



The Corporation of the City of Courtenay

# Staff Report

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**To:** Council

**File No.:** 2380-20

**From:** Director of Recreation, Culture and Community Services

**Date:** October 15, 2025

**Subject:** New Lease Agreement – 685 Cliffe Avenue and 645 Cliffe Avenue

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**PURPOSE:** To seek Council approval of a new lease agreement between the City and the Comox Valley Transition Society (CVTS) for the properties located at 685 and 645 Cliffe Avenue.

## **BACKGROUND:**

The Comox Valley Transition Society (CVTS) has been operating the Connect Temporary Shelter and Service Hub (Connect) at 685 Cliffe Avenue since 2019. Initially, the facility was made available through an Occupancy Agreement and has more recently been governed by a Lease Agreement. Since its inception, the site has been utilized to provide essential services including day programming for individuals experiencing homelessness, as well as the operation of a temporary over-night shelter.

On November 1, 2021, Council entered into a formal Lease Agreement with CVTS for a portion of the property at 685 Cliffe Avenue (Attachment 1). The Lease Agreement includes provisions for five one-year renewal options, each subject to Council approval. CVTS has exercised three of these renewal options to date. The fourth lease term is scheduled to expire on October 31, 2025, with one remaining one-year renewal option available.

In 2022, CVTS submitted a request to amend the lease to include the entire building. With Council's approval, renovations were undertaken to combine the original and expanded lease areas. This work facilitated CVTS entering into an operating agreement with BC Housing to deliver a temporary, year-round overnight shelter, increasing the capacity of Connect to 33 shelter beds per night.

In January 2025, Council approved a further amendment to the lease expanding the leased area to include approximately 5800 square feet of the adjacent parking lot located at 645 Cliffe Avenue. This additional fenced space supports improved service delivery by accommodating a temporary washroom facility with three toilets, a temporary storage unit, and outdoor gathering space.

On July 29, 2025, the City received a request from the Executive Director (ED) of the Comox Valley Transition Society (CVTS) to extend the term of the Lease Agreement for 685 Cliffe Avenue through to mid-to-late 2027 in order to ensure continuity of shelter services and smooth transition of services until the fall of 2027 when a new Braidwood shelter is scheduled to open. In addition, the ED of CVTS requested the removal of a clause in the current Lease Agreement which requires CVTS to convene monthly Community Advisory Committee meetings (CAC) given that the ED maintains regular engagement with a broad range of community stakeholders—including sectors directly impacted by Connect (Attachment 2).

As the current Lease Agreement with CVTS expires on October 31, 2025, and only has one one-year renewal term remaining, staff is seeking Council approval to develop and execute a new lease agreement. The new lease agreement would be for a two (2) year term, commencing on November 1, 2025, and ending on October 31, 2027. The proposed new lease agreement would include a provision for month-to-month

renewal following the end of the term October 31, 2027, to allow for the lease to continue until such time as the Braidwood shelter opens and services can be transitioned. Apart from the revised termination date and removal of the CAC requirement, all other terms and conditions of the existing lease agreement would remain unchanged.

#### **DISCUSSION:**

Homelessness in the Comox Valley remains a critical concern and a key priority for the City of Courtenay. The most recent 2025 Homeless Count recorded 218 individuals experiencing homelessness—a decrease since the 2023 count, however still a substantial increase over the 2020 count (n=132). Of these, 63% (n=137) were unsheltered, staying outdoors or temporarily with others, while 37% were sheltered, including those in facilities such as transition houses, hospitals, jails, or temporary shelter.

There has been an increase of 42 people living unsheltered in the Comox Valley, underscoring the need for shelter beds and support services. Any decrease in the current level of shelter beds available and or support services would increase the numbers of individuals who are unsheltered and have significant impacts on the health and well-being of people experiencing homelessness as well as the broader community.

#### **Connect Shelter and Services Hub**

Connect Shelter and Services Hub (Connect) provides vital daily supports for unhoused individuals and those affected by mental illness and the toxic drug poisoning crisis. The day program operates seven days per week and offers survival gear, meals, washroom facilities, hygiene services (with showers offsite), primary and addiction health care, storage, legal and income assistance support, and referrals to housing and case management.

Overnight shelter services operate seven nights per week from 8:00pm to 7:00am, providing 33 individuals seeking shelter a bed at night, as well as meals, clothing, access to storage, washroom facilities, and other supports.

Access to washroom facilities and secure storage are now available in fenced area adjacent to Connect as a result of the expansion into the parking lot with services available 6:00am to 11:00pm daily. The expanded area and addition of trailers has also allowed for the provision of health services in a private room.

Connect's impact has been significant. In 2024 alone, 100–150 people seeking shelter came in daily to access services. Staff recorded 34,250 service interactions in that year. These included 25,391 meals, 821 showers, 8,390 harm reduction supplies, and 356 survival gear distributions. Peers with lived experience played a key role, helping clean streets, collecting 426 needles, responding to 61 overdoses, and assisting in 1,437 peer relocations from business alcoves. (SCG, 2024<sup>1</sup>).

While it is clear Connect provides vital services and has saved lives, its downtown location has led to public concerns around increased street activity, debris, and visible impacts of homelessness, mental illness, and substance use. CVTS actively endeavours to mitigate these impacts through peer outreach and street-level cleanup - currently offered twice per day, seven days per week. Moreover, the CVTS Executive Director serves on the Board of Directors for the Downtown Courtenay Business Improvement Association (DCBIA) and its Safety Committee and actively reaches out to key community interest holders to address and/or

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<sup>1</sup> [Strengthening Communities' Grant Final Report](#) City of Courtenay, November 2024)

prevent concerns - including City bylaw, fire, RCMP, Island Health, social service agencies, the arts community, and downtown residents.

The facility at 685 Cliffe Avenue is not purpose-built and thus presents some operational challenges, however it remains a critical interim solution until alternative, purpose-built shelter, complete with wrap around services, becomes available. The new BC Housing development at 925 Braidwood, slated to open in the fall of 2027, will include a purpose-built shelter and services, plus supportive housing. That facility is expected to significantly improve shelter and service delivery and reduce the visible impacts of homelessness in the downtown core.

Given the current Lease Agreement with CVTS will expire on October 31, 2025, and the new shelter is not expected to open until fall of 2027, a new lease agreement is required. A new two (2) year lease agreement between the City and CVTS, commencing November 1, 2025, and terminating October 31, 2027, with a month-to-month holdover clause, will not only provide continuity of shelter and vital services, but will support a gradual transition for clients as operations wind down ahead of the anticipated opening of the new Braidwood shelter.

Moreover, given CVTS has been a good tenant, the Executive Director meets regularly with the DCBIA, and reaches out to a diversity of community members – including key representatives from local government and community - to prevent or address issues, staff support the request of CVTS to remove the clause requiring monthly facilitated CAC meetings.

This new lease agreement for the Connect Shelter and Service Hub located at 685 Cliffe is intended as a temporary measure until such time a purpose-built shelter facility is available.

Should Council prefer to continue with the existing lease, including its terms and conditions, Council has the option to renew the existing lease for one more year from November 1, 2025, to October 31, 2026. As this is the final lease extension available, prior to its expiration staff would return with options for Council's consideration regarding 685 and 645 Cliffe Avenue including entering into a new lease agreement effective November 1, 2026, or terminating the agreement and ending the lease.

As per Council's direction, staff continue to work with BC Housing to support their plans for the purpose-built shelter and to ensure that a new facility will adequately meet the needs of individuals who are unhoused in the community.

**FINANCIAL IMPLICATIONS:**

The Comox Valley Transition Society, as the tenant, will remain financially responsible as per the terms of the current lease agreement. Council has previously approved a rental subsidy for CVTS which would continue under the new lease. If approved, CVTS will pay \$48,000 in rent over two years for use of the building and part of the adjacent parking lot. The City will provide a rent subsidy totaling \$71,712 over the same period. If the lease extends beyond October 31, 2027, the City will continue to provide a monthly subsidy of \$3,253, based on current market rates.

**ADMINISTRATIVE IMPLICATIONS:**

Recreation, Culture and Community Services (RCCS) provide support and relationship management to CVTS through the lease agreement, with Civic Properties providing facility maintenance. This work includes lease management, repairs, renovations, and other administrative tasks.

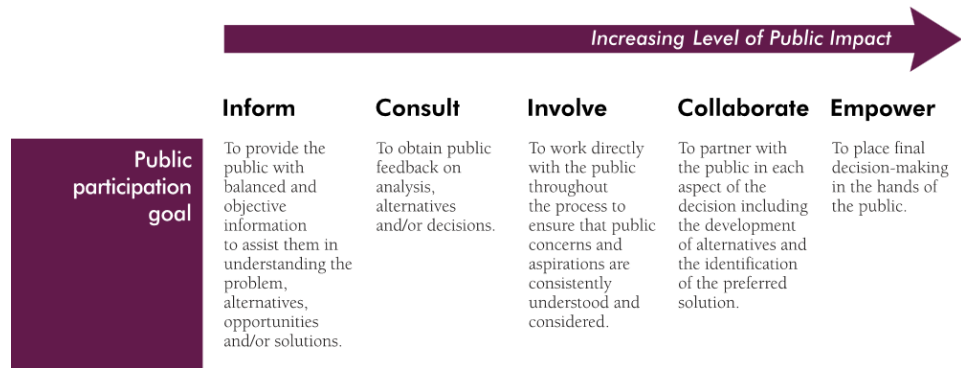
**STRATEGIC PRIORITIES REFERENCE:**

This initiative addresses the following strategic priorities:

- Social Infrastructure - Continue working with community agencies to deliver day services. Explore role in the provision of social support services, including future of Connect Centre.

**PUBLIC ENGAGEMENT:**

Staff would inform the public based on the IAP2 Spectrum of Public Participation:



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Staff has provided public notice to satisfy the statutory advertising requirements for the proposed disposition of City land and assistance related to the proposed new Lease Agreement per Section 24, 26 and 94 of the *Community Charter*.

**OPTIONS:**

1. THAT Council approve the development and execution of a new Lease Agreement between the City of Courtenay and the Comox Valley Transition Society for use of the property located at 685 Cliffe Avenue, PID: 006-102-930, lot 3, section 61, plus a portion (approximately 5800 square feet) of the adjacent parking lot located at 645 Cliffe Avenue, PID: 005-101-018, lot 2, section 61, Comox District Plan VIP3817; and,

THAT the term of the Lease Agreement will be two years, commencing on November 1, 2025 and ending on October 31, 2027, with a month to month hold over clause effective after October 1, 2027; and,

THAT the Lease Agreement would have the same terms and conditions per the existing Lease Agreement expiring on October 31, 2025, with the exception of the removal of clause 5.2 requiring Community Advisory Committee meetings; and,

THAT Council authorize the Director of Recreation, Culture and Community Services to develop and execute the Lease Agreement between the City of Courtenay and Comox Valley Transition Society to continue to provide temporary shelter and services for individuals experiencing homelessness.

2. THAT Council approve the development and execution of a new Lease Agreement between the City of Courtenay and the Comox Valley Transition Society for use of the property located at 685 Cliffe Avenue, PID: 006-102-930, lot 3, section 61, plus a portion (approximately 5800 square feet) of the

adjacent parking lot located at 645 Cliffe Avenue, PID: 005-101-018, lot 2, section 61, Comox District Plan VIP3817, as authorized and in accordance with Section 2.1(e) of the November 1, 2021 Lease Agreement; and,

THAT Council authorize the Director of Recreation, Culture, and Community Services to execute the fourth Lease Renewal Amendment agreement between the City of Courtenay and Comox Valley Transition Society to continue to provide temporary shelter and services for individuals experiencing homelessness.

3. THAT Council provide alternative direction to staff.

**ATTACHMENTS:**

1. 2021 Lease Agreement
2. Comox Valley Transition Society Letter

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