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Southern Gulf Islands Electoral Area
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Canada Mortgage and Housing Corporation (CMHC)
Co-op Housing Development Program
700 Montreal Road Ottawa, Ontario K1A 0P7

**Re: LETTER OF SUPPORT FOR THE GALIANO COTTAGE CO-OP (GCC) APPLICATION TO
THE CANADA MORTGAGE AND HOUSING CORPORATION'S (CMHC) CO-OP
HOUSING DEVELOPMENT PROGRAM**

To Whom It May Concern,

As the Electoral Area Director for the Southern Gulf Islands, I am writing to express my strong support for the Galiano Cottage Co-op's (GCC) application for the Co-op Housing Development Program. The GCC is a very innovative co-operative supporting housing solution on Galiano Island.

The project concept offers a unique model for rural communities in the Capital Regional District (CRD). Solutions to the housing crisis in CRD's Electoral Areas need to be tailored to the rural context, and this is especially true for the Southern Gulf Islands (SGI) which are within the Islands Trust Area and have a special mandate to preserve and protect the environment. Solutions are even more challenged by servicing constraints, higher building costs, and a lack of funding for small scale housing projects.

In my roles as Director of the Southern Gulf Islands Electoral Area and Chair of the Southern Gulf Islands Economic Sustainability Commission, housing has been elevated as a top priority. GCC's project will bring three 3-bedroom units and three 2-bedroom cottages of much-needed secure rental housing to Galiano Island. The lot is centrally located, adjacent to the school and located near other community services. As this proposal has already secured the appropriate zoning and submitted permit applications, this project is shovel-ready and is expected to move through the development phase quickly once funding is in place.

I would also like to support the proposal for rental rates to be indexed to the Victoria Census Metropolitan Area market, not the provincial market. As we have demonstrated through the Southern Gulf Islands Housing Feasibility Analysis (Wiser/New Commons, 2023), development costs are higher on Galiano Island than in urban areas. The CRD's Rural Housing Pilot Project Analysis, conducted by Urban Matters in 2024, found that rental thresholds for Galiano for a 2-bedroom and 3-bedroom unit start at \$1,950 and \$2,438, respectively. As such, capping rents at the provincial MMR (maximum monthly rents of \$1,320 and \$1,375 for a 2-bedroom and 3-bedroom unit, respectively) would significantly challenge the project's development viability and ability to proceed.

I am pleased to endorse the GCC's CMHC application.

Sincerely,

Paul Brent
Southern Gulf Islands Electoral Area Director, CRD