

DATE OF MEETING April 19, 2021

AUTHORED BY DAVID STEWART, SOCIAL PLANNER

**SUBJECT TRANSITIONAL EMERGENCY HOUSING - COWICHAN MODEL**

## **OVERVIEW**

### **Purpose of Report:**

To provide Council with a response to a request for information on the Cowichan Housing Model.

## **BACKGROUND**

On 2021-FEB-01, Council approved the following motion:

*“That a report be prepared as quickly as possible outlining options for implementing a temporary emergency accommodation program, similar to the Cowichan Housing model, in Nanaimo and the report include:*

- 1. The capital costs for 2-3 pilot locations and potential funding sources;*
- 2. The estimated monthly operation costs, potential funding sources, and potential operators; and*
- 3. Any opportunities for community collaboration; and comment from appropriate city departments, the RCMP and community agencies.”*

The motion was in response to the use of temporary cabin-style structures for emergency housing at two sites in the Cowichan Valley run by Cowichan Housing Association (CHA). The sites provide 10-12 sleeping cabins with electricity and heat. Water is delivered on site and a shared porta-potty provided. Attachment A provides more background information on the cabin sites.

The Cowichan cabins are one example of temporary emergency housing. Different models of temporary emergency housing already exist in Nanaimo. As part of the closure of the encampment at 1 Port Drive in December 2018, BC Housing established two emergency housing sites for approximately 164 people (250 Terminal Avenue - 78 units, and 2020 Labieux Road - 86 units). This emergency housing meets minimum fire safety standards, has full washrooms, showers and laundry access, provides meals, onsite health and wellbeing supports, along with 24-hour staffing and security. Through the supports provided, operators of these sites have successfully transitioned some residents to other more permanent forms of housing, including, in some cases, market rental housing.

Residents at both these sites will be transitioned into supportive housing units to be constructed at four sites as part of the Memorandum of Understanding between BC Housing and the City of Nanaimo announced in July 2019.

BC Housing announced in September 2020 that Nanaimo would receive a 60-bed Navigation Centre to provide additional emergency transitional housing beds. These beds, allocated through a coordinated process, provide 24/7 space with onsite supervision and supports until people can be transitioned to permanent housing. The City and BC Housing are currently in discussions regarding the potential location and operation of the Navigation Centre.

It should be noted that the 2021 Health and Housing Action Plan (HHAP) endorsed by Council targets adding 70 transitional housing beds over five years in Nanaimo. The proposed 60-bed Navigation Centre would help achieve this target.

## **DISCUSSION**

In response to Council's motion, Staff considered the following:

### **Operational Requirements/ Potential Operators**

In order for any emergency shelter/supportive housing site to be successful, both permanent and temporary, an experienced and high-capacity operator is essential. Following the Council motion, Staff sent out letters to ten local supportive housing and shelter operators in Nanaimo. At the time of writing this report, none of those that responded indicated they currently have the capacity to operate a temporary cabin site similar to the Cowichan model. A copy of the letter sent to housing and service providers is included as Attachment B.

Providing integrated on-site health supports is important to the success of any temporary emergency housing. Staff sent a letter to Island Health seeking opportunities for collaboration and support with respect to the concept of establishing managed cabin sites. Island Health provided feedback that they are nearing the completion of a Memorandum of Understanding to provide health care services at existing and future supportive housing sites, including the Navigation Centre. They indicate support for innovative housing solutions and commit to providing health care services based on the needs of residents (similar to supports provided at the existing temporary modular housing). However, they note their capacity to provide services at new sites may be challenged without additional resources. A copy of the City's letter to Island Health and their response is included as Attachment C.

### **Opportunities for Community Collaboration**

In addition to contacting potential operators directly, Staff sent a referral to the Nanaimo Homeless Coalition (NHC) included in Attachment D. NHC "supports in principle all thoughtful, community-engaged, supported and funded responses to homelessness", but noted "temporary and transitional shelter options should be considered part of the continuum of support to those experiencing homelessness in conjunction with a broader plan". Adequate staffing and support funding and engagement with key community stakeholders was also noted by NHC as critical to the operation's success. A full copy of NHC's response is included in Attachment D.

CHA notes community collaboration has been critical to the success of their project and has helped mitigate costs. For example, most of the food served on the Cowichan sites comes from other non-profit sources. Cowichan Tribes staff and House of Friendship staff have re-oriented their outreach staff to support the sites and contribute to meal provision. CHA also notes

collaboration with local emergency shelter providers with respect to referrals has been important, as has establishing a strong working relationship with the City's Bylaw Services.

### **Construction Requirements/ Capital Costs and Operating Costs**

The City of Duncan has taken the position that the BC Building Code does not apply to the emergency cabins, provided they meet basic life-safety requirements established by the City. The sites were not serviced by sewer and water but did require electrical hookup for baseboard heating, hardwired smoke detectors and lighting.

The capital costs for establishing transitional cabin sites similar to the Cowichan model will depend on a number of factors including:

- Number of units;
- Size of the property;
- Location of the project (e.g., if site preparation or paving is required; existing drainage; and site access and security concerns);
- Site servicing and sanitation (e.g., costs will vary depending on whether sewer and water connections are provided); and
- Nature of construction (e.g., will construction be required to meet BC Building Code requirements?).

Staff have provided a draft budget based on a 12-cabin development on a flat-paved 669m<sup>2</sup> (7,200 ft<sup>2</sup>) site, similar to the St. Julien Street site in Duncan. It is important to note, cabin costs are based on the Cowichan model in which cabins were not required by the City of Duncan to meet BC Building Code requirements. If the cabins are required to be code-compliant, it will increase the cost per unit. The costs of one form of code-compliant modular units are included in the draft budget below. The draft budget also includes additional costs that might be incurred if sanitation services (sewer, water, showers) and/or if site preparation is required.

Once the site is established, additional operational funding will be required to manage and maintain the site. Operational costs may include the following: Operational staff; Site security staff; food and water; cleaning, sanitation and maintenance; and Administration.

CHA estimates they spend \$250,000 **per year per site** to provide night shift security guards, daytime outreach workers, cleaning staff, a coordinator, dedicated youth worker for those under 24 years old, and three meals a day. However, this estimate was high level and not broken down for each component. A preliminary capital cost budget and estimated servicing operating budget is included as Attachment E. This includes sanitation and one person 12-hour/24-hour security budget estimates in Attachment F.

A summary of the estimated capital costs along with annual operating costs for different temporary cabin development options is provided in the table below. These costs are estimates based on available information and excludes staffing, food, and other possible site costs. The level of daily staffing support provided will significantly increase operating costs. Should more security be required that will also increase costs.

<b>*Level of Development to support up to 12 individuals</b>	<b>Capital Cost</b>	<b>Annual Operating Costs (no staff)</b>
Similar to Julien Street Project: <i>No site preparation, hydro connection, portable washroom rentals and no showers. Waste management. Security evening 1 person 12 hr shift only. Fence rental. Waste collection.</i>	<b>\$106,289</b>	<b>\$176,196*</b> (\$14,683/month)*
Similar to Julien Street Project (as above) <i>plus site preparation costs, water and sewer connection.</i>	<b>\$182,684</b>	<b>\$176,196*</b> (\$14,683/month)*
Enhanced Julien Street Project: 3 CSA serviced modular trailers with 4 self contained units in each. <i>Includes site preparation, all utility connections, waste management, fence rental and 1 person 24 hour security.</i>	<b>\$455,000</b>	<b>\$287,796*</b> (\$23,983/month)*

*\*Excludes staffing, meal provision and other potential site administration/maintenance services.*

## Potential Funding Sources

### *BC Housing*

BC Housing is providing temporary funding for all ongoing operational costs, including site rental costs for both Cowichan cabin sites. City Staff contacted BC Housing as a potential funding partner to support the idea of temporary emergency cabin sites in Nanaimo. BC Housing has responded that they are open to potentially contributing a portion of operating costs, but will not support any capital costs. BC Housing's response and the City's referral letter are included as Attachment G.

In order to support the capital costs and additional operating costs, the City could consider the following other potential funding sources.

### *Housing Legacy Reserve*

One possible internal source of funding is the City's Housing Legacy Fund. The Housing Legacy Reserve (HLR) fund was established in 2005 to support and facilitate the implementation of affordable housing policies, including the development of affordable housing projects, initiatives, and research. The projected 2021 closing balance in the HLR is \$2,878,872 (note that possible works and services commitments that may need to be funded through this should the City receive funding for temporary emergency housing through the Strengthening Communities' Services grant application).

Contributions to the HLR are received through an annual budget contribution of \$165,000 and from Community Amenity Contributions (CAC) received through rezoning. On 2021-MAR-08, the Governance and Priorities Committee (GPC) endorsed a policy that will increase the CAC contribution required for most developments and dedicate a minimum of 40% of the contribution to the HLR. If the CAC is adopted, Staff anticipate an increase over time to the amount of money directed to the HLR.

### *Reaching Home*

The Government of Canada's Reaching Home program provides annual funding to several 'designated' communities to use for local solutions aimed at preventing and reducing homelessness. The majority of the capital costs for the Cowichan cabin development, including cabin construction costs, were funded using Cowichan's Reaching Home funding.

In Nanaimo, this funding is allocated by the Nanaimo Homeless Coalition's (NHC) community advisory board (CAB). The NHC has indicated they "would, in principle, consider the use of existing or future Reaching Home funds for the establishment and support of all innovative community solutions to homelessness", including transitional housing similar to the Cowichan model (see Attachment D).

### **Comment from RCMP, City Bylaws, and Nanaimo Fire Rescue**

The RCMP state that potential cabin site(s) would impact existing RCMP resources and noted the Bike Unit especially do not have the capacity to support additional sites (see Attachment H). The RCMP response speaks to the challenges Nanaimo has experienced with unmanaged tenting sites. Their report notes that well-managed supportive housing units have reduced RCMP calls for service in comparison to camp formats. They also note that a portion of unhoused individuals will continue to impact the community regardless of establishing either supportive housing models that exist in Nanaimo or temporary emergency cabin style housing or camps as used in Cowichan.

Like the RCMP, Bylaw Services note that it is difficult to assess the public safety of a temporary cabins approach as the infrastructure and resources used will vary the outcomes considerably. This includes factors such as size, selection criteria for occupants, staffing levels (operators and security), sites rules, and layout (access control, etc.).

Bylaws Services note that a supervised-camp model could potentially reduce some of the extreme fire safety risks associated with unmanaged sheltering in undeveloped parklands during hot, dry summer months, as well as potentially reducing some homeless-related calls for service related to sanitation, safety and environmental impacts. However as noted by the RCMP, they anticipate they will still continue to respond to the impacts on community of individuals who avoid or are unable to be housed in these different emergency housing options.

The Nanaimo Fire Rescue Department noted a number of fire and life safety concerns that must be considered prior to establishing any transitional housing units (see Attachment I).

If the City proceeds with establishing this form of emergency housing, then it would need to develop a plan(s) to mitigate the above-noted life-safety and community impacts through site design, construction, and operational planning. This would involve the City's Building

Inspections, Bylaw Services, and Fire Rescue Department's work with the selected site operator(s), BC Housing, building contractors, and other key stakeholders.

Both the RCMP and NHC suggest if the City does proceed with doing emergency cabin housing, that this would be temporary use with an exit strategy for transitioning cabin tenants to longer-term supportive housing.

## **CONCLUSION**

Overall, the Cowichan Housing model may provide a relatively quick response to housing some of Nanaimo's homeless, but it is not without risk. If the City chooses to pursue this model of housing, it is important that it does so with the support of our health and housing partners, high community and on-site safety standards, and a plan to transition residents out of the transitional cabin units to more permanent housing.

If Council wishes to proceed further with implementing an emergency housing project similar to the Cowichan model, they may request Staff bring forward a second report for options for consideration including potential locations.

## **GENERAL MANAGER'S COMMENTS**

There is no capacity, nor the required skillset within our organization to manage temporary housing sites. As such, if Council wished to proceed with a project of this nature, we would issue a Request for Proposal (RFP) for one or more site operators.

Although under this model Development Services Staff would not be involved in day-to-day operations, Staff time would be required to identify potential sites, prepare the RFP, develop communications, and likely support ongoing community advisory committees for the site(s). Staff resources are currently fully allocated with a focus on establishing permanent housing solutions in the community. Present priorities include, but are not limited to:

- implementation of the MOU with BC Housing (7 sites);
- the support of the transition working group as part of the implementation of the Health and Housing Action Plan;
- working with our partners to establish a Navigation Centre;
- ongoing community engagement with respect to existing and proposed housing facilities; and;
- identification of additional permanent housing sites.

### **SUMMARY POINTS**

- Council has requested Staff prepare a report regarding possible options for implementing a temporary emergency accommodation program, similar to the Cowichan temporary cabin housing model.
- BC Housing is open to contributing a portion of operating costs, but will not support any capital costs for a transitional cabin project in Nanaimo.
- Other potential funding sources included the Housing Legacy Fund and the Government of Canada's Reaching Home grant.
- To date, no local housing or shelter providers have indicated that they have the capacity to manage an emergency accommodation site similar to the Cowichan model.

### **ATTACHMENTS**

- ATTACHMENT A: Background Details on Cowichan Housing Model  
ATTACHMENT B: City of Nanaimo Letter to Housing Providers dated 2021-FEB-26  
ATTACHMENT C: City of Nanaimo Letter to Island Health dated 2021-FEB-12 (Part 1);  
Island Health Letter Response dated 2021-APR-15 (Part 2)  
ATTACHMENT D: City of Nanaimo Letter to Island Health dated 2021-FEB-12 (Part 1);  
Nanaimo Homeless Coalition Response dated 2021-APR-06 (Part 2)  
ATTACHMENT E: Preliminary Capital Budget  
ATTACHMENT F: Sanitation and Security Budget  
ATTACHMENT G: City of Nanaimo Letter to BC Housing (BCH) dated 2021-FEB-10 (Part 1);  
BCH Response 2021-MAR-12 (Part 2)  
ATTACHMENT H: RCMP Response 2021-APR-09  
ATTACHMENT I: Fire Rescue Response 2021-MAR-01

**Submitted by:**

Lisa Bhopalsingh  
Manager, Community Planning

**Concurrence by:**

Bill Corsan  
Director, Community Development

Laura Mercer  
Director, Finance

Dale Lindsay  
General Manager, Development Services