for LOS	Exceeds WTP threshold

5.0 NEXT STEPS

The draft LOS table will be used to engage with council in a process to get feedback on proposed customer LOS targets. Council's direction on customer LOS and funding levels will be used to identify changes to the City's existing maintenance and renewal programs (technical LOS).

Technical LOS considerations will be developed by identifying the capital, operational, and maintenance activities required to deliver the target LOS. Guiding questions to identify which activities should be prioritized can include:

- Which projects will close the gap between the current and target LOS most cost effectively? Most sustainably? When will these projects be needed?
- What capital and operational projects will be needed to maintain current levels of service AND deal with pressures of growth or deteriorating assets?
- What is the impact of each project on providing or sustaining service?
- What are the impacts (on service) of actions such as cutting costs and making investments?

The updated maintenance and renewal programs will be compiled along with interim deliverables into a final report to document the project process and report to FCM.

ATTACHMENT C

Attachment C

Life Cycle of a Road

Assuming that the road base is constructed according to specifications, an asphalt road has a predictable maintenance cycle and useful life. The useful life varies from 25 to 40 years depending on roadway use and standards of construction at the time. Once constructed, the surface will start to weather as it is exposed to precipitation and ultraviolet light; it will go through freeze-thaw cycles and heat up during the summer; and it will be exposed to loading and unloading as traffic passes over it. This expansion, contraction and flexing results in cracks starting to develop, leading to the first maintenance activity, usually occurring between years 5 and 10: Crack Sealing. Using a polymeric rubber compound, the cracks are cleaned, filled and sealed. The cracks are usually limited to the top surface, but can project entirely through the thickness of the asphalt road. Sealing these cracks prevents water from intruding into the road base, preventing acceleration of failures.

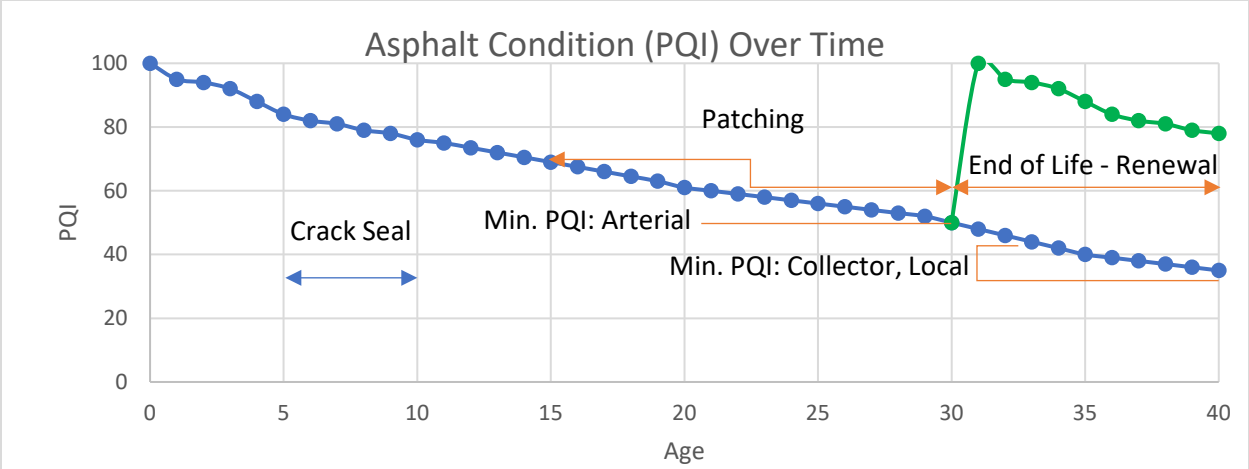
Over time, the network of cracks within a given area of asphalt exceeds the ability for additional crack sealing to be effective. At this point, localized sections of the road are removed and replaced (called patching). If water has made it through to the road base, the base will be replaced at this time as well. However, it is more typical for the top 50mm of asphalt to be milled off and replaced. This work happens as required throughout the life of the roadway and addresses issues with Surface Distress (SDI), primarily.

For Arterial and Collector roads, the performance of the roadway is driven by Ride Comfort (RCI). As this metric decreases, more significant patching is planned and undertaken. This can be larger scale patching (covered under Operating budgets) or road rehabilitation (covered under Capital budgets). Whenever possible and reasonable, this work is coordinated with other utility work that will require surface restoration work.

The life of a road can be negatively impacted by other utility works requiring removal and replacement of sections of roadway. This work introduces joints in an otherwise sealed roadway, creating a potential point of failure to be monitored. This type of work is generally unavoidable, being required for repairs, extension and installation of new underground services. Staff work with developers and engineers to minimize the long term impact on the roadway performance.

The useful life of any given roadway is highly dependent on the quality of initial construction, the loads that it experiences in that lifetime and any ingress of water to the road base. Based on City experience, that life can vary from 25 years to 40 years. At end of life, either the entire road structure is removed and replaced (if road base failure has occurred) or the top 50mm is milled off and replaced.

Each of these maintenance and renewal techniques are included in the Pavement Management System (AMS) used to record and forecast road conditions.



ATTACHMENT D

Please click the link below to access Attachment D - 2022 Pavement Condition Assessment Report

https://www.nanaimo.ca/docs/your-government/city-council/meeting-attachments/rpt_pms_20231011_fin.pdf

ATTACHMENT E



CITY OF NANAIMO
THE HARBOUR CITY

Roadway Maintenance – Level of Service and Asset Management

January 22, 2024

1



CITY OF NANAIMO
THE HARBOUR CITY

Common Issues

COMMON ISSUES

-  Potholes
-  Ridging/
Rutting
-  Crumbling
shoulders
-  Cracking
-  Patched
surfaces



URBAN
SYSTEMS

2

CITY OF NANAIMO
THE QUALITY CONNECTION

Types of Road Conditions

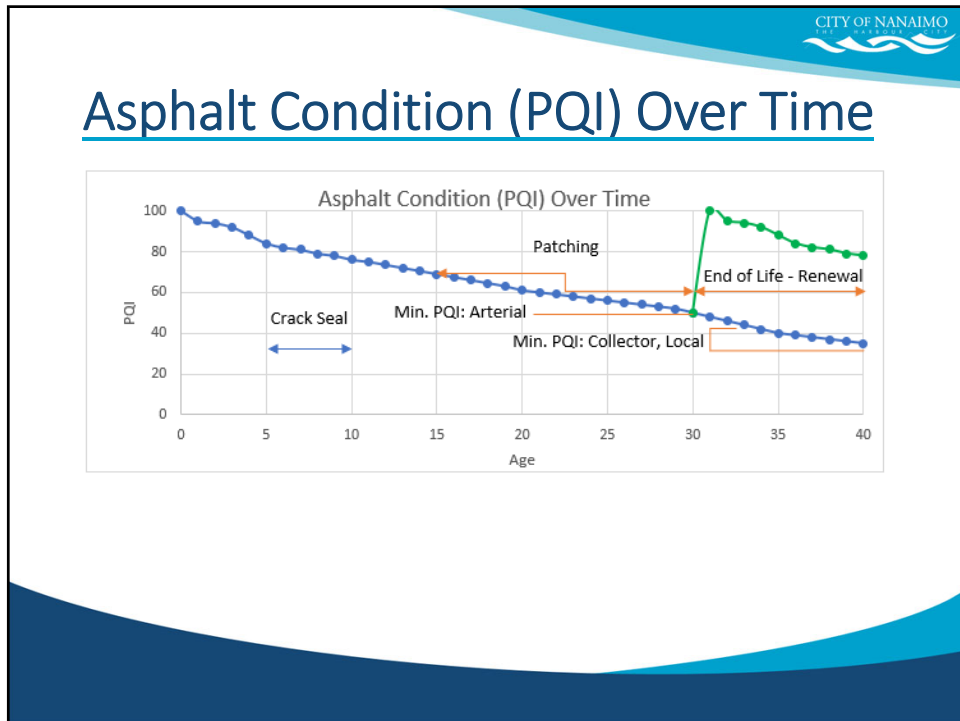
TYPES OF ROAD CONDITIONS



- Failing**
Extensive potholes and cracks throughout; roads are rough and uncomfortable
- Poor**
Extensive potholes and cracks; roads are uncomfortable
- Fair**
Numerous potholes and cracks; roads are neither comfortable nor uncomfortable
- Good**
There are some potholes and cracks; roads are comfortable
- Excellent**
There are no potholes; roads are smooth and comfortable

URBAN SYSTEMS

3



4

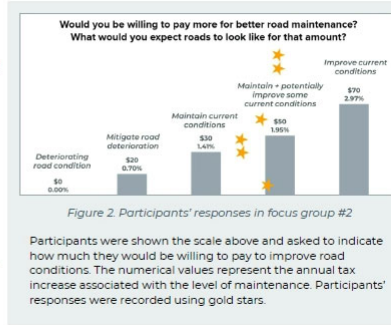
Willingness to Pay

WILLINGNESS TO PAY

When asked if they would be willing to pay more for better road maintenance, many participants expressed that ideally, they would want road conditions to fall somewhere between "maintain current conditions", and "maintain and potentially improve road conditions", at an approximate \$40 annual tax increase.

Overall, many expressed a desire for transparency from the City about where funds are being allocated and the management of tax dollars.

Additionally, participants voiced concerns regarding the overall cost of living and an increase in household costs, noting that they were worried about how additional tax increases would impact community members.



DATE OF MEETING JANUARY 22, 2024

AUTHORED BY NATALIE SPONAUGLE, COMMUNICATIONS ADVISOR

SUBJECT 2024 AVICC RESOLUTIONS

OVERVIEW

Purpose of Report

To seek Council direction on the proposed resolutions for the 2024 Association of Vancouver Island and Coastal Communities 2024 Annual General Meeting.

Recommendation

That the Governance and Priorities Committee recommend that Council:

- a. provide direction regarding the resolutions proposed by members of Council and,
- b. direct staff to submit the following resolution to the Association of Vancouver Island and Coastal Communities for consideration at their 2024 Annual General Meeting:

WHEREAS many communities are experiencing a crisis-level influx of homeless individuals and the existence of emergency shelters is critical to addressing the safety of people experiencing homelessness;

AND WHEREAS, due to the urgent nature of the need and the lack of suitable building stock in many communities, emergency shelters are frequently operating from buildings that do not meet the major occupancy classification requirements of the BC Building Code, nor the requirements of the BC Fire Code, placing local governments at risk of incurring liability if they do not enforce the codes and risking shutting down emergency shelters if they do enforce the codes:

THEREFORE BE IT RESOLVED that UBCM request the Province work with the Building Safety Standards Branch to establish some reasonable variances to the BC Building Code and BC Fire Code to enable emergency shelters to remain open.

BACKGROUND

The Association of Vancouver Island and Coastal Communities (AVICC) Annual General Meeting and Convention will be held April 12-14, 2024 in Victoria, BC. The deadline for resolution submission is February 7, 2024.

At the December 11, 2023 Governance and Priorities Committee meeting, Council members were asked to identify topics that they wished to have developed into resolutions for consideration at the 2024 AVICC Annual General Meeting and Convention. A number of

proposed resolutions have been brought forward and staff are seeking direction from Council on how they would like to proceed.

In addition, staff have brought forward a resolution for consideration regarding emergency shelters and compliance with the BC Building Code and BC Fire Code.

DISCUSSION

The proposed resolutions are as follows:

1. Investment in Complex Care Beds

WHEREAS in 2022, the BC Emergency Health Services reported a 75% total increase in annual overdose/poisoning events since the toxic drug crisis was declared a public health emergency in 2016 and the BC Provincial Overdose Cohort reports that brain injury is 15 times more likely among people who had experienced drug poisoning than those who had not;

AND WHEREAS the number of supports available for individuals requiring complex care due to health challenges related to substance use disorder has proven grossly inadequate for the ever-increasing demand in communities all across British Columbia;

THEREFORE BE IT RESOLVED that UBCM lobby the Province to increase investment in complex care beds to address the growing demand from those who have suffered serious health impacts from substance use disorder.

2. Mental Health Liaison Officers

WHEREAS RCMP members continue to respond to a significant number of calls for service for individuals dealing with mental health challenges and Mental Health Liaison Officers have proven to be an effective resource for assisting vulnerable citizens requiring support;

AND WHEREAS local governments are not provided funding to pay for healthcare and social services and there has been no increase in the Provincial funding model to support these officers responding to chronic/crisis mental health calls:

THEREFORE BE IT RESOLVED that UBCM advocate for the Province to fund RCMP Mental Health Liaison Officers within local detachments.

3. Provincial Housing Coordinator

WHEREAS the number of people experiencing homelessness or housing instability across the Province has been increasing at an unprecedented rate;

AND WHEREAS the Province has invested considerable funds in supportive housing, the majority of which operate as low barrier facilities making it challenging for individuals in recovery to secure housing options that support an addiction-free lifestyle:

THEREFORE BE IT RESOLVED that UBCM lobby the Province to establish a Provincial Housing Coordinator to work directly with those persons who are experiencing homelessness and who are not in need of supports, to find suitable housing.

4. Provincial Core Funding for Evolving Public Libraries

WHEREAS core funding for public libraries in British Columbia has remained unchanged since 2009, limiting their ability to expand and evolve their programming as demand for their services increases;

AND WHEREAS the operational requirements of public libraries increasingly require significant and diverse resources to provide front-line community services, including supporting patrons with mental health and addiction issues as well as barriers to housing, providing critical locations of refuge during extreme weather events, providing services to new Canadians, and supporting the process of reconciliation with Indigenous peoples;

THEREFORE BE IT RESOLVED that AVICC call on the provincial government to recognize the evolving and challenging situation for public libraries as well as their unique role as community spaces, and increase annual core funding for libraries to \$30 million in keeping with the request made by the BC Public Library Partners and the recommendation of the province's Select Standing Committee on Finance and Government Services.

AND BE IT FURTHER RESOLVED that this increase in core funding be increased on a yearly basis in keeping with cost of living and inflationary pressures.

5. Emergency Shelters & Compliance with BC Building Code & BC Fire Code

Staff recommendation

WHEREAS many communities are experiencing a crisis-level influx of homeless individuals and the existence of emergency shelters is critical to addressing the safety of people experiencing homelessness;

AND WHEREAS, due to the urgent nature of the need and the lack of suitable building stock in many communities, emergency shelters are frequently operating from buildings that do not meet the major occupancy classification requirements of the BC Building Code, nor the requirements of the BC Fire Code, placing local governments at risk of incurring liability if they do not enforce the codes and risking shutting down emergency shelters if they do enforce the codes:

THEREFORE BE IT RESOLVED that UBCM request the Province work with the Building Safety Standards Branch to establish some reasonable variances to the BC Building Code and BC Fire Code to enable emergency shelters to remain open.]

Once Council provides direction on the resolutions they would like to bring forward to AVICC, the required supporting backgrounders will be prepared. The resolutions will be brought forward to the 2024-FEB-5 Regular Council meeting for endorsement.

Resolutions endorsed at the 2024 AVICC Annual General Meeting will be forwarded to the Union of BC Municipalities (UBCM) convention for consideration and debate unless they are regional in nature.

OPTIONS

1. That the Governance and Priorities Committee recommend that Council:
 - a. provide direction regarding the resolutions proposed by members of Council and,
 - b. direct staff to submit the following resolution to the Association of Vancouver Island and Coastal Communities for consideration at their 2020 Annual General Meeting:

WHEREAS many communities are experiencing a crisis-level influx of homeless individuals and the existence of emergency shelters is critical to addressing the safety of people experiencing homelessness;

AND WHEREAS, due to the urgent nature of the need and the lack of suitable building stock in many communities, emergency shelters are frequently operating from buildings that do not meet the major occupancy classification requirements of the BC Building Code, nor the requirements of the BC Fire Code, placing local governments at risk of incurring liability if they do not enforce the codes and risking shutting down emergency shelters if they do enforce the codes:

THEREFORE BE IT RESOLVED that UBCM request the Province work with the Building Safety Standards Branch to establish some reasonable variances to the BC Building Code and BC Fire Code to enable emergency shelters to remain open.

- The advantages of this option: The resolutions approved by Council will be forwarded to AVICC within the deadline and assist in Council's advocacy efforts.
- The disadvantages of this option: None identified
- Financial Implications: None identified

2. That the Governance and Priorities Committee provide alternate direction.

SUMMARY POINTS

- The Association of Vancouver Island Coastal Communities is held from April 12-14, 2024 and provides an opportunity for local governments to advocate on important topics with other levels of government and agencies.
- The deadline to submit resolutions is February 7, 2024.
- Four resolutions have been proposed by Councillors and one resolution has been put forward by staff for consideration.

Submitted by:

Sheila Gurrie
Director of Legislative Services &
Communications

Concurrence by:

Dale Lindsay
Chief Administrative Officer