

DATE: March 7, 2022**FILE:** 1700-02/2022/451**TO:** Chair and Directors
Regional District Board**FROM:** James Warren
Deputy Chief Administrative OfficerSupported by James Warren
Deputy Chief Administrative Officer*J. Warren***RE: 2022 – 2026 Financial Plan – Homelessness Supports Service – Function 451****Purpose**

To provide the Comox Valley Regional District (CVRD) Board with the proposed 2022 - 2026 Financial Plan and work plan highlights for the Homelessness Supports service, function 451.

Recommendation from the Deputy Chief Administrative Officer:

THAT the Comox Valley Coalition to End Homelessness' 2022 Housing Plan, including the following allocations from the 2022 – 2026 financial plan for Homelessness Supports service, function 451 for the following projects, be approved:

- a. \$10,000 towards construction of a townhouse in Courtenay (Habitat for Humanity – Vancouver Island North, 1375 Piercy Avenue); and
- b. \$115,000 towards 40 studio and one bedroom units, with some supports, for Indigenous elders at McPhee Avenue and 17th Street (Wachiay Friendship Centre).

AND FURTHER THAT if the Comox Valley Regional District is unsuccessful in claiming the February 25, 2022 \$91,028 expenditure to the Comox Valley Transition Society for the operation of the Connect Warming Centre at 685 Cliffe Avenue between September 2021 and January 2022, as an eligible activity under the terms of the CVRD's approved Strengthening Communities Services grant, that \$91,028 be allocated to cover the expenditure;

AND FURTHER THAT if the grant funder deems the \$91,028 expenditure to the Comox Valley Transition Society eligible under the approved grant that staff report back to the board with a recommendation on allocation of the \$91,028;

AND FURTHER THAT \$19,000 be allocated to engage consulting support to assist with implementation of the service, including the recommendations of the 2021 service review;

AND FINALLY THAT the proposed 2022 - 2026 financial plan for the Homelessness Supports service, function 451, be approved.

Executive Summary

- The maximum levy for this service is the greater of \$165,000 or \$0.02 per \$1,000 of the net taxable value of land and improvements for regional hospital district purposes. No change is proposed to the maximum levy at this time, therefore the maximum requisition available in 2022 is \$376,492. Most years, revenue is primarily derived from tax requisition. In 2022, however, the Strengthening Communities grant (awarded in 2021) accounts for \$1,093,174 of the service's proposed revenue.

- Participants in the service are the City of Courtenay, the Village of Cumberland, Defined Electoral Area A (Baynes Sound), Electoral Area B (Lazo North) and Electoral Area C (Puntledge – Black Creek).
- In a letter dated February 11, 2022, the Comox Valley Coalition to End Homelessness' (CVCEH) Leadership Team has recommended three projects for funding allocation totalling \$200,000 (Appendix A):
 - \$75,000 towards renovation of a drop-in centre for those who are experiencing homelessness or at risk of homelessness (Coalition 'member agency');
 - \$115,000 towards 40 studio and one bedroom units, with some supports, for Indigenous elders at McPhee Avenue and 17th Street (Wachiay Friendship Centre); and
 - \$10,000 towards construction of a townhouse (12 units in total) to be constructed at 1375 Piercy Avenue, Courtenay (Habitat for Humanity Vancouver Island North).

In order to ensure cost recovery of an expenditure, however, made by the CVRD to the Comox Valley Transition Society for the operation of the Connect Warming Centre during the period September 2021 – January 2022, staff recommends that an allocation of \$91,028 be made to cover the expense. Staff are working with the Union of BC Municipalities (UBCM) to assess whether the expenditure will be deemed an eligible expense per the grant approval and, if it is, staff will report back to the board with a recommendation on an alternative use of the \$91,028.

- Staff proposes that \$19,000 be allocated for the CVRD to engage consultant support to assist CVRD staff to implement the recommendations of the CVRD's Homelessness and Supports Service Review, dated January 13, 2021.
- The CVCEH's 2022 Housing Plan is attached (Appendix B) as is the CVCEH's 2021 Annual Report (Appendix C).

Prepared by:

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Government Partners and Stakeholder Distribution (Upon Agenda Publication)

Comox Valley Coalition to End Homelessness Coordinator	✓
Village of Cumberland	✓
City of Courtenay	✓

Background/Current Situation

2022 marks the seventh year of this service. Participants are defined Electoral Area A (Baynes Sound); Electoral Area B (Lazo North); Electoral Area C (Puntledge – Black Creek); the Village of Cumberland and the City of Courtenay. The purpose of the service is to provide funds to local non-governmental organizations based on a CVRD Board approved five-year action plan to address homelessness in the Comox Valley. Recommendations for project funding allocation come from the CVCEH's Leadership Team.

Completed in January 2021, the service review, required as part of the service establishment bylaw, identified 14 recommendations to support evolution and overall sustainability of the service. In 2022, staff is recommending a funding allocation to assist with the implementation of at least four of

the service review's recommendations. Also, in 2021, the CVRD (lead applicant with partners: Village of Cumberland, Town of Comox, and City of Courtenay) received \$1,093,174 in grant funding through the Strengthening Communities Services (SCS) grant fund, administered by UBCM. The SCS grant is intended to provide temporary and incremental funding (i.e. to enable additional services or scope) to augment existing services in the community in order to support unsheltered populations through the pandemic, as well as activities that help to mitigate related community impacts.


Rethink Comox Valley / COVID-19 Response and Renewal

The pandemic has shone a light on the acute need for safe and affordable housing and supports for those experiencing and/ or at risk of experiencing homelessness in the Comox Valley. This service and the recommendations contained within this report are aligned with the board's direction to support vulnerable residents in our COVID-19 Response and Renewal efforts. The SCS grant is funded through the federal and provincial governments' Safe Restart Agreement.

Financial Plan Overview

The 2022 - 2026 proposed five-year financial plan for the Homelessness Supports service, function 451, including service establishment information, the requisition summary and the operating budget, is available within the full proposed budget binder, provided in both searchable PDF and e-reader formats, located on the CVRD financial plan web page at www.comoxvalleyrd.ca/currentbudget.

Table 1 below summarizes the 2022 proposed budget as compared to the 2021 adopted budget. Significant variances from the 2021 adopted budget will be discussed in the financial plan sections that follow.

 #451 CV Homelessness Supports			
Operating	2021 Budget	2022 Proposed Budget	Increase (Decrease)
Revenue			
Requisition	245,000	245,000	-
Senior Government Grants	0	546,587	546,587
Prior Years Surplus	58,026	572,369	514,343
	\$ 303,026	\$ 1,363,956	\$ 1,060,930
Expenditures			
Operating	287,320	1,360,632	1,073,312
Contribution to Reserve	9,535	2,324	(7,211)
Tsfr Other Functions	6,171	1,000	(5,171)
	\$ 303,026	\$ 1,363,956	\$ 1,060,930

Highlights of the 2022 - 2026 proposed financial plan for function 451 include:

Revenue Sources

Revenue within this service is normally primarily derived from tax requisition. In 2021/ 2022, however, senior government grant funding (SCS grant) accounts for the majority of the service's revenue (\$1,093,174). The CVRD is the 'fiscal host' and grant administrator. The CVRD has received half of the grant amount and is eligible to receive the remaining half following UBCM's approval of our final financial report (to be submitted to UBCM in July 2022).

Personnel

There are no direct CVRD personnel costs assigned to this service.

Operations - 2021

In 2021, the service allocated \$235,000 in funding toward the following projects:

1. \$100,000 towards Gwax'dzi dsas: Tall Tree Place - 22 modular units for families in Cumberland (2, 3, 4 bedroom) in partnership with Dawn to Dawn Action on Homelessness Society (Comox Valley Transition Society);
2. \$70,000 towards 24 - 40 studio and one bedroom units, with some supports, for Indigenous elders on the Wachiay Friendship Centre property (Wachiay Friendship Centre);
3. \$30,000 towards construction of a townhouse – one of three townhouses to be constructed at 1375 Piercy Avenue, Courtenay (Habitat for Humanity Vancouver Island North).
4. \$30,000 + \$5,000 towards the Coalition to End Homelessness coordinator position plus honoraria to engage individuals with lived experience in the funding allocation process of the CVCEH Leadership Team. These funds were provided to the Comox Valley Transition Society.

Operations – 2022

In 2022, the CVCEH's Leadership team recommends the following allocation of \$200,000 in funding for capital works:

1. \$75,000 towards a drop-in space for individuals experiencing homelessness, or at risk of homelessness.
2. \$115,000 towards 40 studio and one bedroom units, with some supports, for Indigenous elders on property at McPhee Avenue and 17th Street owned by the Wachiay Friendship Centre property (Wachiay Friendship Centre).
3. \$10,000 towards construction of a townhouse – one of three townhouses (12 units) to be constructed at 1375 Piercy Avenue, Courtenay (Habitat for Humanity Vancouver Island North).

Staff is recommending that \$115,000 be allocated towards the Wachiay Friendship Centre's McPhee Avenue/ 17th Street development and that \$10,000 be allocated towards Habitat for Humanity's Piercy Avenue development. At this time, however staff is recommending that instead of allocating \$75,000 in additional funding to the drop-in space described above, that \$91,028 of the 2022 proposed operating budget be allocated to cover the funds provided to the Comox Valley Transition Society by the CVRD in February 2022 for the Connect Warming Centre's operation (September 2021 – January 2022).

CVRD staff is in discussion with the grant funder about the eligibility of the expense relative to the approved grant (versus an expansion of the program's service as originally approved by UBCM). If the expenditure is supported by the grant funder as either an eligible expense under the approved grant or approved as part of an amended proposal, staff will report back to the board with a recommendation on an alternative use of the \$91,028 (e.g. allocation as proposed by CVCEH Leadership team).

Given the above, \$19,000 remains unallocated within the proposed operating budget. Staff therefore recommends that \$19,000 be allocated to enable retention of consulting services to assist the CVRD to begin work on implementation of the service review recommendations (described below, 2022 Work Plan).

Capital

There are no capital projects undertaken by the CVRD related to this service.

Reserves

The service's future expenditure reserve had an estimated balance at the end of 2021 of \$41,893.53. The service delivery policy allows for funds to be set aside for a future activity, and the board may assign funds to a reserve account. Modest contributions to this reserve are included in the 2022 – 2026 financial plan which will result in an estimated reserve fund balance at the end of 2026 of \$70,386.

Tax Impacts

- Based on the 2022 completed assessment roll, the estimated residential tax rate for this service is expected to be \$0.0116 per \$1,000 of taxable assessed value.
- The 2021 residential tax rate for the service was \$0.0152 per \$1,000 of taxable assessed value.
- For a residence with an assessed value of \$600,000, the total tax impact in 2022 is estimated to be \$6.96.

2022 Work Plan

CVRD and City of Courtenay staff are working with the CVCEH's Leadership Team and Coordinator to allocate the SCS grant funds for eligible activities to be undertaken by various service providers. An example of an activity that has been undertaken using SCS grant funds is the 'Community Cares' warming centre on Fitzgerald Avenue, which opened its doors as a temporary drop-in space for up to 50 people on January 21, 2022 (running until April 1, 2022). Up to \$110,000 of SCS grant funding has been earmarked by the project team to enable this new warming centre. The CVRD has a funding agreement with this service provider. Staff has drafted a memorandum of understanding to assist the project team to allocate funding for the remaining eligible activities, including neighbourhood level anti-stigma work, and trauma informed training for local government staff and service providers. To date, managing the SCS grant has required a significant amount of CVRD staff time.

The 2022 proposed work plan also includes a recommendation to engage consulting services to assist CVRD staff, the CVCEH Leadership Team and the CVCEH Coordinator to begin work on implementing the service review recommendations, such as:

- Preparation of promotional materials to raise the profile and transparency of the service, including communication of the use of funds and total value of the investments the funding has generated (recommendation No. 4).
- Refinement of the processes used to allocate funding within the community, including development of a formal evaluation framework to score and prioritize applications for funding relative to community needs (recommendation No. 11).
- Establishment of an evaluation committee with time-limited participation, for one funding cycle of the Service, to support the evaluation of applications and development of funding allocations recommendations (recommendation No. 12).
- Development of mechanisms for participation of individuals with lived/ living experience of homelessness in the Service, for example, through an advisory committee or similar body and revising the eligibility criteria for membership in the Coalition and participation in the Leadership Team or in an evaluation committee (recommendation No. 13).

Consultant assistance is required to undertake the above as staff do not have capacity given current and projected workload.

Strategic Considerations: Strategic Drivers and Regional Growth Strategy

CVRD Board Strategic Drivers:							
Fiscal Responsibility	✓	Climate Crisis and Environmental Stewardship and Protection		Community Partnerships	✓	Indigenous Relations	

- Fiscal Responsibility: Careful management of services and assets is essential to providing affordable and reliable services to citizens and businesses in the CVRD. In 2021/ 2022 the majority of the requisition is derived from senior government grant funding.
- Community Partnerships: The social fabric of our communities and the health and wellbeing of citizens depend on solid and sustainable community partnerships. Collaboration and support are ever present in guiding our service delivery. The key community partner is the Comox Valley Coalition to End Homelessness' Leadership Team (representing the member agencies) who provide the expertise and leadership to execute projects and works with the various community partners to deliver housing and supports.

CVRD Regional Growth Strategy Goals:							
Housing	✓	Ecosystems, Natural Areas and Parks		Local economic development	✓	Transportation	
Infrastructure		Food Systems		Public Health & Safety	✓	Climate Change	

Among the goals of the Regional Growth Strategy this service most directly responds to the Housing, and Public Health and Safety goals, being:

- Housing: Ensure a diversity of housing options to meet evolving demographics and needs.
- Public health and safety: Support a high quality of life through the protection and enhancement of community health, safety and well-being.

Intergovernmental Factors

The Village of Cumberland and City of Courtenay are participants in this service. CVRD staff administers the service.

Citizen/Public Relations

In 2022, staff will report out on the progress of implementing the recommendations of the 2021 service review which should assist in raising the profile and transparency of the service.

Attachments: Appendix A – February 11, 2022 CVCEH letter
Appendix B – 2022 Coalition to End Homelessness Housing Plan
Appendix C – 2021 Coalition to End Homelessness Annual Report