



Workforce Housing Case Studies

A PLACE TO BUILD FUTURES

May 2024



LAND ACKNOWLEDGEMENT

We acknowledge that for thousands of years the Quw'utsun, Malahat, Ts'uubaa-asatx, Halalt, Penelakut, Stz'uminus, Lyackson, Pauquachin, Ditidaht, and Pacheedaht Peoples have walked gently on the unceded territories where this work has taken place.

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INTRODUCTION

On behalf of the Cowichan Valley Regional District (CVRD), CitySpaces Consulting prepared a Workforce Housing Strategy for the Cowichan region. The purpose of the Strategy is to address housing problems as it relates to employment.

This *Case Studies* document is a companion report to the Workforce Housing Strategy, illustrating a range of housing solutions that have been implemented in different communities across Vancouver Island, the Gulf Islands, British Columbia, Canada, and United States. The case studies serve to inspire industry leaders, businesses, community organizations, First Nations, and government looking for ideas to address workforce housing issues in the Cowichan region.

CASE STUDIES

Lady Minto Housing Foundation Staff Housing Project

Salt Spring Island, BC

- In May 2022, Lady Minto Hospital Foundation (LMHF) on Salt Spring Island purchased a former hotel to convert into rental housing for employees.
- LMHF had been struggling to fill over thirty vacant positions across all departments including cleaning staff, cooks, technicians, and nurses, resulting in a shortage of family physicians, with the Emergency Room becoming a walk-in clinic for many residents.
- To fund the \$4 million hotel purchase and associated renovation costs, LMHF raised \$5.6 million, including \$2.5 million from the Foundation's endowment fund.
- LMHF planned to convert the hotel's 28 rooms into 17 affordable rental apartments for staff.
- The property is considered a key recruitment tool to attract and retain staff.
- The Foundation has also launched a Housing Information Portal to connect property owners to hospital staff and help identify available rentals.

łúxválásu'ailas Heiltsuk Hospital Staff Housing

Bella Bella, BC

- The łúxválásu'ailas Heiltsuk Hospital in Bella Bella, Campbell Island, provides community hospital services to Heiltsuk Nation and Bella Bella residents. The community experienced a labour shortage given its remote location.
- When the former staff housing building was destroyed by fire in 2004, Vancouver Coastal Health Authority funded a replacement six-unit, two-storey row of attached townhouses. The staff housing

was built with a modular construction to Passive House standard to provide a cost-effective, sustainable, and time-sensitive housing solution.

- Fully furnished housing is now available for physicians and health care staff. Housing is free for locums and regular physicians are charged a reasonable day rate.



Housing for Frontline Workers

Minnesota, United States

- Presbyterian Homes & Services (PHS) is a non-profit senior living organization, based in Minnesota, US, offering senior housing and care services to older adults.
- As witnessed across the senior care sector, PHS experienced labour shortages. Employee recruitment and retention issues were heightened by the lack of affordable housing which led to several employees being informally housed in communities.
- PHS embarked on a workforce housing development strategy and began developing workforce housing communities; the largest community is at Spring Park, Minnesota where up to 50 employees are housed in a dedicated apartment building adjacent to its campus housing.
- Frontline workers who rent workforce housing receive a 10% rent discount and units are also available to renters who do not work for the community. Rents are listed at \$650 per month for a one-bedroom unit to \$900 per month for larger, two-bedroom units.
- It was reported that over 19% of international staff at Spring Park have utilized workforce housing at some point.

Temporary Housing for Construction Workers and Legacy Project

Revelstoke, BC

- Revelstoke Mountain Resort (RMR) announced plans in 2020 to expand the resort by building a hotel, conference centre, and permanent employee housing.
- Construction work began in 2023. Once complete, the site will provide 480 permanent employee housing units across three apartment buildings. A new hotel will accommodate 154 rooms, a conference space, restaurant and bar, and spa and fitness suite.

- To facilitate the expansion and accommodate the influx of employees required to complete the planned construction work, RMR applied for a two-year Temporary Use Permit to establish a temporary workforce housing site. The lands are zoned RR60 which allows for a temporary construction work camp for utilities, transportation, and communications.
- The temporary workforce housing comprises a pre-fabricated, modular residential complex for 64 workers on 12-hectares of land.
- Once construction is complete, the temporary buildings will be repurposed to provide additional housing for staff and/or future project crews.

Re-purposed Modular Housing

Whistler, BC and Various Locations Across BC

- Accommodation was needed for more than 6,000 people ahead of the 2010 Winter Olympics in Whistler, BC.
- As a solution to housing shortages, Whistler Chamber of Commerce, Whistler Housing Authority (WHA), and Municipal Council created an athletes' village formed of temporary modular housing for up to 320 Olympic officials and athletes. Furthermore, the Vancouver Organizing Committee chartered a cruise ship to house 1,100 people dockside in nearby Squamish.
- After the Olympics, the temporary accommodation was relocated for re-use by other organizations. Some modules were moved to provide workforce housing to support industry operations in North Dakota. Six other structures were relocated across BC to provide 156 social housing units.
- The permanent buildings at athletes' village were turned over to WHA for worker-dedicated housing.

Agricultural Workers Campsite

Oliver, BC

- Regional District of Okanagan-Similkameen (RDOS) opened an agricultural workers campsite in Oliver to accommodate employees in 2021, following a successful application by RDOS to the Agricultural Land Commission to allow for a commercial campground as a non-farm use within the Agricultural Land Reserve.
- The campsite offers accommodation to temporary agricultural workers throughout the harvest season from May to October, with 125 individual camping spaces. The site hosts workers employed at agricultural operations in the region, including vineyards, orchards, cannabis farms, and mushroom farms.
- In 2022, workers paid \$100 per week to stay at the campground.

- The campground provides an important and inexpensive accommodation option for migrant farm labourers and helps to meet the region's wider goal of expanding the agricultural sector.

Temporary Farm Workers Housing

Okanagan Valley, BC

- Jealous Fruits, a large commercial cherry farm in the Okanagan Valley, BC recruits over 1,000 seasonal farm workers each year between May to October. The farm hires general farm workers, harvesting labourers, processing plant workers, and cherry sorters.
- Given the difficulty in finding affordable rental options for workers in the Okanagan during the summer season, the farm has sought alternative ways to house its seasonal workers.
- Temporary foreign workers are recruited through the Seasonal Agricultural Worker Program (SAWP) that has specific housing requirements for workers. SAWP workers are housed in temporary modular buildings or ATCO trailers; the farm owns approximately 800 beds on its property.
- The farm has a designated camping area for backpackers and newcomers on working holiday visas. Campers pay a camp fee of \$150 for the season, which is fully refundable if they stay until harvest end.
- Camp facilities include showers, washrooms, communal kitchen, ice machines, and a weekly grocery bus.
- Regional District of the Central Okanagan collaborated with the Ministry of Agriculture and Agricultural Land Commission to develop a region-wide policy relating to temporary farmworker housing. The policy aims to minimize the footprint of development on farmland and risk of temporary farm worker housing being used for non-farm purposes.

Employer Led First Time Home Buyers' Assistance Program

Toronto, Ontario

- Crozier, a consulting engineering firm with five offices in Ontario, became aware that its employees were being priced-out of towns and cities where company offices were located.
- In response, the firm established a First-Time Home Buyers' Assistance Program to attract and retain employees.
- All employees are offered up to \$20,000 for a down-payment on their first home, with full-time employees eligible to apply for the \$20,000 down-payment providing they have worked with the firm for more than one year.
- The company will deposit \$10,000 plus 10% base salary into the employee's RRSP account tax-free as a gift.

- The program works in conjunction with the federal government’s Home Buyers’ Plan, which allows eligible Canadians to withdraw from their Registered Retirement Savings Plans to buy or build a qualifying home.
- Employees who benefit from the program are required to stay with the firm for a minimum of three years after receiving the funds.

Sports Bar Employee Housing

Vernon, BC

- The owners of the Roster Sports Club Bar, a squash club, bar, and grill in Vernon, BC purchased employee housing to support business expansion and additional staff hires.
- The business bought a building formed of two 2-bedroom suites to house some of their employees.
- The suites are rented out at affordable monthly rates, inclusive of utilities. The employee housing is not revenue generating but considered by the owners as an investment in their employees.

Union Steamship Company’s Employee Float Homes

Bowen Island, BC

- Business owners of Union Steamship Company Marina, which operates a restaurant and marina business on Bowen Island, had heard from staff that it was difficult to find affordable and available housing on the Island.
- Upstairs rooms in the restaurant have been rented out to staff for several years, but it was reportedly not enough. In response, the owners bought float homes to rent out to their workers.
- The previous land use zoning allowed for three floating houses in the marina; the owners submitted a rezoning application to allow for six floating duplexes with two living quarters per, which was moved and seconded at public hearing.
- The float homes are governed by a Housing Agreement requiring the units be available for Bowen workers from May to September. There is the potential for non-employees to live there during the off-season.



Essential Workers Temporary Housing Program

Campbell River, BC

- In May 2023, City of Campbell River announced an Essential Workers Temporary Housing Program to provide short-term rental accommodation for locum physicians and other essential healthcare workers. The program was formed through collaboration with Campbell River & District Division of Family Practice and Campbell River Medical Staff Initiative.
- The program provides temporary furnished suites in an apartment building close to the hospital for healthcare workers. The short-term rentals are available for a minimum of one week up to three months, on first-come first-served basis.
- The suites cost \$50 per night including utilities, internet, and weekly cleaning. All revenue from the rental service cycles back into the program, bringing more healthcare professionals to Campbell River and further addressing the community's healthcare needs.

Capital Region Housing Corporation

Victoria, BC

- **The Capital Region Housing Corporation (CRHC)** is a wholly-owned subsidiary of the Capital Regional District (CRD). CRHC's mandate is to develop and manage affordable housing to meet the needs of people living in the region. CRHC's primary activities are the day-to-day management of housing and providing property management services to residents living within its 49 housing complexes across seven municipalities.
- CRD comprises a board of 24 Directors, including a Chair and Vice Chair, that also serve on the Capital Regional Hospital District Board and CRHC Board.
- In the 2023 CRD Financial Budget, CRHC was allocated a \$28 million operating budget and \$53 million capital budget.

Whistler Housing Authority

Whistler, BC

- The Resort Municipality of Whistler made the provision of workforce housing for resort employees a key objective and established the **Whistler Housing Authority (WHA)** as a wholly-owned subsidiary in 1997. WHA has successfully collaborated with partners at different government levels to implement workforce housing development projects and policies.
- The Whistler model is designed to be self-funded (and not dependent on local taxpayer contributions) and relies on an Employee Housing Service Charge to support the development of affordable

housing. The bylaw requires developers of commercial, tourist, and industrial land to either build resident housing or contribute cash-in-lieu to the housing reserve fund.

- Whistler’s approach requires developers to partner with the municipality to ensure housing units are built for local workers. WHA has built-up significant equity to invest in new developments, with grants or loans from Canada Mortgage and Housing Corporation and BC Housing, assisting to keep costs affordable. Long-term loans are secured through conventional financiers.
- WHA comprises a Board of Directors, primarily Council and Senior RMOW Staff, with three Community-at-Large voting Directors. Each Director serves a three-year term and may stand for re-election through an open public process. In 2022, WHA scaled-up and diversified its Board of Directors composition by adding two additional positions, including a dedicated representative for Employee Rental Housing.
- WHA has a portfolio of 7,300 beds of affordable rental and ownership housing to workers in Whistler.

Short-Term Rental Regulation Bylaw

Victoria, BC

- The City of Victoria introduced a Short-Term Rental Regulation Bylaw that limits the use of short-term vacation rentals so they are no longer an acceptable land use in the transient zone. The motivation behind this bylaw is to protect the housing supply within the city, address the city’s low vacancy rate, and free-up rental units for residents.
- Short-term rentals are only permitted if the property is a principal residence – the whole home on occasion for up to 30 days (i.e., during the occupant’s vacation) or up to two bedrooms in the home with shared kitchen and living spaces. Self-contained dwelling suites are not permitted, apart from when a renter rents out on occasion with the owner’s permission. Short-term rentals are permitted as a legally non-conforming use where transient accommodation is a permitted use (i.e. when the property was in use as a short-term rental in a transient accommodation zone prior to 2017 changes).
- To operate a full-time short-term rental, all operators must hold a valid business license. Possible fines (ranging from \$10 to \$10,000) are issued for every instance that an offence occurs or each day it continues.

In October 2023, the Province of BC introduced new legislation to regulate short-term rentals that focuses on: increasing fines and strengthening tools for local governments; returning more short-term rentals to long-term homes; and establishing provincial rules and enforcement. These changes are timely for the Cowichan Region as it provides local governments with more tools to address short-term rentals.

Short-Term Vacation Rentals Temporary Use Permit Policy

Alberni-Clayoquot Regional District, BC

- Alberni-Clayoquot Regional District (ACRD) undertook public consultation and research in 2017 in response to a growing number of visitors and complaints about vacation rental units. In 2018, the District adopted a Short-Term Vacation Rentals Temporary Use Permit Policy that outlines when a Temporary-Use Permit (TUP) may be considered to allow short-term rental use. The zoning of a property determines whether a TUP is needed to operate a short-term rental. A business license is not needed to operate a short-term rental, as the District does not require one to conduct any type of business. However, if the property falls within Tofino, Ucluelet, or Port Alberni, a business license may be required.
- In issuing a TUP, ACRD may specify conditions including buildings to be used, area of use, hours of use, total number of permitted rental occupants, availability of owner or caretaker, form and character of the rental, and environmental protection.
- The Regional District of East Kootenay, Squamish-Lillooet Regional District, and Regional District of Okanagan Similkameen are among other regional districts in BC that have implemented TUPs to manage short-term rentals.

Worker Housing Pilot Project

Ucluelet, BC

- The District of Ucluelet launched a pilot project in 2021 to fast-track Temporary-Use Permits (TUPs) to allow the use of land for seasonal workers to reside in RVs or campervans.
- During the pilot, 11 applications were received for 25 campsites. While the council approved nine applications, only three followed through to obtain a TUP.
- To submit, applicants paid a \$350 permitting fee. Council waived the \$500 public notice fee that would normally be collected for a TUP and expedited the process that would typically take a few months.
- The prerequisites for a permit included applicants consulting neighbours, developing an outline of how they will deal with sewage, and providing fire extinguishers and smoke detectors. In addition, following approval, all mobile dwellings were inspected by the fire chief.
- There was a minimum residency requirement of 30 days for anyone participating in the program.
- While the pilot program was not continued, there have been various successful TUPs approved for seasonal workers outside of this program. For example, Ucluelet Harbour Seafoods, the community's major fish processing plant, was issued a TUP to allow up to 13 recreational vehicles for seasonal employee housing.

Cube Hotel Workforce Housing

Revelstoke, BC

- The Cube Hotel is a 24-unit turn-key hotel conversion in Revelstoke, BC. A fast-tracked innovative model was created to generate rotating capital from the local business community in exchange for securing units for their workers.
- A silent working group formed comprising Community Futures and business leaders that worked together in trust. They acquired the services of a lawyer and accountant to create an innovative organizational structure, registering a new non-profit housing society (Revelstoke Employee Housing Society) to purchase the hotel on a conditional agreement to generate financing.
- The Society invited local businesses and organizations to become a society member on the condition that each provide an interest free \$40,000 loan. In exchange, members gain access to one unit in the Cube Hotel that they can utilize to house their workforce. The \$40,000 is effectively a door deposit, with members not gaining ownership or equity in the property. Monthly rent is charged to members and generates rent revenue for the Society.
- Members can hold the unit as long as needed as workforce housing. If a member no longer requires a unit, notice is provided to the Society and the member's \$40,000 is returned. The Society can then offer the unit to another business or organization on the wait list.
- The \$40,000 per unit is an initial interest free capital injection into the project and used as rotating capital for the Society. This capital injection makes it possible for the Society to access other financing required to complete the sale purchase and cover other costs such as the property transfer tax and minor renovations.
- There were 28 respondents to the initial call for expression of interest in the 22 Society memberships/units, and as such, the Society already has a wait list. Organizations that expressed interest include several local businesses, non-profit organizations, and the Royal Canadian Mounted Police.

