

## ***Victoria's Regional Housing Trust Fund: So Far, So Good***

British Columbia's Capital Region currently has a rental vacancy rate of 0.6 percent (among the lowest rates in Canada) and, at nearly \$500,000, one of the highest average house prices in the country. Some 22,200 households in the Victoria region are in core housing need, which

means they are unable to find housing that meets basic standards for adequacy, suitability and affordability. A Capital Regional District (CRD) commitment to limit urban area expansion in order to ensure environmental and agricultural sustainability has added to development pressures experienced in the region.

*Established in 2002, Vibrant Communities is a pan-Canadian initiative that explores promising local solutions to reduce poverty. Fifteen communities from across Canada have formed a learning partnership through which they share ideas, resources and strategies related to poverty reduction. Each of the participating communities already had done considerable work to alleviate poverty and saw Vibrant Communities as a way to extend and enrich their efforts. This story is the eighth in a series which highlights successful strategies for reducing poverty and building caring communities.<sup>1</sup> For more information, visit: <http://www.vibrantcommunities.ca>*

In November 2004, the Capital Regional District (CRD) Board passed a motion to create a Regional Housing Trust Fund (RHTF) and announced that member municipalities had until the spring to decide whether they would participate for the 2005 fiscal year.

Housing trust funds can be set up by local governments or nonprofit agencies to support affordable housing options. They are governed by a board of directors, raise funds in a variety of ways and take applications from project candidates which they screen according to a set of predetermined criteria. Funds can be used in a variety of ways – new construction, retrofits of older buildings and rental subsidies. Creating a housing trust fund makes it possible to access provincial and federal government housing project

funds. Working with several municipalities multiplies the opportunities for support and involves a broader community of stakeholders.

In April 2005, six of the region's 13 municipalities – which account for more than half of the region's population – voted to establish the Regional Housing Trust Fund, contributing a total of \$638,256 annually. It is estimated that these funds can lever up to 12 times that amount from provincial and federal governments and other sources, resulting in between 50 and 75 new housing units each year. Proponents of the fund are anticipating that more municipalities will choose to participate in the RHTF after this fall's municipal elections are over.

The RHTF is one means of addressing the issue of housing affordability, and its adoption is seen as an important step forward by the region-wide community of housing players. Ensuring housing choice and improving affordability will require continued action and leveraging of government, private, nonprofit and community resources in order to meet local housing needs now and in years to come. Other recent housing affordability successes in BC's Capital Region include changes to by-laws in seven municipalities. Measures include a commitment to using an affordability lens in assessing new housing developments, adaptable housing by-laws, the legalization of secondary suites and the creation of a municipal housing trust fund in the City of Victoria and the District of Langford, which is distinct from the regional fund. Taken together, these actions represent a significant community achievement and a further reflection of the regional players' commitment to affordable housing.

No single organization is claiming credit for the creation of the Regional Housing Trust Fund. Rather, it is seen as the product of eight years' of effort on the part of many individuals

and organizations in the Capital Region. It also represents an awareness of, and responsibility for, the ongoing evolution of a community that cares about the quality of life of all its residents.

### ***Building a basis of support***

The experience of working collaboratively in the Capital Region began in the 1930s when the Community Social Planning Council of Greater Victoria (the Community Council) was first established. In 1997, the Community Council was the legal sponsor of the Victoria Downtown CRUNCH initiative, a community development process that formed in response to a number of problems facing social service agencies and business owners in Victoria's downtown core. One of the issues was affordable housing.

The CRUNCH principle of working across sectors to find housing solutions carried over into the Housing Affordability Partnership (HAP) in 2000. The purpose of this non-partisan, multisector catalyst organization is to increase awareness and support for innovative solutions that improve housing affordability and choice.

Says HAP member Henry Kamphof: "Housing affordability is something that is achievable by only 30 percent of residents in this area." The average house price for the year is \$458,773 throughout the region. "CMHC market forecasts suggest a continued upward pressure on prices, though at a slightly lower rate than was seen throughout 2004-05. Despite these figures, there was a lot of resistance to the idea of establishing a housing trust fund," says Henry.

Inverting the term "affordable housing" and discussing the broader issue of housing affordability has helped citizens come to under-

stand that the majority of people in the region are at risk of never owning their own homes.

Recent postsecondary graduates, low- and middle-income earners, seniors and young families are least likely to be able to afford a down payment and mortgage costs. The Housing Affordability Partnership has worked to promote the message that housing affordability is central to the region's economic and social stability. It seeks to provide buyers with reasonable choice by type, tenure and price, to get more housing into the market more affordably by either building new dwellings or renovating them, and to establish projects that help people at the lower end of the market to rent or own their homes. HAP actively supported the establishment of the RHTF and will assist in the operation of the fund and continue to educate the public about the issue of housing affordability.

Many members of the community's housing stakeholder groups work together through HAP. It is steered by representatives from the Community Council, BC Housing, Canada Mortgage and Housing Corporation, Canadian Homebuilders Association, the Urban Development Institute, the Rental Owners and Managers' Association, nonprofit housing providers, the Vancouver Island Health Authority, financial institutions, municipal planners and community associations.

The Quality of Life CHALLENGE is another offshoot of the Community Council. The CHALLENGE was established in 2001 as a way of responding to critical community concerns raised by the Community Council's first comprehensive report on a series of quality of life indicators. It is also the convenor organization for Vibrant Communities for BC's Capital Region. Like HAP, the CHALLENGE is a broad-based collaboration. More than 1,400 area residents have participated in the CHAL-

LENGE and housing is one of its three areas of focus – the other two are sustainable incomes and community connections. The CHALLENGE's overall goal is to create a community which can self-organize to respond to local concerns. In seeking to foster a culture of engagement, inclusion and collaboration, the CHALLENGE helped marshal community support for the establishment of the RHTF.

In addition to multiple contributors – HAP, the CHALLENGE and the Capital Regional District – support for the Regional Housing Trust Fund came from some elected officials who championed the idea and from individuals working in other housing organizations. Because of the Capital Regional District's relatively small population size of 354,206, people involved in housing issues know one another well and often wear more than one organizational hat. This dynamic allows for the development of relationships which deepen over time and are essential to the tightly-knit weave of a vibrant community. Henry Kamphof, for example, works with the region's Urban Development Institute (which represents developers), is CEO of Capital Region Housing Corporation (the region's largest nonprofit housing organization), has been on the board of the Canadian Housing and Renewal Association and is an active member of HAP. His many vantage points make him an important contributor to the housing affordability discussion and help ensure that a broad and balanced perspective is maintained.

Says Henry: "In all human endeavours, the network of relationships among people involved in similar work can tip the balance in favour of a new idea or initiative. We have a strong core group of people who work on housing issues, and our respect and knowledge of each other's abilities is what helped us get everything lined up for the adoption of the fund. The CHALLENGE was able to extend our net-

work deeper into the community, and its efforts led to the groundswell of support we needed.”

### ***Laying a trust fund foundation***

In order to place the housing issue squarely on the public agenda, HAP members decided to use funds provided in 2001 by the (then) provincial NDP government to sponsor a housing affordability event. This became the annual Housing Affordability Week held each October. Since 2001, Housing Affordability Week activities have been supported by local credit unions, media, local governments, the housing industry and nonprofit housing agencies.

Says Mabel-Jean Rawlins-Brannan, Executive Director of the Community Council and Director of the CHALLENGE: “Affordable housing is usually associated with social housing only. We wanted to make sure that the event attracted people who were interested in both social housing and the housing industry. Therefore, it was agreed that in our region we would shift the emphasis from affordable housing to Housing Affordability Week.”

In late 1997, when Henry Kamphof first began to suggest the idea of establishing a housing trust fund, there were no Canadian examples from which to draw. Looking to the US, organizers of the 2001 Housing Affordability Week decided to invite Seattle Deputy Mayor Tom Myers to speak about his city’s housing trust fund and housing by-laws. Seattle’s model of using a flat municipal tax for housing became part of the discussion that led Capital Region developers, builders, planners and regional councillors to develop a Regional Housing Affordability Strategy (RHAS). It would be one component of the overall Regional Growth Stra-

tegy, a by-law approved in 2003 to plan for transportation and economic development.

In 2002, Housing Affordability Week participants collaborated with the newly established CHALLENGE to set the goal of ensuring that 1,000 more low-income households would have a safe, decent and affordable place to live by 2006. In 2003, the week coincided with the release of a Community Council publication entitled *Making Room: The Human Face of Housing Affordability in BC’s Capital Region*. Research for the publication was based on interviews with 90 people living on low incomes. More than 1,000 copies were strategically given to people who influence housing decisions. It received widespread acclaim for effectively communicating the complex realities of housing affordability in the Capital Region and for putting a human face on the issue.

In 2004, one of the aims of Housing Affordability Week was to underscore the importance of establishing the Regional Housing Trust Fund. Many elected officials attended, and the event was used partly as an opportunity to affirm the importance of nonprofit housing. The provincial government had recently reallocated federal funds for the construction of nonprofit family housing to the construction of nonprofit housing for seniors and persons with disabilities. Though these two groups also required more affordable housing, participants at the event reaffirmed that the community needed to make a stronger commitment to housing affordability for all.

Thanks to the strong partnerships the CHALLENGE has developed with local media (e.g., Shaw Cable, the Ocean and Jack FM radio stations and the weekly newspapers and daily *Times Colonist*), each Housing Affordability

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Week has received good press coverage which has deepened the community's understanding of the issues.

When the CRD Board served notice in November 2004 that the regional municipalities had until March to decide whether to contribute to the Regional Housing Trust Fund, members of HAP, the CHALLENGE and the Community Council got even busier. Though the Community Council is the legal sponsor of both the CHALLENGE and HAP, each has its own area of expertise and interest. Over Christmas, a communications consultant helped coordinate a communications strategy that reflected the concerns of each separate agency but also complemented the messages of the other two. Early in 2005, representatives of the three organizations attended City Council meetings in their home municipalities and made presentations support of the RHTF. This individual attention was particularly important in an unamalgamated community structure in which each member municipality has its own distinct personality.

Says Mabel Jean: "A collaborative effort shows its strength when many diverse voices speak out in support of the proposal. That was the intention, and that is what happened here. The elected decision-makers heard the facts from reliable research. They heard the personal stories from people struggling because they could not find appropriate housing. They heard from the citizens who vote for them. And they heard from people in the housing industry – developers, contractors and financial institutions – who spoke alongside the others in support of the RHTF. A member of the Urban Development Institute – an organization which focuses on for-profit development and which is not normally in favour of raising taxes – spoke on behalf of establishing the RHTF. When the results came in, we were very happy to have six municipalities on board,

with others likely to join after this year's elections. We are continuing to meet and discuss the issue with the seven councils that have not yet approved the fund."

Particularly gratifying was the response from the City of Victoria's municipal council. Before agreeing to participate in the region's housing trust fund, they established a separate, \$250,000 fund for their municipality. Housing affordability had been named in numerous municipal project reports as a key solution to homelessness. A citizen advisory council made heavy use of the *Making Room* document in formulating their recommendation to city council for the establishment of a housing trust fund.

Victoria MLA Rob Fleming was a member of the Victoria City Council until elected to the provincial legislature in May 2005. He held executive positions with the Capital Region Housing Corporation between 1999 and 2005. His commitment to the issues of land preservation, transportation and housing affordability was honed during the development of the long-term Regional Growth Strategy adopted in 2003. Rob was able to advocate for the trust fund at regional tables and in municipal council meetings. Though councillors at the City of Victoria were quick to appreciate the possibilities of the fund for their homeless and low-income citizens, a 'wait and see' approach was more prevalent among other municipalities.

"It took extensive debate and strong persuasion to get the municipalities to buy in," says Rob. "Smaller municipalities argued that they needed a longer time to budget for a one or two percent tax levy. The strongest argument against the RHTF was the notion that if the municipalities took on the job of establishing the fund, they were enabling more senior levels of government to download their responsibilities.

Cities in this region are under tremendous pressure to address the affordable housing issue. As development agents, they have to do more. If it means contributing five cents on the dollar to get a better share of federal project dollars, it's worth the investment."

### ***Getting the houses built***

Says Lee King, corporate representative with Canada Mortgage and Housing Corporation and co-chair of HAP: "The establishment of the RHTF represents a true milestone in our community – a public, private, nonprofit, community and regional opportunity. It's one more step forward to achieving an affordable housing market for our citizens."

The next steps in the process will include the appointment of the Regional Housing Trust Fund Commission which began by preparing an administrative by-law for the new service. Each participating municipality will collect approximately \$12 per household to contribute to the fund which they will forward to the region and then to the Commission. The Commission itself will include representatives from the municipalities and the Capital Region Housing Corporation.

Now that the RHTF is a reality, proponents are stepping back to evaluate which elements of the adoption campaign had the greatest impact on forming public opinion. Reliable research and information, a report which personalized the issue, a thorough communications strategy and individual presentations were all important ingredients in a successful campaign.

But the job of meeting the region's housing needs is not yet over. Local housing

experts are clear in the understanding that there are no magic bullets in making housing affordability a reality. Seven strategic directions have been identified in the CRD's Regional Housing Affordability Strategy's final report. These include:

- raising and leveraging additional funds for more affordable housing
- reducing policy and regulatory obstacles to facilitate the provision of more affordable housing
- encouraging intensification to improve housing affordability
- utilizing public lands to support housing affordability
- encouraging self-help initiatives by community organizations and individuals to increase the support of more affordable housing
- maximizing the use of existing senior government housing programs and advocating for increased funding for more-affordable housing
- improving awareness, changing attitudes and building support for more affordable housing.

The work done to establish the RHTF is proof positive that the building of support is the place to start. It begins with an outlook based on the importance of relationship-building and drawing on the depth and breadth of community experience with the challenge at hand.

*Anne Makhoul*

*Anne Makhoul coordinates the 'community stories series' for the Caledon Institute of Social Policy.*

**Endnote**

1. Other stories in this Vibrant Communities series include:

- *Waterloo Region's Guaranteed Income Supplement Campaign* (January 2005)
- *Quality of Life CHALLENGE in Victoria Invites Low-income Canadians to Speak for Themselves* (April 2005)
- *Assured Income for the Severely Disabled Public Policy Initiative* (May 2005)
- *Community Action in Saint John: Making a Difference in the Lives of Young People* (May 2005)
- *The Living Wage Learning Initiative* (May 2005)
- *Local Heroes: CAW 199 and Community Partners* (September 2005)
- *FairFares Calgary Celebrates Reduced Fare Transit Passes* (November 2005)

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