CAPE BRETON PARTNERSHIP

A Study of the Housing Needs to Support the Growth and Sustainability of Seasonal Industries in Cape Breton

Cape Breton Partnership

Note that this report was developed prior to the impacts of the COVID-19 pandemic. Please see page 5 for additional details.



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EXECUTIVE SUMMARY

The Cape Breton Partnership commissioned <u>A Study of the Housing Needs to Support the Growth and Sustainability of</u> <u>Seasonal Industries in Cape Breton</u> ("the seasonal housing study") in order to develop an understanding of the impacts that the lack of accommodations in the region is having on various operators and industries. The report outlines findings from significant amounts of primary and secondary research to provide a detailed view of the current state in the region. It also provides recommendations in a number of areas to mitigate the impacts of the housing shortage and outlines potential housing solutions for future implementation.



Each part of Cape Breton has its own unique circumstances. Differing industries, seasonal peaks, existing infrastructure, and other factors require each area to be looked at individually but also as part of a broader plan. Based on the research conducted for this report, it is recommended that the focus initially be on those communities with the greatest need for supports. These **Priority One communities** are Neil's Harbour, Ingonish, Ingonish Beach, Cape Smokey, Baddeck, and Inverness.



There are a variety of **traditional and innovative housing solutions** available to address the needs for these communities. The specific solution(s) for each region depend on the demographics and scale of need. Some suggestions include: converted shipping containers, bunkhouse trailers, and modular apartments.

Housing infrastructure is not the only solution to the issue. Other **regulatory and structural updates** may help ease the shortage and include:

- · Determine the various parties to act in a facilitation role to support housing solutions
- Develop municipal land-use plans
- · Cooperate across municipalities to determine regulations applied to short-term rentals
- · Develop income exemption processes to facilitate seniors downsizing
- Determine if non-profit housing entity / entities should be formed to facilitate development and management of housing solutions
- · Facilitate meetings with key partners for development



Transit support could also ease the burden on the development of housing as it would enable employees to travel further away from their workplaces to find housing. Expanded transit may also enable the development of larger housing solutions in fewer locations which could save on development costs.

Finally, there are some **other initiatives** which could help to alleviate demand on the housing system across Cape Breton. These suggestions may help to increase housing availability and include:

Development of Seniors Homes



- Lobby for the Development of University Housing
- Maintain Existing Billeting Program Assistance
 - Simplify Private Industry Investment



INTRODUCTION

About the Cape Breton Partnership and BDO



The Cape Breton Partnership brings together people who believe in the power of working together to increase economic opportunities and aims to transform Cape Breton-Unama'ki into the most creative and prosperous place on earth.

The Partnership supports companies and entrepreneurs through our projects and initiatives by **promoting** our island as a great place to live and **invest**; growing a culture that values and celebrates creativity, innovation and entrepreneurship; and **connecting** entrepreneurs and companies to the resources they need to succeed.

The Partnership has over 150 investors committed to investing in Cape Breton's future economic growth. Private sector support and collaboration remains a top priority for the Partnership and continues to be a driving force behind changing our local attitudes and transitioning the economy into a new era of prosperity.

The Partnership also leads the delivery of a number of government funded programs and initiatives in Cape Breton, including two Regional Enterprise Network (REN) programs, the Atlantic Immigration Pilot Program, the Cape Breton Local Immigration Partnership, and the Cape Breton Innovation District, among others.



BDO is a leading provider of professional services to clients of all sizes in virtually all business sectors. Our team delivers a comprehensive range of assurance, accounting, tax, and advisory services, complemented by a deep industry knowledge gained from nearly 100 years working within local communities. As part of the international BDO network, we're able to provide seamless and consistent cross-border services to clients with global needs.

Note that further comments about this project and it's findings are found in the Afterward to this study.

INTRODUCTION



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INTRODUCTION The Impact of COVID-19

COVID-19 has had an unprecedented effect on the global economy, with unique impacts for each and every industry. While Atlantic Canada is faring relatively well, the region is not immune to the detrimental impacts of this pandemic.

Since March, 2020 there have been significant restrictions on travel, public gatherings, indoor spaces, etc. There is still a significant amount of uncertainty surrounding the virus itself and the recovery from its impacts. As such, industry performance in the future is quite unclear and depends on a number of factors including regulatory changes, health and safety innovation, employment impacts, and consumer comfort.

This report was developed prior to the COVID-19 pandemic. As such, there is added uncertainty associated with the report's recommendations and conclusions due to COVID-19's unclear future impact.



Housing Market Analysis

Categorization of Findings

Given the significant consultations that have been undertaken for this project, the findings have been categorized into various topics to simplify and organize the outcomes. This categorization is outlined in the illustration below.



HOUSING MARKET ANALYSIS Current State

In order to effectively understand the future state of housing options and make effective recommendations, the current situation must be wellunderstood. Primary and secondary research completed allowed the development of a detailed current state analysis which has been categorized into topics as below. Each of the categories of findings is discussed in further detail on the following pages.

Current State Causes of the . Shortage . Impact on **Municipalities Demographics** of Those Impacted Impacts to ::**H** Corporate Partners Industries Impacted Working with Community Partners Symptoms and Current **Solutions**

Current State

Causes of the Shortage

- Some businesses that formerly had dedicated employee housing have converted these units to tourist accommodations / short-term rentals due to increased visitor numbers.
- In rural areas of Cape Breton, there is relatively little inventory of multi-unit housing such as apartments and condos.
- The geography of Cape Breton makes commuting difficult as there are many small municipalities that are a significant distance from larger population centres and public transportation options between them are limited or non-existent.
- Cape Breton sees a significant housing demand increase in peak season (approximately May through October) as this is when most seasonal businesses operate, but much of this demand disappears in the off-season. Peak tourist seasons coincides with peak demand for seasonal workers and this exacerbates the shortfall of adequate and affordable worker housing.
- The relatively small inventory of long-term rentals has resulted in higher rent prices, comparable to those found in larger metropolitan centres and not a good fit for workers that support the economy of rural communities.
- Significant projects in the region, such as Cape Smokey development and the Wreck Cove Hydro project, are currently or will be significantly increasing the demand for housing in Cape Breton.
- The short-term nature of seasonal employment (tourism and fishery / aquaculture) results in many of these employees not relocating to the work location (i.e. building or purchasing a long-term residence).
- A number of privately owned properties in rural Cape Breton are being used as short-term rentals (e.g. Airbnb) and therefore are not available or are too costly for seasonal workers.
 - The province of Nova Scotia's Act 99 states that all municipalities have to charge a residential tax to short term rental properties, meaning Airbnb properties do not have to pay commercial tax rates making it even more appealing to owners of these homes.

Impact on Municipalities

- Each municipality in Cape Breton recognizes the workforce challenges they are facing are compounded by the lack of available housing.
- Many municipal officials interviewed noted that the housing shortage is the most frequent issue they encounter.
- Economic Development Officers in all municipalities in Cape Breton are hearing directly from number of business owners that they are in need of staff and that the lack of housing options is the main constraint.
- Some areas of Cape Breton are experiencing issues (or have future concerns) with municipal infrastructure (e.g. water and sewer) resulting from the increase in the population and number of visitors.
- For many of the smaller municipalities in Cape Breton, the magnitude of this issue is beyond their means to remedy on their own.
- There is a concerted effort to support the expansion of the Cape Breton tourism season through supports such as wage subsidy programs and education for operators. This support is provided through various organizations such as TIANS and the Cape Breton Partnership.

Current State

Demographics of Those Impacted

Students

- Rural municipalities in Cape Breton conveyed that they would like to see more students working in their region. There is a significant number of these students who are available for the summer months but the housing shortage and challenging geography limits this as a viable option.
- Students have shown the desire to work in rural areas outside of Sydney, but the combination of transportation and accommodation options does not make it viable in many cases. This greatly restricts student mobility to find work outside of the immediate university/college area.
- Increasingly, rental units are moving to Airbnb, leaving fewer units in the rental market with rising prices. This greatly restricts student mobility to find work outside of the immediate university / college area.
- Some international students in CBRM are unable to find affordable accommodations, resulting in personal difficulties including living in poor and crowded conditions, becoming homeless, or turning to food banks.

International Workers

- Personnel familiar with the immigration process stated that many new residents and students are willing to relocate (permanently or temporarily) to rural areas, but are unable to do so as there is nowhere for them to live.
- A component of the immigration process is "endorsement" in which accommodation is weighted heavily. This has resulted in applicants not getting approved for work by Nova Scotia Immigration.
- Interviewees noted that efforts to attract and retain international workers would also help to retain locals.
- Temporary foreign workers are being brought in by some companies, but they still need adequate housing. Businesses are adding living spaces wherever they can. For example, companies have been renting houses year-round to accommodate seasonal workers for four months.

Seniors

- The aging population puts further strain on the staffing and housing issues as more people are leaving the workforce but often remain in their homes. One source noted that there is a two-year waitlist for spots in seniors homes in their area.
- Interviewees and surveys show that some seniors want to downsize, but there are currently insufficient options for seniors' housing in some areas of Cape Breton.
- Waiting lists currently exist for seniors homes in a number of regions and the current Capped Assessment Program can make it difficult for them to downsize.

Other

- It is not only seasonal staff that are in need of housing some year-round workers are being displaced so properties can be made available for short-term rentals.
- People are struggling to balance family commitments with seasonal employment. The lack of childcare services is keeping some potential workers at home to care for children.
- Some workers have trailers in campgrounds for their spouses and children to live in while they take seasonal work.
- Many workers are travelling long distances (regularly 50-70 km) to get to work, which comes at a considerable expense and makes it difficult to have a flexible work schedule (e.g. covering sick shifts).
- Even for higher income earners (both single professionals and families) it is challenging to find housing or rental accommodations in some parts of the Cape Breton (e.g. Inverness County).

Current State

Impacts to Corporate Partners

- A number of businesses interviewed noted that there is sufficient demand to enable them to grow and expand, but are unable to do so due to insufficient housing for the additional employees needed.
- The magnitude of need varies significantly by employer, however one interviewee in Inverness County noted that their company is in need of beds for up to an additional 100 workers.
- There are companies seeking to expand their winter operations, but have noted a significant shortfall in the number of winterized rentals available for both workers and visitors.
- Some companies are pursuing ad-hoc solutions by converting some space into living areas, buying houses to accommodate groups of workers, and working with employees to help them locate suitable proximal housing. This was noted as a significant investment of time and money in activities that were otherwise unrelated to core business activities. Businesses would rather avoid real estate management in addition to their regular operations.
- Companies sometimes rent their empty accommodations to other workers who need somewhere to stay. However this is only a temporary solution as those workers have to leave when the company's own employees come back to work. This arrangement is relatively rare given the overlapping seasons for tourism, hospitality, fishery, etc.
- The low inventory of affordable housing and starter homes has made it difficult to attract and retain young workers, especially when those workers do not have relatives in the area they can live with while they look for housing.
- Businesses have had to close during potentially profitable times due to the inability to staff their operations. Some have even had to close indefinitely.

• The availability of quality office space has helped in attracting companies to the region, however this has also put pressure on housing demand with an increased amount of companies moving to Cape Breton within the past decade.

- Businesses across industries are experiencing the difficulty of inadequate labour force: hardware stores that close on certain days of the week, grocery stores closing on weekends, restaurants dramatically reducing their hours once students return to school in the fall.
- Spending money on developing or maintaining worker housing takes away from other planned investments and will delay growth that could be creating new jobs.
- One company's research shows there are less than 200 beds that are winterized (available for rent in winter) in the entire Ingonish area. Trying to build out year-round business is greatly restrained by this. Cape Smokey hopes to attract as many as 600 skiers a day.
 - Cape Smokey may be able to leverage some findings from the experience of The Big White Ski Resort in Kelowna, BC which is outlined in the "Jurisdictional Scan" section of this report.
- Employees feel stressed as they are overworked in some cases working six days per week or more since it is difficult to attract additional staff due to the lack of housing options available.
- Accommodations that are available are expensive and above what most employees are willing or able to pay.
- Companies are having to choose between reinvesting in the business (e.g. upgrades) and spending on securing staff including the purchase of accommodations.
- There is a feeling that the region has not been competitive at attracting skilled workers compared to metropolitan infrastructure and year-round employment.

Current State

Industries Impacted

Industries feeling the greatest effects of the housing shortage are Tourism and Fisheries & Aquaculture. Interviewees also noted that the housing shortage has impacted the region's ability to attract healthcare professionals such as doctors and nurses.

Tourism (accommodations, resorts, golf clubs, service, food & beverage, etc.)

- In some rural tourist areas there are times of the year when tourists are unable to find accommodations, resulting in an even tighter rental market for workers.
- The tourism industry is highly seasonal in nature with a peak during the summer months and as such a significant percentage of the workers are seeking housing at this time.
- People familiar with the industry noted that the season can stretch into the shoulder months if staffing is available. This could extend the season to span from early May through early November.
- Cape Breton's tourism industry has grown to garner more and more national and international recognition, resulting in significantly increasing demand.
- Some of the resorts and hotels used to provide employee housing, but have converted significant amount of this into additional accommodations in order to keep up with the tourism demand.
- The housing shortage is starting to impact the experience that visitors and tourists are having on the island. Customer service is impacted by the scaling back of hours, meals and service offerings.
- Tourism growth in the region requires accommodations for the additional employees needed to provide quality service to the increasing number of tourists to the area.
- Many employers have been forced to take rooms from our inventory that otherwise would have been sold to visitors in order to provide accommodation for our employees.
- A number of operators have been forced to close for certain hours or even close for full days on Mondays and Tuesday since they could not find enough staff.
- It is a "huge headache" for the recruitment and human resources staff at numerous businesses, once the current season ends they already need to start thinking about where employees will stay during the next season.
- Prior to the COVID-19 pandemic, CBRM was seeing an increasing number of cruise passengers on an annual basis which was forecasted to require additional labour as the cruise industry continued to grow.

Fisheries and Aquaculture

- Peak fishing season roughly coincides with peak tourism season. Fish products have to be processed very quickly or quality and value could be lost. This requires an adequate workforce to be sourced, in place, and available to process fish products when they arrive.
- The labour force is aging in many fishing communities. Attracting new people to the region is difficult because of the short operating period and the difficulty of finding affordable housing for them when tourists are paying much higher rental rates.
- In the last year, companies have run short of the needed workers due to being unable to secure sufficient housing.
- Some companies rent houses for their workers, but have to pay for empty homes from September through April just to ensure they are available when workers arrive.
- There is a desire amongst some fisheries and aquaculture companies to bring in more immigrants in the long-term, possibly moving to attracting permanent residents instead of temporary foreign workers. However, accommodations would need to be available and meet the needs of these workers.
- A company in Victoria County noted that they could fill a 12 unit building with local fishery workers.
- Industry representatives estimate that in five to six years the housing shortage could impact seafood harvesters in addition to seafood processors.

Current State

Working with Community Partners

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- Cape Breton University (CBU)
 - At CBU's job fairs, the housing concern was at the forefront of numerous discussions in trying to place students with jobs across the region.
 - A number of businesses (e.g. craft breweries, bakeries, hotels, etc.) rely heavily on students and need to shut down or significantly reduce hours during the school year.
 - "Lack of accommodation" was listed as the main barrier to accessing summer employment when CBU conducted a recent survey with their students.
 - During CBU's strategic planning process, they consistently heard from employers in all parts of Cape Breton about the need for seasonal employees and challenges associated with limited short-term accommodations in rural areas.
 - Atlantic Canada Opportunities Agency (ACOA) and Cape Breton University (CBU) funded a shuttle to deliver the students from Sydney to rural areas, enabling them to access employment. However it is not reasonable to bus people to all parts of Cape Breton due to the distances between municipalities.
- Tourism Industry Association of Nova Scotia (TIANS)
 - TIANS is working to increase the labour pool for seasonal tourism industries, however without appropriate housing this effort may not result in assistance to tourism businesses seeking additional workers.
- Nova Scotia Housing Authority (NSHA)
 - The NSHA has a subsidiary (Cape Breton Housing) focused on low income housing offerings, however it does not currently have the resources to independently address the magnitude of the seasonal housing shortages.
- Tourism Seasonality and Labour Project (TSLP)
 - The TSLP is a project driven by a partnership between the Cape Breton Partnership, TIANS, and Nova Scotia Tourism Human Resource Council (NSTHRC), with support from the Nova Scotia Department of Labour & Advanced Education (LAE).
 - The project is designed to drive interest in tourism careers and develop effective tourism employees. It provides training opportunities, tools and wage subsidies as part of a one-year pilot program.
 - The wage subsidy is designed to help operators extend their season and provides up to four-weeks of a wage subsidy for employees.

Current State

Symptoms and Current Solutions

Current Issues

- Some businesses have had to reduce working hours, open later, and close earlier.
- Large scale construction projects are negatively impacted by the shortage and have had to lease or build their own employee housing.
- Significant time is being spent securing housing for required employees.
- Employees are being hired for roles (both in seasonal industries, and in areas such as financial institutions, hospitals, and the public sector), but are unable to take the jobs because they are unable to secure a place to live.
- Some companies are purchasing homes as they go on the market in order to house required employees.
- Interviewees noted that the high housing demand has resulted in some quality and safety issues as people are willing to live wherever possible.
- Overcrowding in homes has also been conveyed as an issue as people look to house a large number of people under one roof given the lack of available accommodations (e.g. 17 international students in one house in Glace Bay).
- Interviewees believe that the housing issues have resulted in people choosing not to reside in Cape Breton in a long-term capacity.

Current Solutions

- Many businesses have endeavored to secure their own accommodation for workers (e.g. buying homes or trailers) with the funds that they could use to expand.
- Victoria County is in the process of purchasing a home in Neil's Harbour and will use it as a rental. They are willing to step in to the role of landlord in the short term.
- Some employers charge staff for housing weekly via payroll deduction and ensure the rent is affordable. They also provide employees access to facilities where available such as pool and gym during certain hours.
- Due to the popularity of employee housing, some business mentioned implementing policies stipulating that employees living within 60km of the organization are not able to live in on-site employee accommodations.
- In some districts, municipal representatives have let students live in their personal homes in order to service the community.
- In addition to the CBU link transportation pilot program (a program started in 2019 which connects international students with rural businesses), employers mentioned a lot of students took the initiative to arrange carpools with fellow students. In fact, the program enabled 2,236 student shifts to be worked in the 2019 season.
- Solving housing issues on a case by case basis in collaboration with the employee has been the solution many businesses have used to date.
- There is a non-profit in the Cape Breton Regional Municipality (CBRM) that is developing "rooming" housing as it is more affordable than standalone apartments. The non-profit estimates that it can operate this at \$535 per month for a good quality room.
- Some organizations have partnered with landlords to set-up arrangements where the employer pays the landlord directly and then takes the rent from their employee's pay cheque directly.
- A billeting program was tried in the past with limited success, where an online platform (CPbilletting.com) was created and people could list rental properties or indicate they were looking to rent.
- Individual small scale projects that have been tried in the past are not effective enough to remedy the issues being experienced.
- People have been living in less-than-ideal accommodations such as mobile trailers without amenities such as running water, etc.

Future State

Research was also targeted at gathering opinion on the ideal future state of seasonal housing options in Cape Breton. The findings of this research were categorized into the main themes as outlined below and detailed on the following pages.



Future State

Characteristics of a Successful Solution

- The seasonal housing shortage requires a short-term fix that can contribute to a broader long-term solution.
- Each county / region / municipality has its own unique requirements for a successful housing solution depending on a number of factors including industry needs, land availability, magnitude of the shortage, etc.
- A variety of housing options may be required in some areas (e.g. dormstyle vs. multi-bedroom; year-round accommodations vs. seasonal rentals) to address varying demands for groups such as families, seniors, and students.
- Many interviewees indicated the desire for housing solutions that will add to the aesthetic of the region and not something that will take away from the developed atmosphere.
- The immediate solution should be able to be set-up relatively quickly and be move-in ready. Transportability of the solution may be a benefit, but depends on the needs to relocate the infrastructure to different areas of Cape Breton.
- Solutions need to be tailored to the unique needs of the different demographics that are most in need of accommodations. For example, seniors would have very different requirements then students or young professionals.
- A housing plus services model would be appealing especially to Temporary Foreign Workers. This model incorporates lifestyle elements such as education, recreation, and healthcare services.
- Generally, solutions need to be located close to amenities (e.g. groceries, healthcare, recreation, etc.) with a high walkability score or transit must be provided.
- The living spaces should not just provide shelter, but maintain or improve the quality of life of the workers.

- Interviewees recommended continuing to educate students, especially international students to make their housing arrangements early and at the very least prior to their arrival in Sydney. This includes CBU representatives (in the different countries which are driving the influx of international students) educating people on making accommodation arrangements early and providing available support.
- Continuing and expanding transportation programs (e.g. the pilot that CBU started to enable students to access seasonal employment in rural Cape Breton) would provide significant support to any housing solutions that are implemented.
 - In order to provide additional support to the rural tourism industry, CBU is planning to change the start time for its tourism programs to begin later in the fall. This will enable students to work later into the year when operators are still seeing significant tourist traffic.
- Housing projects that may help close the gap in housing needs may need to think outside of the box, traditional style housing may not be the most effective or timely solution.
 - A number of innovative options are discussed in the "options identification" section of this report.
- Some interviewees believe that private developers should construct the housing solution, then have either a non-profit, government, or co-operative arrangement in terms of who will take over the housing once it has been constructed.
- Many people feel that there needs to be some sort of guarantee that workers can avail of the housing and that it can not simply be rented out through short-term rental sites.
- Some senior-focused housing could help alleviate some of the shortage since it would provide housing and also potentially free up some homes of those looking to down-size.
- Any housing aimed at remedying the current shortage would have to be available for relatively short-term leases at affordable prices as these workers would only work for the season then leave.



HOUSING MARKET ANALYSIS Future State

Hurdles to Implementation

- A significant issue is finding who will be willing to invest and contribute funding to start developing housing. This is due to the seasonality (unoccupied for large part of the year) and the amount of rent that the tenants can afford. The business case is difficult to prove given these variables.
- Interviewees noted that it is generally not feasible for locals to invest and develop housing offerings without some sort of assistance provided as the capital to do so would be beyond their means and the required expertise may not reside in the areas of need.
- There are varying opinions on who is responsible for solving the housing issues, so without a clear plan leadership may be lacking.
- The current Capped Assessment Program can make it difficult for seniors to downsize as they could pay higher taxes in a smaller home. This results in seniors keeping their larger houses which could house multiple workers.
- There are innovative solutions to housing requirements that have been implemented across the country, but some may be difficult to roll-out if there is adversity to change amongst the citizen population.
 - A number of these innovative options are discussed in the "options identification" section of this report.
- Some interviewees noted that while there is general agreement that there is an issue with seasonal housing capacity, many citizens are fatigued regarding the issue as it has been evident for some time with little change.
- Many employers in the region are neither interested nor have the capital required to build their own employee accommodations.
- Regional governments' budgets are already relatively stressed and therefore some do not have a lot of flexibility to invest in infrastructure to house seasonal employees.

- Interviewees noted that developers who have explored building housing in Cape Breton have dealt with slow, onerous, and bureaucratic processes which could cause them (and future investors) to abandon developments.
- The relatively small population and long distance between some towns makes it difficult to create housing developments that address the needs of multiple municipalities.
- The draw of short-term rental prices may continue to entice developers or accommodations owners to focus on these arrangements rather than low-cost affordable options.
- Many parts of Cape Breton do not have water service and would need to rely on a septic set-up. This will be especially challenging in areas with rocky land such as Neil's Harbour.
- The majority of land is privately owned in many areas of Cape Breton.
- For larger buildings with more than ten apartments, an expensive fire alarm system including sprinklers is required.
- There have been some complaints of noise from existing employee housing complexes. No noise bylaws exist right now in many areas on the island.
- Parks Canada and other protected land areas limit the amount of space for housing developments in some areas.
- Infrastructure challenges (where evident) will need to be addressed in order to allow for additional homes to avail of municipal services.
- Amenities like retail and medical centres will need to be scaled up to support the in-flux of people as new housing is developed.



Future State

Roles and Responsibilities

- Interviewees noted that the municipality should have an ownership stake or authority over the housing assets (i.e. any solutions that are implemented to alleviate the current housing shortage) to allow for control of the operations and help recoup any potential financial investments.
- Due to the resources required to implement a successful solution, various groups will need to collaborate and provide supports, including: all three levels of government (e.g. ACOA and Invest Nova Scotia), businesses, the Cape Breton Partnership, Regional Enterprise Networks, CBU, and developers.
- It is important to speak with the municipal planners and planning departments when considering housing solutions to ensure their safety, appropriateness, and impact on community infrastructure.
- A number of interviewees support the "multi-stakeholder model" which includes private development and ownership with various types of support from various levels of government.
- Interviewees noted that the Cape Breton Partnership could be in a strong position to take a lead role in moving housing solutions forward, given the wide array of stakeholders with which they engage.
- The various counties may need to work together in finding solutions to develop a "whole island approach" and work across boundaries.
- Interviewees noted that in order to remain in control and be able to be agile and reactive, this should not be a purely provincially run solution as the municipalities are more in-tune with the local needs.
- A partnership combining both private and public teams would allow for various sources of funding and expertise as well as local knowledge to be leveraged in the roll-out of solutions.
- Counties may benefit from developing their own housing corporation that would work with developers to bring in new projects, lower the costs for potential developers, assist in access to land etc. (this model has been successful in other jurisdictions).
- There needs to be alignment between a broader housing strategy and any regional strategies that currently exist (i.e. Inverness County) or are developed in the future. These regional strategies should support the national housing strategy in order to maximize support from the provincial government.

Future State

Supports Available

- Municipalities are generally in support of finding solutions and are willing to assist where they have the resources (e.g. provision of discounts on available land, tax breaks, etc.).
 - Tax breaks could be used to offset the impacts of the Capped Assessment Program (referenced in "hurdles to implementation") for those looking to downsize to a smaller home, but that would have to increase their tax rate due to the program guidelines.
- Housing Nova Scotia may be able to subsidize accommodations that are mixed living and include housing for seniors.
- New Dawn Enterprises manages 240 residential properties throughout CBRM, many of which are rented to international students. This group operates housing on a for-profit basis, but also invests time and resources into social issues that may not generate profit.
 - While they are currently focused in CBRM, they have previously looked to expand to a broader geography and may be interested in the future.
- There is an opportunity to leverage the Nova Scotia Office of Immigration entrepreneurial entrance stream to attract foreign investors.
- Potential investors could be Cape Breton residents with extra capital that either still live in the area or live away, but have ties to the area and are invested in its long-term success.
- Various levels of government could offer incentives to make investing in the region more appealing for investors (i.e. tax breaks, land etc.).
- The Canadian Mortgage and Housing Corporation (CMHC) has funds available currently for affordable and senior housing.
- Transit providers, for example Straight Area Transit, have assisted some operators in supplying transportation to locations and were willing to alter schedules to align with business working hours.
- There would be opportunities to leverage federal grant and funding programs and opportunities for example Atlantic Canada Opportunities Agency (ACOA) contributed funds towards the Cape Breton University (CBU) transportation pilot project.
- There is a real need for low-income and affordable housing, programs exists to help support the cost of building this type of accommodations such as Housing Nova Scotia's "Affordable Housing Program" see to the right.
- Housing Nova Scotia offers the Down Payment Assistance Program (DPAP) which assists residents of the province with modest incomes in the purchase their first home. Those who qualify are eligible for an interest-free repayable loan of up to 5% of the home's purchase price.
- There are many potential avenues for financing a real estate development, including:
 - A municipality takes on an ownership / financing stake in the project in order to drive interest and investment;
 - Gather investors, such as from the local community or region, have investors on the board of directors of the project; and
 - Create a non-profit with a board of directors as a community development project. It could guarantee loans for a bank or credit union.



Affordable Housing Program Summary

Our Affordable Housing Program is targeted to the development of affordable rental units through new construction, renovation of existing structures, or preservation of vacant rental units. The program provides a capital contribution of up to \$50,000 per unit forgiven over a 15-year period. In return, the developer would agree to maintain rents for the funded units at an affordable level for the duration of the forgivable loan. In lieu of loan payments, forgiveness would be earned on a monthly basis until maturity, as long as the project remains in compliance with the Project Contribution Agreement. Although the developer would include rents in the proposal, the exact rents established for a particular project are determined during the review process based on a combination of factors including tod levelopments costs, debt service costs, market rents in the community, and long-term sustainability of the project.

Funding is typically provided for half the units in a project; however, we can consider other ratios. Rents for non-funded units would be set at market rates and may be increased during the term of the forgivable loan, at the owner's discretion. Projects must be a minimum of 4 units.

Future State

Keys to Implementation Success

- Buy-in from key stakeholders (e.g. municipal officials, citizens, businesses, community partners, etc.) will be critical and communication with these groups should be constant throughout the development of the short-term housing solutions as well as any long-term permanent housing strategies.
- For the rental units, a mechanism needs to be in place to ensure that the rates are controlled and that the units are not offered on short-term rental sites.
- The specific student enrollment targets of CBU and other post-secondary institutions should be reviewed when assessing the suitability of housing solutions.
- It is imperative to have cost effective land and developed infrastructure to ensure any housing solutions will be viable.
- It will be critical to strengthen and further develop communication between the Cape Breton municipalities and the province of Nova Scotia. This could be done through working with the Cape Breton Partnership / Regional Enterprise Network.
- A number of options could be available to supplement the ultimate housing solution(s), including:
 - Legislative polices to help decrease the impact from short term vacation rentals (done municipally in other areas);
 - Incentives for home owners with extra space to rent out rooms (could be funded various levels of government);
 - Incentives for residents to renovate their houses, want to reduce the taxes applied for home renovations to incentivize some new developments and improve the quality of the existing housing inventory (similar to the Housing Nova Scotia program referenced earlier);
 - Legislation for residential properties to encourage new development (e.g. tax breaks on developments that address housing need); and
 - Subsidies to make affordable housing development more appealing for developers (could be funded various levels of government).
- A complete knowledge of land and infrastructure across the region would be helpful in determining the ideal places for housing to be added.
- A complete long-term housing strategy for the region would support the implementation of the chosen housing solutions.
- The information in this document and in other areas can be used to create a business case regarding the demand for housing which could be shared with potential investors as way to attract them to investing in the region.
- Streamlining the application processes and permits would be helpful, especially for people from outside the region who want to do a project in Cape Breton.
- Support from all three levels of government will be critical, especially if it is a group of programs that can be accessed for a project.
- It will be essential to have an entity taking point to manage the process and relationships This could be an existing entity like the Cape Breton Partnership acting as a 'facilitator' or 'connector' for companies that want to invest in a housing project. This could also be managed by a new entity (e.g. a housing corporation or co-operative) that is setup for this purpose.

Future State

Implementation Ideas and Opportunities

- Regardless of the determined options, many interviewees suggested delivering pilots for a small number of units then add more as needed.
- Various interviewees suggested a model where local employers could come together to form a non-profit and investigate a few sites for a housing project. This may be challenging to satisfy all involved partners, but it is a model that could help access some funding from various government levels and would address the shortage of housing for workers specifically.
- Chéticamp is considering a seniors complex, which may free-up some homes that can be converted in to employee housing.
- The Farmers Daughter Country Market in Whycocomagh attracted international media attention with their "land-for-jobs" campaign where they offered away free parcels of land to anyone willing to come and work at their business and move to the community.
- In some regions, investors have expressed interest in developing housing solutions (including those with available land that they own). However, it was noted that incentives may be required to make the venture financially viable.
- A housing survey was conducted in Chéticamp to gauge the interest and better understand the demographics of the need. This survey could be rolled out in other regions and garner data that would be helpful to investors, funders, developers, and government.
- Water and sewer in Inverness is in the process of being upgraded and is thought to be "fixed" in the coming two years which will enable it to handle extra capacity.
- CBRM has the benefit of serviced lots making it easier for developments to be built as well as vacant lots and buildings that simply need to be renovated and developed.

- Vacant buildings exist in the downtown Sydney area that have the potential to be rented. Some interviewees noted that a private partnership with the university would be a way to create more student housing.
- Inverness issued 267 permits for the construction of duplexes and other similar types of housing in 2019 with Richmond and Victoria issuing 200 and 158 permits respectively.
- Ingonish beach development society is brainstorming solutions. The society is comprised of a number of employers in the Ingonish area, who all are finding it difficult to find housing for their staff. These regional plans should be contributing to the broader housing plan for the entire island.
- There has been interest and discussion around foreign investors developing accommodations in the Cape Breton region to help alleviate the housing shortage. This may require some exemptions to existing legislation, but could result in a significant boost in available financing.
- A housing corporation could be formed that works with land trusts / succession housing where it is owned by the corporation for a period of time, then it would go back in to the local market (Prince Edward County's in Ontario has adopted this housing model, in addition to Sweden, Finland and Norway).
- A "hub and spoke" model could be implemented where housing would be developed in a central location within a reasonable distance and employees would either commute in or leverage transit (either public or employer-provided).
- Condos, apartments and other high density housing options could work in select areas, and some developers interviewed mentioned an interest in this type of housing stock.
- The DPAP program (outlined on page 19) could be used to support residents with the purchase of their first home.
- The idea of leasing modular trailers was raised by a potential developer to serve as a pilot before committing to purchasing.

Future State

Additional Considerations

- · Margins for developers are extremely small for low income housing options, so this could dissuade potential developers.
- Many interviews stressed the importance of avoiding housing solutions that would foster the creation of a "seasonal community." The solutions implemented should lead to a longer-term solution that enables lengthening of the peak season.
- It is not feasible for many businesses to build or buy their own employee housing due to the financial and human resource requirements to build and maintain the infrastructure.
- Many seniors are wanting to downsize and move closer to amenities. If seniors had apartments to move into then it would free up housing for others or could become employee housing.
- Housing solutions will need to meet National building code and Nova Scotia building code. Groups such as the Eastern District Planning Commission should be involved in ensuring standards are met.
 - Other standards such as accessibility regulations for seniors homes will also need to be reviewed and adhered to depending on the ultimate rollout plan.
 - For temporary foreign workers, there are also regulations that must be met. For example there must be one washroom for every five people. All the specific details on the house (living conditions, address) need to be sent in well in advance of the foreign temporary workers arrival.
- Modular or mini-homes could provide for a quick solution given that they are pre-inspected at the factory on-site. The only on-site inspection required would be for the walkway and foundation.
- Any community development should be accompanied by required communications to discuss the plans, location, sizes of units, prices for rent/lease, and to gather feedback from community members.
- Effective use of public transportation can play a key role in the solution by connecting proximal areas with housing capacity with those in need of labour.
- Not all employers can take the burden of investment in housing in the long-term. This could result in businesses not being able to survive, especially in the fishing and seafood industry.
- There exist developers who own parcels of land across Cape Breton, they have expressed interest in creating housing solutions, however cited they would need funding or some sort of support to assist them in this venture.
- Any housing solutions implemented will need to meet both national and provincial building codes. It is recommended that groups such as the Eastern District Planning Commission be involved to ensure that these standards are met in addition to any municipal planning and bi-law requirements.

Industry Analysis - Seasons, Industries and Housing Needs

In summary, the three industries that were noted by interviewees as in need of seasonal housing were (in order of need): Tourism & Hospitality, Seafood Fisheries & Processing, and Health Care Services. The analysis below shows the general timing, demographics, needs, and considerations for each group. These profiles show the general trends across the industries, however each community and situation has unique needs which are outlined in more detail in the regional profiles.

Tourism & Hospitality

- Season: June End of October
- Employee Demographics
 - High school and university students
 - Young adults
 - Mainly singles some couples
- Employee Needs
 - Affordable*
 - Semi-private with common spaces
 - Basic accommodations that are safe and clean
 - Close to amenities and work location (many do not have a vehicle)
- Key Considerations
 - High staff turnover
 - Students are only available from May-August
 - Staff burn out when students are in class

Seafood Fisheries & Processing

- Season: April-August
- Employee Demographics
 - Foreign temporary workers, out-ofprovince workers, some workers from other parts of Nova Scotia
 - Predominantly Male
 - Under 40
 - If they're from out-of-province or outof-country most come alone, but some bring family members
- Employee Needs
 - Affordable*
 - Safe, clean semi-private
 - Common spaces to socialize and unwind
 - Access to supports like language and health services
 - Walking distance to amenities and work site
- Key Considerations
 - Majority of employees are from outside of Cape Breton
 - Foreign temporary workers requirements/plan in advance
 - Extremely busy season, so arrangements need to be made ahead of time

Health Care Services

- Season: Year Round
- Employee Demographics
 - Young Professionals
 - Families
 - Posses certifications, diplomas and degrees
 - Most are coming from other countries, provinces or regions
- Employee Needs
 - Traditional house
 - 2-3 bedrooms and 1-2 bathrooms
 - Within 30 minute drive of the work site
 - Permanent
 - Willing to pay market value
- Key Considerations
 - Mix of year round and temporary housing as some health care employees are contract or completing a Locum
 - Majority prefer newer houses or renovated homes
 - Are unlikely to stay unless adequate housing in available

Regional Findings

Victoria County

Neil's

Harbour

Ingonish

Baddeck

area

Required Accommodations Types

- Majority:
 - Dormitory-style functional housing
 - "A roof over their head"
 - Designed for single person
- Minority:
 - Family-style housing for seasonal workers bringing their family
- Majority:
 - Dormitory or apartment housing
 - Some added comforts / amenities
 - Common areas / shared facilities
 - Mainly designed for single person
- Minority:
 - Family-style housing for attraction of specific skill-sets (e.g. healthcare, business startups)
- Majority:
 - Dormitory or apartment housing
 - Some added comforts / amenities
 - Common areas / shared facilities
 - Mainly designed for single person
- Minority:
 - Family-style housing for attraction of specific skill-sets (e.g. healthcare, business startups)
- Cape Long-term housing
- Smokey Generally family-style



Victoria County

Regional Summary

- Ingonish, Baddeck, and Neil's Harbour are some of the hardest hit areas for seasonal workers, with businesses forced to close early because, they can not secure required housing for staff.
- In Victory County, seasonal housing is a key priority given the key industries for this area are Tourism and Fisheries that are heavily reliant on seasonal employees.

Demographics and Demand

- The busy season for the region is from late May through late October due to tourism demands.
- A major contributor to the labour shortage in Ingonish and Baddeck is in the areas of accommodations, restaurants, and other tourism related businesses.
 - It is generally students who would fill the majority of these positions.
- Neil's Harbour's shortage is mainly in the area of the seasonal fishery (April through December).
 - Victoria Cooperative Fisheries increases workers by approximately 120 during high season. They house people in their bunkhouse, apartment, and two rented homes.
 - Temporary foreign workers and workers from other areas of the country are often supporting the fishery.
- Some prior employee housing has been converted into private rentals.
- With just over 3,100 dwellings in use, only 12% are available for rent.
- The average household in the county is two occupants living in a three bedroom house, leaving a large number of rooms unoccupied.
- In some regions, such as Ingonish, having some options that could be utilized all year as opposed to just seasonal would be ideal.
- The ski hill in Ingonish Beach intends to create about 300 year-round permanent jobs in the next five years, this will most likely lead to an increased demand in family style homes as well as apartment / condo style accommodations.

Highlighted areas of Demand

- Specific estimates of demand include:
 - Ingonish 120
 - Neil's Harbour 120
 - Baddeck 100
 - Cape Smokey TBD Depends on the private investment in the facility and area and uptake

Infrastructure and Land Considerations

- The Ingonish and Neil's Harbor area contains a significant area of unoccupied land, however this land has been deemed a National Park with restricted building privileges.
- The Baddeck area offers a large undeveloped land mass that is available for purchase.
- As Baddeck is the center for tourism for Victoria Country, this would be an ideal location to adapt into temporary housing options to service the tourism industry.
- The Ski Hill at Cape Smokey was just purchased and will undergo major developments, resulting in potential increases in land prices, development, and employment requirements.
- All options would need to be approved by the county as it would need to fit the image and feel of the area.
- Septic is generally used to service most of the region, but there is potentially a wastewater plant being erected near Ingonish.
- There is available land in Neil's Harbour owned by the county that could potentially make available.
- Road construction is being conducted in the Ingonish Beach area which will improve accessibility.



Inverness County

Regional Summary

- Inverness County's economical drivers are similar to Victoria County with the top three industries dominated by agriculture & fishing, healthcare services, and services related to the tourism industry.
- Cabot Links, the largest tourism operator in the region, hires approximately 600 seasonal workers annually, making this one of the areas of greatest need in the region.
- A survey was recently completed in the Chéticamp area to better understand the housing needs (not limited to seasonal housing) which detailed a need for seniors housing.

Highlighted areas of Demand

- All of the highlighted areas are driven by the tourism industry in some form, however Inverness, Mabou, and Port Hood rely most heavily on the tourism season.
- Pleasant Bay, Chéticamp, and Margaree Harbour, although somewhat dependent on the tourism industry, also rely heavily on fishing and agriculture during the slow seasons.
- Whycocomagh acts as a hub for the region and operators have noted a need for additional staff housing.
- Specific estimates of demand include:
 - Chéticamp 30 (does not include seniors needs identified in survey)
 - Inverness 200

Infrastructure and Land Considerations

- In some key areas, land availability is an issue. The Nova Scotia Housing Authority has a footprint but lacks staff to address the seasonal housing issue.
- Companies and other partners have land that could be available for development.
- The Town of Inverness, the tourism hub of the county, suffers from the highest property prices due to the heavy investment in the area from the two Cabot Links golf courses.
- Historically, the region has dealt with some water and sewer infrastructure issues. However, the water system in Inverness recently received a large investment which will positively impact the services available in this area.

Demographics and Demand

- The local resident population is aging and are leaving the workforce, necessitating new workers to fill their roles many of which are seasonal.
- Temporary foreign workers are being brought in to support the fishing industry in Chéticamp and require an address prior to being approved.
- With under 1,250 dwellings in use, just 12% are available for rent.
- The lack of rental housing is partially a function of the lack of rental organizations to facilitate the listing of available spaces this could provide a potential business opportunity for the region.
- Over 250 student summer jobs were available in 2019 in Inverness and Victoria and there were little to no accommodations available.
- Both year-round and seasonal housing is required to meet the needs of the region.
- Tourism is the most impacted industry (e.g. food and beverage, accommodations).
- Small mini-homes for one to two people are thought to be a solution that would meet the needs of the demographic.

Cape Breton Regional Municipality

Required Accommodations Types		
Sydney / Northside / New Waterford / Whitney Pier / Glace Bay Area	 Dormitory-style functional housing Communal areas for dining and leisure Designed for students 	
Louisbourg	 Dormitory-style functional housing Communal areas for dining and leisure Designed for single person 	



Cape Breton Regional Municipality

Regional Summary

The rural areas of the Cape Breton Regional Municipality (CBRM) are economically driven by the same industries that underpin Victoria and Inverness county - fisheries, forestry and tourism. The urban areas of the CBRM are more characterized by manufacturing, retail and wholesale trade, finance and insurance, education and cultural and technology based industries.

- The communities of Sydney, Sydney River, Westmount and Whitney Pier are the most populous region of the CBRM, and boast a growing and diverse economy with significant employment in manufacturing, transportation and warehousing, retail trade, and tourism characterized by growing numbers of Cruise ship visits and the construction of a second cruise ship berth.
- The Northside communities of North Sydney and Sydney Mines have a strong fisheries, food and other manufacturing and tourism base economy characterized by employers such as Gillis Seafoods, Copol International, the newly established Highlanders Cannabis and the Marine Atlantic Ferry Terminal.
- The New Waterford / Glace Bay area has a strong fishery, strong employment in government services and customer service centers, is home to the Glace Bay Miners Museum, and has a significant student population from CBU and NSCC Marconi Campus. With the relocation of the NSCC Marconi campus to downtown Sydney planned for 2024, some of the student demand will shift to Sydney.
- Louisbourg and Gabarus are heavily dependent on the fishery and fish processing, as well as the Fortress Louisbourg National Historic Site (one of Cape Breton's major tourist attractions).

Demographics and Demand

- Generally, the housing shortage in this are is due to the growth in the student population, resulting in the need for student housing for both CBU and NSCC students.
 - CBU's enrollment was approximately 5,500 in the fall of 2019 and according to the University, the plan is to keep enrollment stable at this figure into the future.
 - The international student population at CBU has grown from 756 in 2015 to 3,436 in 2019.
 - NSCC is planning a new facility in Sydney which will house an additional 400 students.
 - Cape Breton University has 900 housing spaces available every year for students, however these spaces fill up quickly and some cannot afford the CBU housing as like most on-campus offerings it is more expensive than off-campus housing.
 - The price point for students would ideally be between \$250 and \$400 per month with some estimating a maximum of up to \$650.
 - There have been multiple cases of international students living in poor conditions and being taken advantage of by landlords (e.g. 17 students in one home in Glace Bay).
- Other demographics are also being impacted by the shortage of affordable housing in the urban areas. As such there is a long waitlist for public housing and instances of homelessness and "couch-surfing."
- Louisburg Seafoods operates a seasonal fishery in Louisbourg which operated from April through September the area also has a tourism industry in the summer.
 - There is insufficient housing so people are commuting from long distances and the company is hiring international workers.
- Waiting lists currently exist for seniors homes and income-assisted rentals across the region.
- Some communities in the area are looking to have a staged-removal of the capped assessment to help seniors move out of their homes.

Infrastructure and Land Considerations

- Southern Cape Breton Regional Municipality has an abundance of undeveloped land with limited restrictions evenly distributed across the county.
- Within the individual urban areas, there are vacant buildings which are already serviced which could be redeveloped as apartment-style housing.
- Much of the available land for development it away from the cities, proving difficult to provide affordable housing within a desired commute of 15-20 minutes.
- This region has the most robust public transit infrastructure in Cape Breton which facilitates moving labour around the area.

Highlighted areas of Demand

Specific estimates of demand include:

- Sydney / Northside / New Waterford / Whitney Pier / Glace Bay Area -500 to 700
- Louisbourg 20

Richmond County

Required Accommodations Types		
Dundee	 Dormitory-style student housing One to two people per unit Basic amenities 	
St. Peters	 Mix of: Dormitory-style housing (for seasonal workers) Family-style housing for young families looking to relocate permanently 	



Richmond County

Regional Summary

- Richmond County, the smallest of the four counties, benefits from an active tourism and fishing industry.
- St. Peters, the largest village in the county, continues to have a heavy dependence on the seasonal tourism industry, supplemented by healthcare practices.

Highlighted areas of Demand

Specific estimates of demand include:

- St. Peters 10
- Dundee 10

Demographics and Demand

- Dundee Resort is one of the largest tourism operations in the region with approximately 60 personnel employed in high season (generally locals and CBU students).
 - The resort has been taking away room inventory to house employees in an effort to retain its long-serving employees.
 - The resort makes use of the CBU shuttle service to bring employees to the resort on a daily basis.
- The average adult population in Richmond County is English speaking, between 65-69 years of age.
- With over 3,800 dwellings in use, over 15% are available for rent; providing the largest rental industry in the area.
- The average household in the county is two occupants, with no dependents, living in a three bedroom house.
- St. Peter's acts as a hub for many smaller surrounding communities (within approximately 50km) so a housing solution in the town could serve the surrounding communities.

Infrastructure and Land Considerations

- Richmond County is under-developed in comparison with the other four counties.
- As such, land is available for development and zoning restrictions are not restrictive.
- With an abundance of undeveloped land and little internal infrastructure to service the area, developing the county for increasing populations may be costly.
- St. Peter's has recently added a new water system which can handle additional capacity.
- Higher density accommodations were noted as preferable as they result in less burden on municipal services, however septic space requirements can be restrictive to these types of developments.

HOUSING MARKET ANALYSIS Partner Profiles



Cape Breton University Transportation Program

CBU began to recognize the effects of the seasonal housing issues in Cape Breton a number of years ago. The issue was brought up by CBU students who were finding it difficult to obtain employment. The students stated that finding employment was not the most challenging part. Locating available living space near their employers posed a more significant barrier.

CBU, not finding any solution provided publicly or privately, decided to assist their students as best they could. Over the past two summers, CBU has implemented a transportation system to help their students get to and from their jobs. The program began in the summer of 2018 as a pilot, proving the concept to be viable as a standalone program. The University purchased four mini vans with a seven-person capacity. These vans service all four counties; however, the majority of their 50 students that utilize the service are employed by the tourism industry in Victoria and Richmond County. The program is expected to continue, however is currently limited to CBU students.



Keltic Lodge Employee Housing

Keltic Lodge, a resort in Victoria County, has felt the housing challenge from the employer point of view. The lodge currently employs 150 staff during peak season. They have been somewhat sheltered from the housing challenge due to having some onsite housing facilities for their staff. They have the ability to house up to 80 staff in dorm-style rooms, and additional 16 in mini cottages. With the majority of their staff not being Cape Breton residents, their ability to house their staff has allowed them to service their guests, however they still feel the impacts of the housing shortage and could benefit from additional accommodations for 40 personnel.

As a relatively large and successful business, Keltic Lodge is able to provide some of their own employee housing. However, many businesses in Cape Breton do not have the financial or resource ability to do so. This model is helpful to those few organizations that are able to build or manage their own housing, but most businesses in Cape Breton are unable to avail of this option.

HOUSING MARKET ANALYSIS Partner Profiles

$C \lambda B \odot T$ Cabot Links Employee Housing

Cabot Links, a premier golf course in Inverness / Dunvegan, has a similar approach to Keltic Lodge, with the ability to host some of their staff. They are able to house approximately 40 of their employees at the moment. This, however, is not nearly enough and therefore the human resources employees have been instrumental in securing housing for the new staff that are not able to be housed on site. When a new out-of-town employee is hired, Cabot Links staff spend time securing a living space for them. The golf course is also able to offer incentives to residents for housing Cabot Links employees, such as free rounds of golf and gift cards - so long as the space is rented for a reasonable rate.



Farmer's Daughter Country Market Housing Incentive

Located at the entrance to the popular Cabot Trail, the Farmer's Daughter Country Market sells items such as prepared and fresh foods, gifts, and clothing. Open all year around, the business has had to reduce hours and services in recent years due to the inability to house the required workers. To combat these issues, the owners of the Farmer's Daughter Country Market came up with a very creative housing solution which offered free land for five years of work at the business.

This initiative garnered significant attention, resulting in approximately 400,000 inquiries to date and significant media attention. However, many of the applicants who were willing to relocate could not find places to live or the places that were available did not meet their needs. The requirements of these prospective employees are relatively simple (e.g. small cabin with wood stove), but are unavailable currently. To date, 27 people have moved to Cape Breton from this creative initiative, but the business is still struggling to gather the required personnel.

Interest in moving to and starting business in the Cape Breton region has actually grown due to the success of this initiative which may inadvertently exacerbated some of the issues being seen. Given this continued interest, the Farmer's Daughter is working with the Cape Breton Partnership to develop a system to respond to future inquiries, leveraging technology such as artificial intelligence.

Jurisdictional Scan
JURISDICTIONAL SCAN Osoyoos, British Colombia



The tourism industry in the Thompson Okanagan Region, which encompasses Osoyoos, has been experiencing a shortage of qualified employees with the issue exacerbated due to the increase in short-term rentals such as Airbnb and VRBO. This form of short-term housing has reduced the availability of temporary rentals in favour of the highly lucrative short term rental market, causing seasonal workers to look elsewhere in the tourism rich province for employment. It has been noted that the net result of the housing crunch has caused the local economy to reach a cap, preventing them from growing the tourism industry in the area.

Challenges

- Lack of housing options for seasonal employees servicing the tourism industry.
- Community has reached an economical cap due to the lack of available employees to service new and returning customers.
- Employees are leaving in favour of other tourist dependent communities with affordable housing options.
- Short-term rentals such as Airbnb and VRBO limit the number of temporary rentals available to seasonal employees.

Solution	The municipal government set up a housing authority in order to combat the lack of available living space required to house the tourism service industry. The solution provided by the housing authority was to purchase a 49 bed "camp-style" housing complex from a decommissioned oil and gas facility in Northern Alberta. The camp would be disassembled and moved to southern B.C. in order to house the workforce required to service the tourism industry.
Future Issues	The housing facility will require new utilities connections to be installed in the desired location. With a total project budget of \$150,000, \$125,000 of which is allocated to the purchase and shipment of the complex, the estimated cost of utilities installation of \$80,000 may require additional funding. The housing authority has begun negotiations to have the installation fees waived or subsidized by the government.

Strengths



Provides a housing solution for the workforce in order to service the tourism industry.

Cost effective solution in comparison to the annual revenues generated.



This is considered a temporary solution to the housing crunch and a more permanent solution will be required in the future.

Limitations



The project has been delayed for multiple years due to political stagnation over use of the land and debate over the viability of the solution.

JURISDICTIONAL SCAN Whistler, British Colombia



Whistler is one of the busiest tourist destinations in Canada. Revenue generated from tourism in the area exceeds \$240 million for the six busiest months of the year. Each year the industry grows significantly which drives the need for an increasing workforce to service the new and returning consumers. For the past 22 years, the municipal and provincial governments in the area have been slowly chipping away at the housing issue that has plagued the area. The workforce has been able to the deal with the lack of housing options with creative solutions such as tenting, sleeping in their vehicles, and rooming with multiple co-workers. In recent years this has been subdued as the municipal government has implemented bylaws which restrict camping and other alternative living arrangements by enforcing fines. The housing crisis has since grown out of control; however, the municipal and provincial governments have developed multiple solutions in order to combat the housing crunch.

Challenges

- Lack of affordable housing options for seasonal employees.
- Laws that restrict alternative living arrangements in order to preserve the reputation of the area.
- Less than 30 percent of the workforce lives within 45 minutes of their place of employment.
- Short-term rentals such as Airbnb and VRBO limit the number of temporary rentals available to seasonal employees.

Solution	The municipal government in Whistler set up a housing authority in order to alleviate the housing crunch for the seasonal workforce. Their solution was developed over a 22 year long period as there was no "one stop" fix to the problem. The housing authority restricted the use of short-term rentals such as Airbnb and VRBO in the area to allow for more temporary rentals;
	enforcing fines in excess of \$1,000 to anyone caught renting on these sites. This was enforced through a municipal bylaw.
	They encouraged locals to rent out vacant space in their homes to businesses that require living space for their employees. The management of this was taken on by the housing authority in order to make the experience as seamless as possible for homeowners.
	A price-restricted living program was implemented in which service industry employees are able to purchase or rent living space below market value to encourage a greater percentage of the workforce to live in Whistler as opposed to commuting from neighboring communities.
	The housing authority plans on continuing to develop innovative ways to increase the percentage of the workforce housed in the community.
Future Issues	The available living space in the community is still less than one percent. This means there is still not enough available space for new residents to move to the community. This is the next issue to tackle as it limits the growth potential of the local industry.

Strengths



The solutions are unique and highly cost effective as they do not require any further infrastructure development.



By utilizing existing infrastructure there was no detriment to esthetic of the Whistler village by adopting industrial "camp-style" housing facilities.

These solutions are highly flexible and can be tailored to changing socioeconomic conditions.



Limitations

This is not a one-stop solution - it needs to be consistently updated and improved over time.

The price-restricted solution requires employees to be put on a waitlist in order to be provided the option to affordable living space. Wait times have been known to take over a year due to the high demand.

JURISDICTIONAL SCAN Kelowna, British Colombia



Kelowna is the second largest ski village in British Colombia, situated at the bottom of the Big White mountain range. Revenue generated from the tourism industry exceeds \$330 million dollars annually, attracting over 1.9 million visitors from around the world. The tourism industry in Kelowna, like much of the province, is consistently growing. The need for available housing to house the required workforce is greater than ever. With short-term rentals such as Airbnb and VRBO utilizing surplus housing in the area, the "Whistler model" could not be made to work in Kelowna.

Challenge

- Lack of affordable housing options for seasonal employees.
- Laws that restrict alternative living arrangements in order to preserve the reputation of the area. ٠
- Short-term rentals such as Airbnb and VRBO limit the number of temporary rentals available to seasonal employees. .
- Hundreds of employees forced to live in their cars or share accommodations with up to 10 coworkers. ٠

Solution	The largest ski resort in the area, the second largest in the province, developed their own solution void of any assistance from the municipal, provincial, or federal government. The Big White Ski Resort decided the only solution was to use a portion of their land to build their own housing complex in order to accommodate the seasonal staffing requirements. The resort set aside \$3.5 million to build their own housing solution as they saw there was not enough infrastructure currently available to follow the "Whistler method". With the private housing community owning 98 percent of the available real-estate and no support to create bylaws similar to Whistler in respect to short-term rentals, the resort decided the best solution was vertical integration. Five housing complexes are currently under construction in order to house the hundreds of seasonal staff that currently cannot afford or obtain a living space.
Future	Finishing the complex in a timely fashion in order to meet the staffing requirements as soon as possible is the main concern of the Big White Ski
Issues	Resort.

Strengths



The solution is dealt with completely in-house. There is no time crunch in terms of closing on the purchase of used complex and the project is not reliant on any outside influence.



The complex is custom fit to the needs of the resort; no compromise is required and the tailored solution means this solution is the perfect fit their housing crisis.



The complex is a permanent solution and is scalable based on future requirements of the industry.

This is an expensive alternative which would require significant available capital from the private sector.

Limitations



The costs per housed employee are relatively high as the construction is significant for the number of employees housed.



The solution will take a significant amount of time to design and construct.

JURISDICTIONAL SCAN Charlottetown, Prince Edward Island



Housing availability in Charlottetown has hit an all-time low, with vacancy rates close to zero. The city's population has been steadily increasing since 2009 and the introduction of short-term rentals, such as Airbnb and VRBO, has drastically limited the number of available housing options for current and future residents. The issue has been left unaddressed for nearly 10 years, however with help from the municipal and provincial governments, the housing crunch has been targeted as a top priority for the city.

Challenge

- Near zero vacancy rate in the city preventing current residents from moving and new residents from living in the city, requiring many to commute.
- City neglected to zone an appropriate area of land allowed for residential construction causing a backlog in development projects. ٠
- Short-term rental such as Airbnb and VRBO utilizing all available rental space, not allowing residents to acquire vacant living space for long-term rentals.
- Lack of incentives for developers to build residential housing units in the city and little to no infrastructure to aid in these developments (utilities ٠ connectivity, treatment plant capacity for increase in residents, etc.).

Solution	The city has been working with the provincial government in order to increase the population density bylaws in residential areas. This will allow for a greater number of apartment buildings and houses in previously restricted zones. Incentives are being created for developers in the area to build affordable living units. This is in hopes that the construction industry will recover and permit developers to move from the current trend of condo development to affordable housing and multi-family dwellings.
	The provincial government is now offering incentives to individual tenants and homeowners by introducing a tax credit up to \$300 to those living in rental units costing \$1,500 or less, and a 10 percent reduction in property taxes on the first \$200,000 in assessed value of principal residences.
	The provincial government also plans to develop 1,400 new affordable rental units in the coming years to address the long-term issues caused by the housing crisis.
Future Issues	The city will need to find land in the downtown core to offer to developers as there are currently no vacancies.
	Regulation of short-term rentals needs to be a primary focus in tourist-rich cities such as Charlottetown. The provincial government is currently looking at a solution to this new and developing issue.

Strengths

as it is a blanket solution to the housing issues in general and not a



The solution is primarily focused on reducing the negative affect of the short-term rental industry.

This is a tailored solution for the city which allows for a perfect fit to the issue. The solution should be adaptable to changing factors in the economy



The project currently has no timeline for kickoff or completion.

does not lend itself to efficiency.

Limitations



The solution is tailored for the city based on the by-laws and legislation introduced by the province. Replicating this solution may be difficult due to the custom fit.

The solution is being handled completely by the public sector which

response to a specific issue.

JURISDICTIONAL SCAN Site C Fort St. John, British Colombia



In late 2014, B.C Hydro was given approval to begin construction on a new dam just outside of Fort St. John and within six months the project was off the ground. Fort St. John, being a semi-isolated community on the Alaskan Highway, did not have the infrastructure nor the means to meet the requirements to house the estimated 2,000 workers that would be required to complete this project. This project was estimated to increase the population of Fort St. John by nearly 10%, a large number of people for a secluded community. Due to the geographical location, the current economic state and current size of the community, it was determined that an alternative solution would be required to house the future workforce.

Challenge

- Minimal long-term affordable housing available in the area, reducing the viability of inexpensive options from existing infrastructure.
- Isolated geography preventing workers from finding housing in neighboring communities and commuting as the nearest community remotely capable of housing these workers is over two hours away.
- Required a housing facility that adheres with the ethics and needs of the community and will not hinder the current day-to-day lives of the residents.
- Current housing options in the surrounding area are too limited or too far away to reasonably accommodate the estimated 2,000-person influx to the area for the possibly five year long project.

Working hand-in-hand with the municipal government and the community members of Fort St. John, it was determined that a camp style housing facility would be built off-site from the dam, located 10 km outside of the city limits.

The housing facility was built to accommodate up to a 2,200-person workforce, with an estimated cost of \$470 million for the facility alone. The remaining alterations to current infrastructure to facilitate the complex are in addition to this estimate.

The community has also decided to develop additional affordable housing units in conjunction with this project. This additional facility will contain 35 two bedroom, and 15 three bedroom units to house additional workforce required to complete the project. This housing facility will offer 40 units to the project's workforce, with the remaining ten units offered to the community in order to fulfill the affordable housing demand in the area. Upon the competition of the project, the remaining 40 units will be available to the community as affordable housing.

Future The facility has been built to house a 2,200-person workforce; however, there is a contingency plan to expand the facility if the project requires it. The Site C camp style housing facility is expected to be dismantled and disposed of after the anticipated completion of the project in late 2024. The main goal for the secondary housing facility is to offer affordable housing to low and moderate-income families, while offering alternative housing solutions for the families of the Site C construction workers. Occupancy began early in January 2019.

Strengths



Diverse approach, allowing for two housing options for the workers and families of the Site C dam project.



The secondary option, the affordable housing solution, offers a continuing benefit to the community, promoting a viable long-term benefit to the costs associated to the housing complex.



Limitations



The high upfront costs limit the viability of the option for smaller projects in a similar situation.



Lack of public support from community members due to the high financial support from the provincial government with a belief that the funds should have been allocated elsewhere.



High disposal costs at the end of the project as there are currently no plans to reuse the facility in another capacity, as the complex was purpose built with this project in mind.

JURISDICTIONAL SCAN Toronto, Ontario



Toronto is currently facing a major housing crisis. The housing issues in Toronto are mainly effecting renters, making it increasingly more difficult for residents to find an apartment in the urban areas of the city. This issue is preventing future inhabitants form finding a new apartment and current renters from moving out of their apartments as the average down payment on a mortgage could be restrictive to many people. This issue has been exacerbated by the lull in development of new apartments in the city, whereas over 90% of the apartments were built before 1980, reducing the overall available units available despite the over 104% increase in population.

Challenge

- No affordable housing compounded by a vacancy rate of 1.1% providing virtually no available living spaces.
- VRBO and Airbnb causing many investors to hold multiple leases in an effort to earn maximum profits from short term rentals.
- Slow growth of general rental properties in combination with complete stagnation of affordable housing solutions.
- High population growth rate is increasing faster than the development of living spaces creating a housing gap that is continuously growing.
- Long-term housing solutions are out of reach for average residents forcing the people to continuously rent their living spaces rather than owning.

SolutionThe municipality of Toronto has realized this issue requires both a short-term and long-term solution. The short-term solution is predicated upon
the realization that Airbnb and VRBO have been the driving force behind the reduction of available housing units. This has also been one of the
driving forces behind the increasing rental rates in the city, forcing over 87% of renters to live in an apartment that is unaffordable for them. In
light of this the municipality has imposed a tax on all short-term rentals.This tax has been imposed as a bylaw that requires owners to remit a 4% tax on all sales. Although low, this has been backed by fines of up to
\$10,000 for non-compliance.The city's long-term solution is a general commitment towards developing both affordable and mid-range rental spaces in an effort to reduce
the housing gap in urban areas.Future IssuesCurrently there has been major pushback from the short-term rental service providers in regards to the imposed tax. The tax was to be imposed
early 2018. However, due to the appeals, the tax has been postponed.
The long-term solution is a continuation of the 2009 decision to create more affordable housing in the city, however much more aggressive. This
is a ten year plan that is expected to slowly progress and develop over time.

Strengths



Direct approach to tackle a specific issue that is known to be at least one of the causes of the housing issues.



Inexpensive solution that puts the onus on the owner rather than the renter.



Issue handled on the municipal governmental level, providing the lowest possible bureaucratic intervention when compared to provincial and federal initiatives.

Limitations



Highly criticized as a minor solution that will not reduce the overall effect of the short-term rental market.



The long-term solution may not produce results quickly enough to subdue the increasingly growing housing crisis.



The tax rate is low enough that it is less of a deterrent and more of a mutual beneficial proposition imposed by the government.

JURISDICTIONAL SCAN St. John's, Newfoundland & Labrador



St. John's is on the verge of a housing crisis, which is deeply rooted in antiquated legislation, and a lack of market support for the supply of affordable housing. The housing market is relatively stable in the city, however the rental market in St. John's has become increasingly out of reach. With over 38% of the population in St. John's renting their dwellings, affordable rental properties are the main issue. The lack of affordable housing in the area is largely due to the lack of support from the private sector and the inaction of the public sector to promote affordable housing. Developers are shying away from affordable housing due to the low ROI from affordable housing developments as compared to high-end rental units. This has caused an increased vacancy rate, over 7.5%, as residents are not able to afford the units that are currently available.

Challenge

- Reduction of new affordable rental units are being developed in favour of more profitable development opportunities.
- Increasing vacancy rates due to rental properties that are too expensive for many residents in the city.
- Lack of support from government to support the development of affordable housing units.
- Strict laws towards subsidized dwellings in the city that prevent more affordable living spaces becoming available.

SolutionSt. John's recognized that encouraging developers through subsidies is an important step in growing interest. This is in hope that more
developers will take on affordable housing projects with the extra subsidies from the municipal government.
The municipal government also has a 10-year development plan that is a multifaceted approach that targets all of the identifiable deficiencies
in the St. John's housing market. Specific to the rental market, this 10 year development plan also has provisions for altering the subsidized
dwellings by-laws which will reduce the restrictions for homeowners renting rooms or floors of their houses long-term, allowing for an increase
in low-cost rental spaces.Future IssuesAs this solution is a continuation of a past initiative, a greater focus will be required in order to ensure its success. The Mayor of St. John's is
confident this will be the correct path forward.
This solution will also have to consider land acquisition. The municipal government is keen to leverage its land assets towards the solution,
however the available land is not ideally located and will still need to be developed for use.

Strengths

Multi-variable approach developed to ensure maximum effectiveness over the long term.



Encourages affordable housing developments and traditional economic

growth by allowing developers to choose to bid on the proposed jobs.

This provides a long-term and mid-term approach that will alter current bylaws to facilitate home owners to rent their vacant spaces for long-term rentals why discouraging short-term rentals, such as VRBO & Airbnb.

Limitations



Does not provide an immediate solution for the residents that are currently without a permanent housing solution.

This solution is a continuation of a similar initiative that was unsuccessful in the past.



The land owned by the municipality does not have the best locations in terms of comminuting and is currently undeveloped and could therefore reduce the overall cost savings proposed by building on discounted land.

JURISDICTIONAL SCAN Halifax, Nova Scotia



The housing issues in Halifax began to gain notoriety during the fall of 2017. The problem was rapidly growing prior to this, however the issue came to a head when returning university students were unable to find a living space before classes started. With a vacancy rate in Halifax hovering near 1%, there is essentially no vacant, rentable living spaces in the city within a reasonable proximity of the three major universities. With rental rates reacting to the vacancy rates, rental rates have been steadily rising. The problem has become pervasive as the issue has worked its way from the downtown apartments, which are normally higher in price, to the previously affordable housing located in the North end of the city. Residents here are seeing a similar increase in rental rates making it near impossible to find a reasonable priced living space.

Challenge

- Continuously rising rental rates (3.8% year-over-year in 2019) in the city, affecting both high-end and affordable housing units.
- Lowest vacancy rate in over 75 years (1.0%). Halifax has only seen a similar vacancy rate in World War 2 with the incredibly high influx of soldiers and displaced families.
- Increasing population, over 12,000 over a 12 month period, in combination with the temporary but growing student population is exacerbating the issue.

Solution	The solution provided by the government of Nova Scotia and the municipality of Halifax is multi-pronged. The first is to continue to increase subsidies for low-income families that are struggling to afford housing. Currently, subsidies are offered to approximately 2,000 low-income families in order to help them afford their previously affordable housing. This number is assumed to continue, however the government is planning on adding an additional 500 subsidies in the coming year, with plans to continuously increase this support in future years. The second initiative relates, as we have seen in the past, to the short-term rental market. The municipality currently has no bylaw drafted to tackle the issue, however are currently meeting on the best strategy that can be taken in order to successfully address the issue. In 2018 the short-term rental market generated over \$70 million in Nova Scotia, of which approximately \$30 million was in Halifax. This is a significant source of income which attracts many home owners and development organizations to lean toward short-term rentals as opposed to the more traditional long-term rental strategy.
Future	Many Haligonians are concerned with the lack of a complete solution. Many believe that the subsidies offered are also too low and that if this is going to be the main approach, more will be required.
Issues	A solution to the short-term rental issue has yet to be concluded. This, however will need to provide a balance between limiting the increase in short-term rentals while not banning them altogether.

Strengths



Multi-pronged approach that attempts to addresses a complex problem.

A forward-looking solution that is taking in considerations of both the needs of Haligonians and the local economy.



The solution has yet to be fully concluded upon and is caught up in the bureaucracy of governmental action.

A potentially short-sighted solution that does not fully address the underlying issues caused by an incredibly low vacancy rate.

No short-term solution has been put fourth that address the immediate issues faced by many residents.

No provisions for future affordable housing developments in the city.

JURISDICTIONAL SCAN Solution Summary

Organization	Solution Benefits			
	Permanent Solution	Cost Effective	Time orientated	Scalable
Osyoos, B.C		\checkmark	√ *	\checkmark
Whistler, B.C.	\checkmark	\checkmark		
Kelowna, B.C.	\checkmark			\checkmark
Charlottetown, P.E.I.	\checkmark	\checkmark		
Fort St. John, B.C.	√ **		\checkmark	
Toronto, Ontario	\checkmark	\checkmark		
St. Johns, N.L.	\checkmark	\checkmark	\checkmark	
Halifax, N.S.	\checkmark	\checkmark		

• * In the case of the Osoyoos adoption of a prefabricated housing complex the delays were due political disagreements and time sensitive purchases.

• ** This would be considered a permanent solution for the time of the project. Upon the completion of the project, the housing will no longer be required.

Millen Farms - Truro:

Millen Farms bought old modular homes they converted into dormitories, housing about eight employees in each. The buildings are mobile, so can be moved to where the areas of largest need. The housing is shared amongst three large farms in the area to accommodate their seasonal employees.

Wolfville and Antigonish:

Micro Boutique Living developed two buildings (one in Wolfville and one in Antigonish). It offers tiny, fully furnished apartments that can be rented on a nightly (May - August), weekly (May & June), monthly (May & June), academic term, academic year, and full year basis. The Wolfville location has 64 units and the Antigonish location has 35 units. While many are one bedroom there are a number of two bedroom suites as well.

When the university is not in session (May - August) the buildings operate as hotels. The units are slightly more expensive than typical student housing, however the fact they are furnished, centrally located, and have flexible rental terms has made them very appealing to students.

Annapolis Royal:

Annapolis Royal has a well-developed land use plan which sets out a clear definition of a "short term rental." The town defines a short term rental as:

"The rental of a room or rooms for overnight accommodation in an **owner-occupied dwelling** for a period of 30 days or less, excluding the rental of the entire dwelling."

Most importantly, it specifies that short-term rentals must be owner-occupied and therefore people can not simply purchase a home and rent out the entire place as a short term rental. This therefore limits the usage of short term rentals.

Wolfville:

Wolfville has a well-developed and comprehensive land use plan that details specific restrictions for various types of residential and commercial zones. The town uses this land use plan to restrict the types of zones where short-term rentals are permitted.

Options Identification

OPTIONS IDENTIFICATION

Design Options

- A variety of mobile, temporary, camp-style housing options are available. These are versatile housing solutions that require a limited infrastructure to successfully be installed and remain operational. These options are available in both new and used models, with leasing or purchasing options offered.
 - Bunkhouses trailer based living space that has been designed to be easily set up and dismantled. The bunkhouses are pre-fabricated and delivered to site. The trailers customized as per need (kitchens, walkways between, common areas, etc.). They are pre-fitted with utility connections that can be connected to the municipal infrastructure.
 - **Cottages / mini-homes** these homes are fabricated in sections, then delivered to the desired location and assembled. They are less mobile, but can be more aesthetically pleasing and therefore located more centrally
 - Modular apartments (multi-storey or row-housing)
 Higher density of personnel which could be located centrally
 - Micro-boutique apartments More high-end, modern, small footprint housing which can be paired with retail space
 - **Converted shipyard containers** Repurposed shipping containers with significant modification to improve look and feel





Alantra Mobile Bunkhouses

Alantra Leasing offers a wide selection of mobile living spaces for a number of applications. Over their 40 year history, Alantra has mainly provided mobile offices and bunkhouses to long-term construction sites. Their production abilities are quite adaptable and their wide range of living solutions would offer platforms that could assist in meeting the needs of the seasonal housing crunch in Cape Breton.

Criteria	Highlights
Overview	A mobile bunkhouse is a trailer based living space that has been designed to be easily set up and dismantled. This platform offers a number benefits over a traditional affordable housing solution, such as an apartment building. The bunkhouses are pre fabricated and delivered to site. The trailers are all pre-fitted with utility connections that can be connected to the municipal infrastructure, or in the case of power, are adaptable to work with high output generators if required ¹ .
Design	Each bunk house is designed to accommodate up to 5 individuals and offers amenities such as a bed, personal bathroom, sink and desk. Each unit contains approximately 138 square feet of livable space, with a private entrance. However generally designed around a 5 person living space, if required each trailer is able to be customized to meet the needs of the user.
Cost	The five person mobile bunkhouse currently are optioned for lease or sale. The typical leasing option is approximately \$1,500 per month, per bunkhouse whereas the average price to purchase would be priced at \$125,000 per unit (\$25,000 per room) depending on the desired configuration.
Additional Benefits	If chosen, short-term leasing options are available. This offers additional savings and convenience over other options, such as purchasing, as the units would only be required for the tourist season, and can be returned until the following season.

Alantra Mini Homes

Criteria	Highlights
Overview	Alantra offers a number of prefabricated miniature houses to meet the need of a variety of situations. These housing options are considered modular houses that are fabricated in sections, then delivered to the desired location and assembled. Each house is similar in design, however offer multiple floor plans and living space accommodations. With a selection ranging from three person trailer style house, to a 900 square foot cottage, there is a wide range of solutions.
Design	 The prefabricated miniature homes come in an extremely wide range of options: 60 x 12 - Sleeps between two and three 50 X 12 - Sleeps two 40 x 12 - Sleeps two 24 x 28 - No set sleeping space, two stories 28 x 32 - No set sleeping space, two stories Ranch style mini home - Sleeps two Each home has multiple options in terms of construction process. The building can be erected by the purchaser or by Alantra. However, the homes do not come finished or furnished; meaning that all infrastructure for utilities, drywall, painting and other amenities are the responsibility of the purchaser ¹ .
Cost	 Delivery of each house is included in the purchase price if delivered within 100 kilometers of the nearest distribution center. 60 x 12: \$98,600 50 X 12: \$80,500 40 x 12: \$70,300 24 x 28: \$30,600 - \$78,200 28 x 32: \$39,300 - \$89,900 Ranch style mini home: \$25,500 - \$68,300
Additional Benefits	These homes offer the opportunity to provide a permanent living solution for the occupants and offer any occupants the feeling of living in a home rather than a single room. They also allow for multiple living arrangements where 2 or more people can live in the same space, or if required, a family would be able to occupy the same more comfortably.

C&T Mobile Housing Systems - Maple Leaf Trailer

C&T Enterprises Ltd., a construction company that was previously contracted to complete work at the Muskrat Falls project site, purchased a number of Maple Leaf housing units. After the completion of their work on the site, the trailers have become available for sale. A number of the units have been sold since the reduction of work at the site, however a nominal amount remain available for purchase.

Criteria	Highlights
Overview	C&T Enterprises Ltd. had used the units during their contract at the Muskrat Falls site. Nearing completion of their tenure on site they began to list the facility for sale. The facility was originally constructed to hold over 150 employees, however since the completion of the project, nearly have of the facility has been parted out to smaller contractors or private parties. The remaining units are able to accommodate up to 66 individuals, offering a wide range of amenities.
Design	The housing complex is a pre-owned unit made up of 11 units, capable of housing 6 individuals each for a total capacity of 66. The units come fully furnished and provide multiple amenities that give occupants a comfortable living experience. Each room comes complete with a private desk, bed, and sink, dishes, cutlery, but also have their own flat screen TV with satellite connectivity. The entire complex also includes its own laundry facility and two complete kitchens, capable of servicing over 150 occupants. The facility is also set-up to be quickly connected to existing municipal utility services, or can be connected to a high output generator.
Cost	The cost of this facility has been quoted at \$550,000.00, excluding any need for a generator. This price also does not include transportation to site, however transportation can be provided if purchased.
Additional Benefits	This housing option offers the a cost effective solution on a timely basis. The amenities and practicality that is provided with this option is incomparable to any temporary mobile solution. The facility would also be owned, which allows the space to be utilized for other projects during the slow season

Converted Shipping Containers

A growing trend in the housing community is converted shipping containers. These containers are readily available, both new and used, and customizable to a number of situations. Over the past 10 years this trend has taken off in secluded locations where transportation of building supplies is difficult or expensive.

Criteria	Highlights
Overview	Shipping containers are ubiquitous in the Atlantic provinces as a result of the proximity to shipping yards, providing a seemingly endless supply of used containers. New containers have also become readily available to the general public as a result of this growing trend. These containers can be easily converted to mini homes, and can be transported relatively inexpensively. The only current method for acquiring these mini homes is for the owner to convert it to a home. This will require some time and resources as it is essentially a pre-fabricated home in which structural supports will need to be installed, wiring and plumbing set up, and a foundation built.
	The cost for these homes ranges based on the design. The two most common options are a single home, or an apartment style "stacked" option. The cost will also differ based on the size of the container used, with 20' and 40' options available. The costs breakdown per container are quite variable based on a number of variables including: floorplans, quality of conversion, finishes, shipping, etc. The below provides an overview of some of the key costs that would be involved in developing these homes.
	Cost to purchase a new or used container;
	Cost of delivery (varies depending on distance and vendor);
Cost	• Cost of foundation development which can be built in a number of ways. A solid foundation will generally cost more than a raised foundationless version. However the foundationless option is not recommended in colder climates.
	 Cost of conversion of the container is generally the most significant cost, but discounts may be available for purchasing multiple units.
	Research has uncovered that a single converted container can cost between \$20,000 (one person who did a basic conversion on their own) up to \$200,000 range for a fully developed unit. One Atlantic Canadian quote for one/two bedroom converted trailers was in the \$75,000 range with potential discounts for the purchase of multiple units.
	Please be aware that not all used containers are considered safe for living. The industry standard is to purchased a new container, or a single trip container
Additional Benefits	Many converted container owners do not live in them full time. The short term rental market has supported the use of these homes in secluded locations. Although many in Cape Breton blame the short term rental market as a contributing factor to the housing crisis, this is an excellent option to earn revenue from the empty living spaces during the off season.

Billeting Program

Given the employee housing shortages in the region, multiple initiatives have been developed to try and place seasonal employees in unoccupied rooms. Homeowners have been asked to offer up their additional rooms for these employees for various types of compensation.

Criteria	Highlights	
Overview	With the support of the Cape Breton Partnership, a billeting program was rolled-out for businesses in Victoria county to find accommodations for their seasonal employees. Home owners were offered financial compensation for the rooms at a reasonable and affordable rate. To advertise the program, a website was developed to develop an inventory of available rooms and people in need of accommodation. Information sessions were also held to inform community members about the process. Cabot Links in Inverness County has also developed its own billeting program. The company's human resources team works with local home owners to secure rooms for their seasonal employees. The homeowners are offered additional perks such as gift cards and / or free rounds of golf as long as they offer accommodations at an affordable rate. Overall, some rooms have been secured through these processes with the Cabot Links program seeming to secure some housing on a regular basis. The Victoria County project had little uptake despite its structured and well communicated program. Stakeholders noted how much effort it requires to secure living places year after year and the a billeting program in itself may help alleviate some of the demand, but just a fraction of the overall need.	
Cost	The costs associated with this program are relatively minimal from a financial perspective. The marketing of the program is the largest cost which is required to spread the word to potential home owners and employees. However, the main cost for this option is the human resources time required to manage the program. Tasks such as securing rooms, matching employees, payment arrangements, immigration requirements (where applicable), etc. are difficult to manage for people with other responsibilities. Also, this program depends on the willingness of people to open their homes. One bad experience with a tenant could result in the loss of a potential room in the future.	
Additional Benefits	This program is low cost and could be quite sustainable, however history shows that it is a significant amount of work and can only yield a small amount of supply.	

Community Housing Program

Previously championed by the town of Whistler B.C., this option calls upon the citizens in the town to rent their vacant space in their homes. Whistler had an issue that, like in most communities facing housing challenges, involved short-term rental sites. To this extent it made it much simpler for homeowners to rent their vacant space as a housing manager was hired to match homeowners with employees, streamlining the process.

Criteria	Highlights
Overview	The community housing program is used to increase the number of temporary rentals in a specific area. As utilized in Whistler, the idea was to cut down on the number of short-term rentals and increase the number of homeowners that had never previously considered renting their vacant space. The proposed program would also require a housing manager to match employees without housing with people renting their vacant space. This makes the process much easier for both parties. By managing the matching process, it was seen to increase the overall number of hosts, due to the ease or use and comfort level garnered.
	The cost is hard to quantify as the programs expenses are dependent on how much aid is to be provided to both the homeowners and employees.
Cost	In its most basic form, the program has only two major cost drivers; salaries for housing manager(s) and advertising. As the rent is paid for by the employees and the homeowners require no additional support, there is no other major expense other than how much the housing manager(s) will be paid and the extent of the marketing program.
	There is also the possibility that the employees' rent would be subsidized. This would make it a much more universal program, allowing for significantly more employees to be able to afford this program.
Additional Benefits	This program has multiple benefits. The obvious benefit would be the major decrease in required funding due to the simplicity of the initiative. As the infrastructure is already built and the space available, there is no need to have to build or lease additional living space. Another major benefit is the possible proximity to the employers. By encouraging residents of an area to rent their vacant space, this would put employees closer to their place of employment.

Municipal Housing Program

The Municipality of the County of Inverness has been looking to rework their current affordable housing program. The provincial government is the lead in developing a sustainable housing program in order to provide affordable housing solutions to Nova Scotians. Some regulatory hurdles and delays have motivated the Municipal government to look at taking the lead and developing affordable housing options that can be utilized by everyone.

Criteria	Highlights					
Overview	The Municipality of the County of Inverness is looking for a permanent solution to their housing shortage. They have identified a need to increase the number of available housing options due to lack of availability and declining population in the area. This would be a long-term solution that would help to increase the overall housing options in the area. A partnership to aid in the deployment and awareness between Cape Breton Municipalities and the Cape Breton Partnership would significantly increase the potential success of the project.					
Cost	This is a long-term project to be conducted over a number of years which is in the early stages. Therefore there is little data on the cost of the project. The idea behind the project is to have the municipality own the land, and possibly the buildings, for which the homeowner will purchase only the building. This will drastically reduce the overall debt to the homeowner, while providing an acceptable living space. At the end of the term, or when the homeowner decides to move on, the building is bought back by the municipality to be serviced and resold. The project will incorporate the infrastructure required to build homes, making it much easier to develop communities at a reduced cost to the homeowner.					
Additional Benefits	This could be a beneficial solution to the long-term housing shortage in Cape Breton. However given the timeframe to roll-out, it would not directly address the short-term needs of the island. This solution is not only able to aid in the seasonal housing challenge, but would also be useful in addressing the overlying housing crunch felt year round, all over the island.					

Housing and Logistical Options

Cape Breton University Residence Rentals

Cape Breton University (CBU), a major university located in Sydney Nova Scotia has a number of residences that go unused during the summer months. CBU, like many universities, realized the negative financial effects of leaving the residences unoccupied for extended periods of time. It was decided a number of years ago that, during the summer months in which the majority of students would no longer occupy the building, the university would rent the rooms to the public.

Criteria	Highlights
Overview	CBU currently has four student residences, two of which are available for rent during low occupancy periods. The residences are located directly on campus, with a maximum occupancy of 50 rooms in the main residence and fluctuating availability in the secondary building ¹ .
Design	The rooms available for rent in the main hall, MacDonald Residence, are both single privet rooms and shared double rooms. This residence offer personal closets, desks, and sinks. MacDonald Hall utilizes share washrooms, showers, and laundry facilities on each floor. If required there are a number of semi privet rooms with a shared bathroom in the Harris Hall. This option is similar to the MacDonald Hall living arrangements aside from all of the living spaces being single rooms ¹ .
Cost	The cost of rental is currently between \$30.00 and \$60.00 per person ¹ , per night for living space in the MacDonald Hall, depending on the living arrangement that is required. The rental price for accommodations in the Harris Hall residence is \$60.00 per person, per night ² . These prices however can be combined into a group rate, and CBU has allowed for extended stays in the past.
Additional Benefits	This option allows for a central living arrangement, allowing for a number of employees to live together in single space. It is ideal if land procurement has been, or will be a problem in the future. This also allows for a flexible option to be used in the short-term while a more permeate solution is developed, without any long-term costs or agreements to uphold. There is also the possible benefit to utilize the transport system that has been developed by CBU, in which the university will provide transport for students to get back and fourth from the school and their place of employment.

OPTIONS ANALYSIS

Housing and Logistical Options

In-house Transportation Program

An in-house transportation program that facilitates employees to be driven to their place of employment, and picked back up at the end of their shift. CBU rolled-out a pilot program that did the same for students of the university in 2018. 2019 will be their first fully functional year to provide the program. CBU has had success with this program, allowing for over 50 students to efficiently get to and from their place of employment. This program is currently offered free for students through funding from ACOA.

Criteria	Highlights			
Overview	A transport program that provides transportation directly from an employees home to their place of employment is an efficient system that can work on its own; however, can be combined with any one of the other options in order to facilitate any issues resulting from transportation.			
	The design of this program is dependent on a number of variables, and therefore hard to design without more input. In light of this, key cost drivers would be as follows:			
	Number of vehicles required to service the program			
	Space required for each vehicle - relating to price adjustments depending on the vehicles utilized			
Design	 How the vehicles are acquired - Owned, Financed, or leased 			
	• Variable fuel costs - dependent on the locations of the employees in comparison to their employer			
	Salary of the drivers for each vehicle			
	Repairs and downtime for each vehicle - depending on the method of acquisition			
Cost	The cost of operating a transportation can be split into two categories based upon the two main options for purchasing a vehicle. The first and most common would be to purchase the vehicle and finance it. If we use averages based on year operating cost such as maintenance, insurance, financing costs, and wages. Using industry averages this would result in approximately \$20,500 ¹ annually.			
	The second option would be to lease the vehicle. This is incorporates many of the same costs as financing the vehicle, however maintenance costs and reduce payments. This being said, you may be limited in terms of kilometers that can be traveled per month and other similar restrictions. If this options were to be chosen, the approximate annual cost would be \$18,500. ²			
	Depending on the method in which this option is utilized, it offers a number of advantages. This most prominent, is possible, would be to use it as a standalone program. This will increase cost savings overall as funding would not be required to purchase or leave living space of the employees, opting for a much more flexible program.			
Additional Benefits	If used in conjunction with an housing solution, this would offer a greater number of potential locations to be used to house these employees. This offers cost savings in the form of options; by not being limited to where a housing facility is to be located, there is a greater degree in leverage in which areas this housing facility can be located. This allows for the greatest value in land as it does not require the housing of the employees to be limited to within the town or county of the business operations.			

Seniors Homes

Given the demographics of Cape Breton, seniors housing was identified as a need in a number of areas. Seniors are often staying in their homes out of necessity rather than desire. This necessity is driven by two main factors - financial impacts of the capped assessment and the lack of available seniors housing. Added availability of this type of housing could open some housing for either seasonal staff or new permanent residents.

Criteria	Highlights				
Overview	This option is somewhat tangential to this project, but has a flow-through impact. Added seniors housing (along with financial modifications to enable them to move out of their homes) would facilitate seniors in selling their large homes which could house a larger number of people. These people could be seasonal workers or more long-term residents.				
	This option has been investigated in some areas of Cape Breton - driven mainly by municipalities or citizens of the area. A number of interviewees noted that there is a defined need based on community consultations.				
Design	These units would be designed to enable seniors to have the required type of supportive and accessible living that they may not currently get living on their own in larger more traditional homes.				
	This option would require research into the needs of local seniors in key geographies. Generally these types of facilities blend independent living, assisted living, and communal spaces to allow for the flexibility of service as well as socialization and safety.				
	There have been investors interested in some areas of Cape Breton and some land / incentives may be available depending on the location of the complexes.				
Cost	Developers have noted that they would want to charge relatively substantial rates (for example \$1,200 per month) for the units. Therefore supports may be needed to lower this to an affordable level for seniors.				
	Additional supports (e.g. low income tax exemptions or the National Housing Co-Investment Fund) may be required in order to alleviate the financial concerns of seniors moving out of their homes resulting from the capped assessment.				
	Having seniors move out of their homes would open a number of housing options which could be used for a number of options including:				
Additional Benefits	Subdivided to house seasonal workers				
	Sold to people relocating to Cape Breton for full-time work				
	Purchased by businesses to house critical workers				

OPTIONS ANALYSIS Regulatory Options

Municipalities have a number of tools at their disposal to impact the availability of seasonal housing. One relatively untapped area is the use of regulations to incent the right outcomes. The following options were raised through research and interviews and could be helpful in the ultimate solution to the seasonal housing shortage across Cape Breton.

Regulation of short- term rentals	 A number of municipalities across Nova Scotia have decided to enact bi-laws to actively regulate short-term accommodations. Wolfville does not allow short-term rentals to be operated in its primary residential land-use zone. Annapolis-Royal limits short-term rentals to owner-occupied residences - owners can rent a room in a residence that they live in, but can not operate homes for the sole purpose of short-term rentals. Halifax is in the process of developing their policies around regulation of the short-term rental industry. The provincial government has reviewed the issue and has determined that it is within the municipalities' control to input such regulations. Ideally, the province would like to see uniform regulations across regions to minimize confusion to both owners and renters. Many smaller communities do not have comprehensive land-use plans. If these were developed, they could be used as methods to limit the prevalence and impact of short-term rentals to desired levels. These plans are required by the province to be in compliance with provincial standards.
\$ Taxation on short- term rentals	 The province has been working on how to best tax the short-term rental industry. The assessment act has been under review to determine what constitutes "residential" and "commercial" property. Marketing levies have been instituted in some areas. These levies are done at the municipal level, but need to be submitted to and approved by the provincial department of business.
\$ Income exemptions	While the capped assessment hinders the ability of many seniors to downsize, municipalities could provide "income exemptions" to seniors to assist with their down-sizing. This would make select residents exempt from paying the higher property taxes and lower the barrier to them moving out of their home.
Phased-in taxes	In areas where there is existing water and waste-water infrastructure, municipalities have the ability to phase in taxes over 10-years to provide some relief for potential developers.

HOUSING MARKET ANALYSIS Management Models

If a cooperative approach were to be taken to management of a housing solution, the parties involved would need to decide on a management structure to govern the operation. Various management models are available and include the following:

Non-profit housing

Non-profit housing has been used across Canada to develop and maintain affordable housing units for various populations such as seniors, families, people living with disabilities, etc. These entities can range from just a few units to many thousands depending on the geographic need and can a range of property types (e.g. detached housing, townhomes, apartments, etc.) designed around the needs of the area.

They are used to fill gaps left by the private development and rental market and are generally targeted at an area's in-need demographics with limitedincome. These entities often develop rental costing schemes based on tenant income, effectively having people pay what they are able to afford rather than market rates. Various levels of government can provide subsidies to help close the gap between these below-market rates and actual market rates to make it a sustainable model.

Non-profit housing can be owned by various types of groups from community-based groups to municipalities or government bodies responsible for housing. These groups play a broad role in the achievement of affordable housing which could include research, advocacy, education, supports, and more.

A non-profit model would secure ownership in a way that ensured that units did not end up on the short-term rental market.

Housing cooperative

Governed by the principles of the cooperative business model, housing co-ops allow tenants to have "ownership" rights which include voting abilities on things such as the Board of Directors, by-laws, etc. This structure is designed to enable members to live in the housing at-cost, thereby keeping rates as low as possible. Many of the housing co-ops in Canada are targeted at persons with limited incomes.

Businesses could be the "members" in a co-op model and cover the ownership costs which would provide them space to house employees.

CMHC has recently launched a new program which includes significant focus on housing co-ops which seeks cooperation across various levels of government and allows for a variety of funding models.

The seasonality of the Cape Breton situation may cause difficulties as there would be significant vacant time where housing co-ops tend to be for full-time accommodation. This seasonality may result in capacity issues with the cooperative model as the desire for year-round rentals could impact availability in the peak months. Seasonality may also impact CMHC's ability to support the endeavor, but the follow-on benefits of industry growth, expanding the tourism season, and economic development could prove the value in the model for Cape Breton.

Similar to the non-profit model, a housing cooperative model would secure ownership in a way that ensured that units did not end up on the short-term rental market.

Sources: Co-operative Housing Federation of Canada; Ontario Non-Profit Housing Association; Canmore Community Housing Corporation

OPTIONS ANALYSIS Financing Options

The Cape Breton Partnerships' mission to create a housing solution for the seasonal workforce for the Island's tourism industry will require significant sources of funding. The following are a number of funding options that are designed to cater towards unique situations, such as the temporary housing shortage in Cape Breton.

Financing Options	Highlights & Benefits	Detractors
ACOA - Canadian Experiences Fund	 Offers financial assistance for not-for profits and private organizations Specializes is Atlantic Canadian initiatives that set out to enhance the tourism industry Can be used to enhance current and future employment opportunities that directly relate to the tourism industry Eligible organizations may receive 100% of eligible costs covered Offers both non-repayable, and conditionally repayable funding options 	 Non-repayable funding is only offered to certain eligible organizations Funding is dependent on total project costs Funding is not guaranteed, even if all criteria is met Funding is time sensitive and limited to lesser of tow year, or when the funds are depleted According to interviewees, ACOA will not fund private businesses looking to create employee housing (including tourism businesses).
ACOA - Innovative Communities Fund	 Offers funding for not-for-profit, co-operatives, and local development organizations Caters specifically to programs that specialize in economic and employment development Funding available has no minimum or maximum project costs Non-repayable 	 Funding is provided based on project needs and environmental assessments; meaning the amount is not guaranteed Project specifications are fairly strict and must meet all requirements Projects are selected based on merit rather than need
CBDC - Community Development Fund	 Offers funding to both for profit and not-for-profit organizations Funding is specific to projects geared towards economic and employment growth Offers funding up to \$225,000 	 Funding is limited to \$225,000 All funding is either repayable or offered as bridge financing Projects must meet the criteria set out by CBDC
Infrastructure Canada - Building Canada Fund	 Funding available to private and not-for-profit organizations Funding is to be used exclusively to develop economically stronger communities Geared towards projects that are looking to develop local infrastructure Non-repayable funding 	 Funding for non-public sector entities is difficult to obtain Funding for projects where a non-public will own the asset are only funded up to 25% of the expected costs
CMHC - Affordable Housing Fund	 Funding available to Municipal, private, and not-for-profit organizations The project provides funding towards affordable housing programs, or programs with the objective of creating housing to fulfill the needs of their community Funding is available through both repayable and forgivable loans Project criteria is diverse allowing for a number of options to meet the criteria outlined by the program 	 Project must be sustained for at least 10 years Repayment does not allow for early repayment Fixed rate 10 year terms All projects must include an eco-friendly aspect that demonstrates the project will achieve at least a 10% reduction in emissions as compared to an equivalent standard housing project There are a number of sub requirements that are required that could make obtaining the funding time consuming

Sources: ACOA, CBDC, Infrastructure Canada, CMHC

OPTIONS ANALYSIS Financing Options

Financing Options	Highlights & Benefits	Detractors
CMHC - Seed Funding	 Funding available to community housing providers, municipalities, provinces and territories, Indigenous governments and organizations, and private sector groups Can be used for various project types including new construction of community housing, mixed-use (market and affordable rentals), conversion of units to residential buildings, etc. Offers interest free loans and non-repayable contributions 	 Must have a minimum of 5 affordable units/beds Must be considered affordable, as determined by the Municipality, Province or Territory, or as accepted under other CMHC programs
Housing Nova Scotia	 Various types of funding programs that address a spectrum of needs including: cooperative / non-profit housing, affordable housing, accessibility requirements, home build / purchase by low-income families, seniors independent living, and more Various terms, eligibilities, and funding amounts are available based on the specific program The variety of supports offered is unmatched by any other financing body 	 N/A - Each program is unique in its own terms, requirements, and eligibilities. Overall the programs are quite broad and valuable to a wide range of needs.
Invest Nova Scotia	 Invest Nova Scotia provides funding to projects that "have a demonstrated economic benefit to our province." Eligible projects include the below: Industry organizations, sectors, regional associations, and other organizations that advance public interests not the interests of private stakeholders. Initiatives that drive sector development, economic diversification, workforce competitiveness, applied research and development, and pilot projects Applications are accepted and reviewed on a continual basis 	 Funding not available for individual businesses or organizations Specific to larger projects - minimum of \$250k Funding has restrictions on use - Invest Nova Scotia can not make equity investments
BDC - Real estate Loans	 Loans available to purchase land or buildings Competitive interest rates 25 year terms Restricted early payments accepted up to 15% of the loan each year Assets are not used as collateral against the loan Loans available from \$5,000 to \$500,000 available Limited restrictions regarding the usage of the funds when deposited 	 All loans are repayable Limited availability to repay loans early All loans are treated similar to a mortgage Working capital required for down payment towards the balance of the loan

Sources: CMHC, Housing Nova Scotia, Invest Nova Scotia, BDC

OPTIONS ANALYSIS Financing Options

Financing Options	Highlights & Benefits	Detractors
Cape Breton Municipal Grants	 Grants provided to community initiatives designed to enhance the community in which they are in Provides potentially annual funding for ongoing projects Non-repayable grants awarded to eligible projects Very few and reasonable restrictions placed on funding Can be used in conjunction with other sources of funding without penalty 	 Grants are limited to \$25,000 per year Grants are eligible for annual renewal, however not guaranteed Municipal grants are restricted to capital acquisitions (salaries, rents, reoccurring expense are not eligible) Grants are only awarded on annual basis with applications submitted before April 30th for the following year, meaning this grant would not be awarded until mid-2020
Grants From Financial Initiations - Scotiabank ³	 Funds projects that are focused on improving communities, creating sustainable housing, and education All non-repayable grants Offers more than funding with a network of Scotiabank specialists to provide guidance towards projects Applications are accepted throughout the year All applications are reviewed and returned within 90 days of submission Similar programs exist with most major financial institutions 	 Funding is granted on a limited basis Strict guidelines on what projects are eligible Non-renewable Funding amounts are granted on depending on the needs of the project and dictated by the review board, therefore there is no guaranteed as to the amount provided
General Crowd Sourcing ⁴	 Crowd sourced housing projects are on the rise, providing large balance funding with little to no cost All crowd sourced funds are non-repayable Has been successful for small projects in the United States and United Kingdom Unlimited potential for funding opportunities Can be utilized in conjunction with other sources of funding 	 No guarantee on the amount to be collected May require a significant time investment to reach desired goals Some crowd sourced funding requires a non-monetary future benefits for donations over a required threshold creating a future liability
Community Business Funding	 Similar to crowed sourcing; however, this method requests funding from the businesses benefiting from the program This source of funding is non-repayable Can be utilized in conjunction with other sources of funding Could be a quick source of high yield funding Potential to have annual funding if required 	 No guarantee that business owners will respond positively to the idea, and therefore the total funds raised would be indeterminable

Sources: Cape Breton Regional Municipality, Scotiabank, National Centre for Healthy Housing, Business Insider

Muskrat Falls Trailer Assessment

MUSKRAT FALLS TRAILER ASSESSMENT **Overview of Available Units**

The Muskrat Falls Hydroelectric project in Labrador required a number of temporary housing solutions for workers during the construction phase. With the project transitioning from development to operation, fewer workers are needed on site. The housing units that are no longer required at the site were investigated to understand their availability and their appropriateness as seasonal housing for workers in Cape Breton.

Muskrat Falls Assets

- Three different companies have ownership of housing in Muskrat Falls their current status is below.
 - **Pennecon** decommissioned their operations and moved on to new work sites
 - Alantra no available units ٠
 - **C&T Enterprises** has 11 bunkhouse trailers remaining at the site available now. This represents accommodations for up to 66 workers and includes a mess hall and an electrical trail (for laundry and central electrical source to the bunkhouses). Each room comes with a private desk, bed, sink, dishes, cutlery, and their own flat screen TV with satellite connectivity.





Due to scheduling and weather issues, a complete inspection of these trailers was not undertaken to date. Based on reviewing the needs of the various regions in Cape Breton, an inspection may be beneficial. However given the availability of various other housing options, it is thought that these older units that require significant transportation and potential repairs and maintenance would not be the best option for Cape Breton.



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Conclusions and Recommendations

CONCLUSIONS AND RECOMMENDATIONS Overview

Based on the findings presented in this report, this section outlines the conclusions and recommendations in regards to Cape Breton's seasonal housing shortage.

The recommendations are focused on **making the most impact in the areas of most need** based on geography, business type, and worker demographic. They are aimed at enabling businesses to maintain / expand operations and assisting those people who most need the support (e.g. people with lower incomes, seasonal businesses with a labour shortage, businesses with the inability to support their own solutions).

It is also important to note that this is **not simply a solution that can be solved by government funding**. While this will be a key part of a successful solution, all parties have the responsibility to help execute on a solution based on their respective abilities. A strong tourism labour market will benefit all stakeholders in the long-term through sustained economic growth. For example, more experienced restaurant staff enables a higher quality of service, longer hours, higher quality products and therefore more satisfied customers. This benefits all of the businesses in the area through improved experiences, referral business, and more receipts from tourism in the region.

The recommendations for housing options are designed to be conservative in nature in order to alleviate some of the pressure from the lack of available housing. They are the first steps in closing the gap that exists between demand for housing and current supply. They will be used to prove the impact of increased housing capacity for seasonal industries, enable growth, and ideally spur further development of seasonal industries across Cape Breton.

Non-housing related recommendations (e.g. regulatory changes, land-use plans, income supplements, etc.) are designed to work in tandem with the housing developments to close the supply - demand gap. They are designed to support behaviours that will help to alleviate the current issues in the long term but do not involve new construction.

Finally, note that these recommendations are based on interviews. **Data is quite** scarce when it comes to the Cape Breton region as a whole and even more limited in specific municipalities around the island.



CONCLUSIONS AND RECOMMENDATIONS Housing Options and Location



There are a number of areas across Cape Breton that would benefit from additional housing capacity. The **Priority One** areas are those where the need is the highest from a volume and economic need perspective. As such, these areas should be the focus of the first efforts to address the housing shortage. Short term assistance is required to close the demand gap and provide some additional housing in these areas which can alleviate some of the issues experienced by workers and businesses in these communities. These solutions should be executed collaboratively by a range of parties including: private business, developers, the community sector, various levels of government, and facilitators (e.g. the Cape Breton Partnership).

CONCLUSIONS AND RECOMMENDATIONS Priority One Recommendations

Below are recommendations on short-term housing solutions for the **Priority One** regions.

	Ingonish Area					
Demographic	Suggested Capacity and Location	Suggested Living Arrangements	Accommodation Type(s)	Overview of Arrangements	Additional Comments	
			Converted shipping containers	These can be developed as single containers (one to two people) or multiple containers attached to house more people. Therefore these can be developed to meet a variety of needs.		
Seasonal tourism workers (e.g. housekeeping, retail, servers, etc.)	 40 - 50 additional people Ingonish / 	Functional style with shared amenities or leisure spaces	Modular Apartments	One and two bedroom units with bathroom and kitchen facilities for each apartment. Laundry and social rooms could also be included as communal spaces.	 Additional capacity focused in the Ingonish area due to the more accessible location and proximity to other housing needs. 	
	Ingonish Beach		Mini Homes	Small footprint freestanding homes with self-contained amenities (e.g. bedrooms, kitchen, bathrooms, living area, etc.). These homes could appeal to couples, higher- priority hires, or even people relocating to the region permanently until they secure long-term housing.	 While these two demographics are viewed separately, each housing solution could cater to both industries depending on need and availability. 	
Seasonal fishery workers	 30 - 40 additional people Neil's Harbour 	Dormitory-style functional housing	Bunkhouse Trailers	Functional style bunkhouses with private bedrooms, bathrooms. These trailers can include communal facilities (e.g. kitchen, laundry, etc.).		

CONCLUSIONS AND RECOMMENDATIONS Priority One Recommendations

Baddeck					
Demographic	Suggested Capacity	Suggested Living Arrangements	Accommodation Type(s)	Overview of Arrangements	Additional Comments
WUINCIS	30 - 40	Functional style with shared	Converted shipping containers	These can be developed as single containers (one to two people) or multiple containers attached to house more people. Therefore these can be developed to meet a variety of needs.	 Baddeck is unique in its relatively central location and how it provides highwa access to a variety of other
(e.g. housekeeping, retail, servers, etc.)	additional people	amenities or leisure spaces	Modular Apartments	One and two bedroom units with bathroom and kitchen facilities for each apartment. Laundry and social rooms could also be included as communal spaces.	 areas of Cape Breton. As such, accommodations in this area could be used by workers in a wide range of surrounding areas.

	Inverness					
Demographic	Suggested Capacity	Suggested Living Arrangements	Accommodation Type(s)	Overview of Arrangements	Additional Comments	
Seasonal tourism workers (e.g. housekeeping, retail, servers,	Functional 50 - 75 style with additional shared people amenities or leisure spaces		Converted shipping containers	These can be developed as single containers (one to two people) or multiple containers attached to house more people. Therefore these can be developed to meet a variety of needs.		
		style with shared	Modular Apartments	One and two bedroom units with bathroom and kitchen facilities for each apartment. Laundry and social rooms could also be included as communal spaces.	 Inverness is an area showing significant growth on its own, but is also in somewhat proximity to other areas 	
etc.)		Mini Homes	Small footprint freestanding homes with self-contained amenities (e.g. bedrooms, kitchen, bathrooms, living area, etc.). These homes could appeal to couples, higher-priority hires, or even people relocating to the region permanently until they secure long-term housing.	proximity to other areas of need such as Mabou and Port Hood.		

CONCLUSIONS AND RECOMMENDATIONS Priority Two Recommendations

	CBRM					
Demographic	Suggested Capacity	Suggested Living Arrangements	Accommodation Type(s)	Overview of Arrangements	Additional Comments	
Students	Up to 500 (depends on enrollment growth and other planned solutions)	Dormitory-style student living	Modular Apartments	One and two bedroom units with bathroom and kitchen facilities for each apartment. Laundry and social rooms could also be included as communal spaces. Given these are student-focused, they can be relatively modest in their amenities.	 The student-focused solutions are somewhat out of scope for this project, but there is a clear need in the area for more housing for this market. Given the higher occupancy and lowered impact of seasonality, these solutions should be driven by the educational institutions as well as private industry where 	

possible.

Chéticamp					
Demographic	Suggested Capacity	Suggested Living Arrangements	Accommodation Type(s)	Overview of Arrangements	Additional Comments
Seasonal fishery and tourism workers	10 - 15 additional people	Functional style with shared amenities or leisure spaces	Converted shipping containers	These can be developed as single containers (one to two people) or multiple containers attached to house more people. Therefore these can be developed to meet a variety of needs.	 Given the relatively small need for these industries (30 people ideally based on interviews), it would be more efficient (if possible) to develop one
			Modular Apartments	One and two bedroom units with bathroom and kitchen facilities for each apartment. Laundry and social rooms could also be included as communal spaces.	 solution to address the needs of both the tourism and fishing industries together. The development of a seniors home in the area has been in
			Bunkhouse Trailers	Functional style bunkhouses with private bedrooms, bathrooms. These trailers can include communal facilities (e.g. kitchen, laundry, etc.).	discussion for some time. This would increase the availability of homes on the market that could be purchased and rented out to workers.

CONCLUSIONS AND RECOMMENDATIONS Issues and Potential Solutions

Issue Overview	Potential Solution	Solution Provider
Developers may not be able to charge	Provide a rental subsidy for workers based on need	 Industry (i.e. employers subsidize rental fees) Municipal Government Provincial Government
the desired (market-level) rates for rentals due to the workers' inability to afford these rates.	Provide financial supports for renovations of existing housing	Municipal GovernmentProvincial Government
	Provide tax incentives for developers to offset lowered rental rates	Municipal GovernmentProvincial Government
There will be significant occupancy volatility due to the seasonal nature	Provide season extension assistance to businesses to enable them to keep staff on longer and develop "four- seasons tourism"	 Provincial Government (Extend current project focused on season extension)
of the industries of focus.	Provide a commitment to occupancy (volume of personnel and length of time)	Local industry players
There could be an over-reliance on public funding to support solutions	Develop and formalize the roles, responsibilities and requirements of all parties	 Eastern District Planning Commission CBRM Planning and Development Department All involved parties
from private sector parties.	Develop program guidelines to support the needed growth with clear criteria and funding supports	Various funding providers
The housing solutions may not be universally supported by the municipal officials and citizens of the areas	Conduct community engagement and education sessions to inform those impacted	Municipal leadershipCape Breton Partnership
The quality of accommodations needs to be up to an acceptable standard and maintained	Implement regular inspection processes to maintain appropriateness which could be linked to financial supports	Municipal GovernmentProvincial Government
Owners of the properties may increase rental rates or become short-term rentals to increase revenue	Include specific requirements and terms within any funding support contracts (e.g. maximum rental rates, no short-term rentals, etc.)	Municipal GovernmentProvincial Government
Collaboration and cooperation across the various parties could be improved for better use of resources and effort	Facilitate ongoing communications and collaborative solution development with clear roles and responsibilities	Cape Breton Partnership

CONCLUSIONS AND RECOMMENDATIONS Regulatory Updates and Management Structure

While the development of housing solutions is crucial to alleviating the seasonal housing shortage, there are some regulatory and structural initiatives that could be undertaken that could also be introduced. These initiatives may assist despite not requiring the construction of any new housing.

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Ensure Facilitators are in place to coordinate housing solutions

Coordination and communication amongst a variety of groups across Cape Breton will be critical to the success of any housing solution. While there are some areas with established facilitators (e.g. Nova Scotia Housing), a coordinated effort must be made across the various communities in need. The Cape Breton Partnership is in a unique position to support and bring together various groups to collectively support the housing solutions. The role of individuals, Nova Scotia Housing and non-profits like the Cape Breton Partnership should be communicated to key stakeholders and should include advocacy, collaboration, assistance in securing funding, and other required duties.

Develop municipal land-use plans

Land use plans are a requirement under provincial regulations, however not all municipalities have plans that are comprehensive or strategic in the way it enables land use. Each municipality should develop or review these plans with a view to the regulations on short-term rentals and making land available for potential housing developments. This not only allows municipalities to meet provincial regulations, but could help alleviate some of the housing issues through regulatory changes.

Cooperate across municipalities to determine regulations applied to short-term rentals

The provincial government has determined that municipalities have the authority to regulate the short-term rental industry in their jurisdiction. The various municipalities in Cape Breton should cooperate to determine the most effective way to regulate this industry. Creating a uniform strategy will simplify the enforcement across Cape Breton and would simplify the experience for tourists travelling to various municipalities on the island.

Develop income exemption processes to facilitate seniors downsizing

While the capped-assessment itself creates a financial disincentive for seniors to move out of their homes, municipalities have the ability to mitigate the financial impacts. They have the authority to develop income exemptions to decrease the tax burden on these seniors. If a municipality feels that helping seniors downsize would help build the rental housing supply, they could develop a program to facilitate this behaviour. Municipalities should explore the development of these programs, the costs associated, and the benefits created.

Determine if non-profit housing entity / entities should be formed to facilitate development and management of housing solutions

Non-profit housing has been proven effective in maintaining affordable housing for target populations. This option should be seriously considered for Cape Breton as it could help provide accommodations to the target population, maintain a level of control over operations, and work with government groups to develop subsidies where required. Non-profits are also able to access some types of funding that are not available to other groups. This could take the form of a new entity (collaborative across the island) or entities (various groups by geography) or could involve the expansion of an existing non-profit group in the region.

Facilitate meetings with key partners for development

During this whole process, discussions should be had with various developers with a potential interest in the development of these housing solutions. Initial meetings will be relatively high-level, presenting some of the findings from this research. Discussions will need to evolve to the detailed requirements and plans for the housing options including rental prices, funding supports, facilities availability, design, etc. The Cape Breton Partnership is well-positioned to facilitate these discussions.

CONCLUSIONS AND RECOMMENDATIONS Potential Partners and Roles

Group	Potential Roles
Cape Breton Partnership	 Facilitate cooperation, agreements, and collaboration Advocate with potential funding partners Disseminate information to stakeholders
Industry Players	 Provide financial support (based on size and ability) or rental subsidies for employees Provide input into local housing development needs Inform on needs (number and demographics)
Community Sector	 Support through existing housing initiatives (e.g. New Dawn Enterprises) Advocate for affordable housing Leverage potential funding for non-profit sector
Developers	 Develop housing projects where there is a business case to do so Communicate with other partners to align development with need
Municipalities	 Implement land use plans and regulations Develop and implement legislation on short-term rental properties Provide "low-income" benefits to seniors to alleviate capped-assessment impacts Monitor quality and appropriateness of accommodations
Provincial Government	 Assist with regulation and legislation where required Facilitate navigating regulations, permits, etc. Provide funding support for housing solutions where required Provide funding to subsidize rental rates where required
Federal Government	Provide funding support for housing solutions

CONCLUSIONS AND RECOMMENDATIONS Potential Transit Supports

The map to the right shows the suggested location and relative scale of the solutions suggested in this report. It can be seen that these solutions ultimately cover a significant portion of Cape Breton either directly or within a reasonable distance given available transportation.

An effective transit plan should be developed to enable the flexibility for employees to work and live in proximal locations without the requirement of private transportation. This could take the form of a formalized carpooling program, private operators offering planned routes, or some publicly funded solution.

An effective transit plan would not replace the need for housing, but could mitigate the total scale of the need. Enabling people to commute effectively and at a reasonable price would expand the accommodation options available for workers to areas further away from the workplace.

These recommended areas could also, to a degree, act as hubs on which transit solutions could be based.



CONCLUSIONS AND RECOMMENDATIONS Other Initiatives

In addition to the development of housing, the implementation of regulatory changes, and the support of effective transit, there are some additional initiatives that could be explored that could prove meaningful in the solution to the housing shortage.



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Development of Seniors Homes

While the construction of these facilities may take some time, preliminary studies have shown the demand for seniors housing in various parts of Cape Breton. With the aging demographic, the need for these facilities should continue to grow in the foreseeable future. Given the option of these facilities (combined with the required financial supports to mitigate the impact of the capped assessment), seniors may move out of their homes, leaving them to be potentially used for worker accommodations. If effective land use guidelines and / or short term rental regulations were in place, these homes could be regulated in a way that would incent affordable housing for workers.

Lobby for the Development of University Housing

The lack of student housing is somewhat unique to the CBRM area and is largely a function of the area's success in attracting international students. Projections show that the number of international students to the region is estimated to stay near current levels into the future, so impacted stakeholders should lobby for the development of student-focused housing in the area.

Maintain Existing Billeting Program Assistance

While the billeting program has not resulted in a meaningful difference to the alleviation of housing needs, in the near-term every worker placement is important for the impacted seasonal businesses. Given that the process is already setup for this program, it should be continued until the housing and regulatory recommendations proposed are implemented and prove the ability to assist in housing the needed seasonal worker base.

4

Simplify Private Industry Investment

To engage private industry in the short and long-term solution to the housing issues, collaboration and clear information will be critical. Developers require a business case and a clear path to an investment that meets their needs with respect to financial return, operational requirements, infrastructure availability, etc. To simplify this process, the Cape Breton Partnership, municipalities and other stakeholders can undertake some work to make things more streamlined for these potential developers, including:

- · Developing comprehensive land-use plans
- Creating an inventory of available land and facilities (e.g. brownfield)
- Detailing available incentives that could be provided from various stakeholders (e.g. funding programs, tax incentives, discounted land, etc.)
- · Working to improve the availability of housing market data across Cape Breton
- Undertaking additional area-specific surveys to understand housing needs from a citizen point of view

CONCLUSIONS AND RECOMMENDATIONS Conclusion

As outlined in this report, the seasonal housing shortage in Cape Breton has materially impacted a variety of businesses and industries. In order to alleviate the shortage, each region must be addressed given its unique circumstances. As such, it is recommended that the focus initially be on **Priority One communities** as outlined below (in no specific order).

- Neil's Harbour
- Ingonish
- Ingonish Beach
- Cape Smokey
- Baddeck
- Inverness

There are a variety of **traditional and innovative housing solutions** available to address the needs for these communities. The specific solution(s) for each region depend on the demographics and scale of need. Some suggestions include: converted shipping containers, bunkhouse trailers, and modular apartments.

Housing infrastructure is not the only solution to the issue. Other **regulatory and structural updates** may help ease the shortage and include:

- · Determine the various parties to act in a facilitation role to support housing solutions
- Develop municipal land-use plans
- · Cooperate across municipalities to determine regulations applied to short-term rentals
- · Develop income exemption processes to facilitate seniors downsizing
- Determine if non-profit housing entity / entities should be formed to facilitate development and management of housing solutions
- · Facilitate meetings with key partners for development

Transit support could also ease the burden on the development of housing as it would enable employees to travel further away from their workplaces to find housing. Expanded transit may also enable the development of larger housing solutions in fewer locations which could save on development costs.

Finally, there are some **other initiatives** which could help to alleviate demand on the housing system across Cape Breton. These suggestions may help to increase housing availability and include:

- Development of Seniors Homes
- Lobby for the Development of University Housing
- Maintain Existing Billeting Program Assistance
- Simplify Private Industry Investment



AFTERWARD

STATEMENT FROM NOVA SCOTIA DEPARTMENT OF LABOUR AND ADVANCED EDUCATION

The Cape Breton Partnership Seasonal Housing Study is a comprehensive look at the challenges, best practices and possible solutions to the seasonal housing situation in Cape Breton. The Partnership, as usual, oversaw the development of a useful study of the housing issues across Cape Breton, including breaking down the solutions regionally. The solutions and issues are complex and will involve all partners at the table.

Labour and Advanced Education will continue to support the employers and the workforce of Cape Breton in ways that are critical to recruiting and retaining a quality seasonal and year-round workforce, including:

- Continuing to work with the Tourism Human Resources Sector Council (THRSC) to support employers in finding ways to support season extension, and in-turn, employment opportunities and to support expanded training opportunities for this important sector;
- Providing comprehensive employment support to individuals and employers across Nova Scotia, through NS Works Centres;
- Delivering training and employment programs for individuals and employers such as Development, One Journey, START, Workplace Innovation and Productivity Skills Incentive (WIPSI) and Workplace Education, among others;
- Supporting human resources planning by creating access to specialized expertise (e.g. Business Workforce Consultants, Employer Engagement Specialists) and to access to programs such as the Welcoming Workplaces program; and
- Investing in the establishment and creation of Industry Sector Councils to support members' HR, workforce and labour challenges and opportunities.

STATEMENT FROM THE CAPE BRETON PARTNERSHIP

The Cape Breton Partnership Seasonal Housing Study is the culmination of work originally conceived in the spring of 2019 when it was clear that businesses in rural Cape Breton had more jobs than people to fill them. As a result, many businesses are responding by increasing their recruitment efforts to attract workers from within and outside the community.

These recruitment efforts uncovered a new challenge for businesses - once they successfully identify employees from outside the community willing to come work for them, those potential employees have few or no options for temporary or permanent housing. This lack of housing has therefore further exacerbated the shortage of employees able to fill seasonal and non-seasonal positions in the rural communities of Cape Breton • Unama'ki.

This study provides a comprehensive overview of inter-related housing issues in Cape Breton and providing a breakdown of achievable solutions in the region. It therefore arms private sector developers and entrepreneurs, government departments and agencies, municipalities, First Nations, and the Cape Breton Partnership with the data and thoughtful analysis to make investment, policy and programming decisions that can benefit the residents and communities of Cape Breton.