

and voted on by each municipality, once the terms are agreed upon. The fund may not be in operation until 2006. This timing might mean the fund may become an issue in local elections in 2006, with possible further delays.

What is happening now?

At the CRD level, the business plan for the HTF will be sent to each council, for their decision on if and how they would participate, early in 2005. The Capital Region Housing Corporation has been suggested as an appropriate body to oversee the HTF. Its Board of Directors has accepted this function.

The Housing Affordability Partnership (HAP), a non-partisan group with membership from the community's housing stakeholders, is actively promoting the establishment of an HTF as soon as possible. It sees the HTF as the most effective way of dealing with the region's affordability issues. HAP may also play a role in the operations of the fund, and in public education surrounding housing affordability.

Where can I get more information?

A discussion paper on HTFs has been prepared and together with more background on housing affordability is available from CRD Regional Planning Services, and online at www.crd.bc.ca/regplan/rgs/reports/strategic/index.htm and at www.qolchallenge.ca.

What can I do?

You can express your comments (or those of your organization) to your municipal council or the CRD Board of Directors; talk to local councillors, or write to the newspapers.

Housing Affordability Week 2004



Housing Trust Funds:

**What are They,
How do They Work, and
Why Does the Capital Region Need One?**

What is a Housing Trust Fund?

A Housing Trust Fund (HTF) is established to stimulate financing for housing that is affordable for the region's households who are in real housing need and living with low to moderate incomes. By leveraging funds from and partnering with senior governments and other housing stakeholders, the HTF can increase social and economic investment in the community.

How do they work?

HTFs can be set up in a number of ways. They can be created by any local government or non-profit agency, and can acquire its funds (and sometimes, property) in a wide variety of ways (see below). HTFs are usually governed by a Board of Directors of community members with various relevant skills and experience. A small staff would seek out and negotiate partnership opportunities with non-profit housing providers and other housing stakeholders. The Board would receive applications from project proponents and assess them according to a set of pre-determined criteria. Funds would be made available to the selected projects.

Why does the Capital Region need an HTF?

Four main reasons:

1. The Regional Growth Strategy, which identifies the location and distribution of urban development to 2026 and beyond, restricts the outward expansion of our urban area, so that valued agricultural and ecologically-significant lands are conserved.
2. Victoria is one of the least-affordable housing markets in Canada. There is a real need in the community for more reasonably-priced, decent housing – especially for families with children - with incomes below the regional median. In 1996 and again in 2001, over 22,000 households were in real need of adequate, affordable housing. In the mean time housing prices had risen to record levels, and no new rental housing had been developed.
3. Any housing programs of the senior levels of government require the participation of local governments. In all other metropolitan areas, local government has contributed in some

way (with land or funding) to specific projects. In the past, this region has been able to build projects without doing that – but our ability to do so is diminishing.

4. Housing that is affordable is essential to the health, quality of life, social stability and economic vitality of the region and its residents. Having a safe, secure, and decent home can avoid more serious problems that would have to be addressed by government programs.

What are the advantages of an HTF?

A fund would allow the region to take advantage of the programs and opportunities available from the senior levels of government. Studies have shown that for every dollar of capital funding contributed by the local governments through the fund, approximately \$18 of additional program funding can be accessed. This is a remarkable rate of return. Not only would a fund allow us to leverage funds from senior governments, it would allow for partnerships with local housing stakeholders to meet local needs; pooling funds from a variety of sources and using them in a coordinated, cost-effective way; and being able to respond to opportunities in a flexible, responsive and open manner.

Why can't the municipalities each deal with this issue separately?

There is power in numbers. Because we have so many small local jurisdictions here, the likelihood of most of them being able to raise enough capital to move forward with projects is limited. If the funds from all municipalities were combined in a regional fund, much more could be accomplished. It would also mean that housing could be targeted to those areas where the need is greatest, and where there are appropriate services available. The CRD is an organization through which municipalities can act jointly to region-wide issues, so it makes some sense to use its existing structure when developing a fund.

How could a Capital Region HTF be funded?

Through the creation of a new bylaw authorizing the CRD to establish an HTF. It would allow municipalities to *choose* whether or not to participate. The bylaw must be circulated to



Click here to visit the Tamarack website for more engaging content! www.tamarackcommunity.ca