



## **TOWN OF LAKE COWICHAN**

### **COUNCIL POLICY**

DATE APPROVED: July 22<sup>nd</sup>, 2025

APPROVED BY: Resolution No. R.0085/25

SUBJECT: Development Cost Charge Affordable Housing Support Program - Terms of Reference

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#### **Objectives**

The Town of Lake Cowichan is committed to creating a vibrant community by establishing a Development Cost Charge Affordable Housing Support Program using CMHC's Housing Accelerator Fund (HAF).

The Town of Lake Cowichan entered into a Contribution Agreement with CMHC as part of the Housing Accelerator Fund in January 2024.

Using the HAF funds, the Town of Lake Cowichan has established a program to provide development cost charge support for affordable multi-unit rental projects. The total amount of HAF funds granted to the Town is \$885,750.00. Installments are received from CMHC each year over the four-year program period. The grant amount is based on the specific target of 95 (net) new building permits over the four-year period. Final disbursement from CMHC is dependent upon the Town achieving the targets at the end of the four-year term, March 31, 2027.

#### **Terms of Reference**

1. Projects developed by a non-profit organization with a mandate to develop and manage affordable housing projects in the Town of Lake Cowichan.
2. Market housing projects with a registered housing agreement approved by Council. The housing agreement must:
  - identify that below market rent to be charged
  - be valid for a period of 30 or more years
  - contain an annual reporting requirement to confirm the ongoing commitment to provide affordable rentals is being met.
  - contain a penalty clause if the owner were to discontinue renting the units at below market rents. The penalty would require repayment of DCCs plus interest.



3. Building permits must be issued and construction starting no later than December 31, 2026.
4. Rents must be affordable, i.e. below market rents and/or subsidized rental units. Below market rents would be established based upon 30% of household median income for that size of household. For example, Statistics Canada 2021 household median income for a one parent household is \$58,000.
5. Support is dependent upon the availability of HAF funds

**Original Signed**

*John Thomas*

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Chief Administrative Officer

