



## Town of Huntsville Staff Report

**Meeting Date:** September 27, 2023

**To:** General Committee

**Report Number:** DEV-2023-89

**Confidential:** No

**Author(s):** Lauren MacDermid, Economic Development Officer

**Subject:** Catalyst Housing Project Partnership

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### Report Highlights

- Explorers' Edge (RT012) is proposing a new model of housing, called "Catalyst Housing", which offers subsidized housing as well as work-integrated career and life skills training in return for working in the regional tourism and hospitality industry for a short-term period.
- Huntsville is the ideal location to launch this regional model with so many tourist accommodators
- Partnership requested between RT012 and the Municipality to identify existing labour gaps and skills specifically within Huntsville

### Recommendation

**Whereas:** Explorers' Edge (RT012) is proposing a new model of housing, called "Catalyst Housing", which offers subsidized housing as well as work-integrated career and life skills training in return for working in the regional tourism and hospitality industry for a short-term period;

**And Whereas:** \$15,000 was budgeted in the 2023 Budget for Business Retention and Expansion, funded through the Municipal Accommodation Tax;

**And Whereas:** Huntsville is the ideal location to launch this regional model with so many tourist accommodators;

**Now Therefore, It Is Recommended That:** Committee approve collaboration with Explorers' Edge (RTO12) Catalyst Housing project in the Town of Huntsville.

### Background

In 2017/2018, Explorers' Edge (RTO12) undertook a substantial Product Development Framework Research project. In addition to resulting in the development of the "Key Tourism Activities" to attract domestic and international visitors in a competitive consumer marketplace, the surveying of operators

for the framework also indicated that one of the biggest challenges to attracting customers was the need to also attract more workers.

The COVID-19 pandemic and the subsequent shuttering of the tourism and hospitality industry meant that an already challenged workforce has grown exponentially bigger. Globally, workers left the industry in droves and, in 2023, not having filled the significant labour gaps, regional tourism and hospitality businesses still suffer significant revenue losses because they can't operate at capacity; many are stymied in their plans to expand for growth; and the workforce crisis also threatens regional business retention, incubation and succession throughout the sector (a problem heightened by the exodus of Boomers from the workplace).

## Discussion

Without affordable and attainable housing, the tourism and hospitality industry will not be able to fill the labour gaps that currently exist. The combination of low-paying positions and a gentrified housing market has made the gap between tourism industry work and home ownership even wider.

Explorers' Edge (RT012) is proposing a new model of housing, called "**Catalyst Housing**", which **offers subsidized housing as well as work-integrated career and life skills training** in return for working in the regional tourism/hospitality industry for a short-term period (approximately 1-2 years). As the regional destination development organization, RT012 will act as the model's network developer and as the steward of the training and housing program. RT012 notes " To attract more workers to our region and our sector, we must launch training programs that build careers through "the business of tourism and hospitality", and which actively engage employees through a "living school" model". As part of its "Regenerative Tourism Strategy", a community-centric approach to funding the overall project will include public and private funding, however the first step begins with collecting localized community information.

### **First step - Gather labour gap intel**

With Huntsville leading the way in tourism accommodation providers, the opportunity to partner on this project was a natural fit. Not only does this concept support the tourism and hospitality industry, it also is a potential model that may support other fields in need of workers such as healthcare and trades. By supporting this pilot project at the municipal level, the economic development department can assist RT012 in gathering labour gap information which is relevant to Business Retention and Expansion (BR&E). It should be noted that there will be future roles for local tourism entities such as Huntsville Municipal Accommodation Tax Association (HMATA) and the Chamber of Commerce to be engaged. **As part of RT012's process, the first step is working with the municipality to gather more granular labour gap intel to inform localized catalyst housing development.**

This partnership would see the Town sharing the costs of research (unique to Huntsville) with RTO12, which would be funded through the BR&E line of the approved 2023 MAT budget.

## Options

1. Approve the recommendation as outlined (**recommended**)
2. Do not approve the recommendation as outlined (not recommended)
3. Modify the recommendation as outlined and provide direction (not recommended)

## Operational

Collaborate with Explorers' Edge (RTO12) to undertake an Environics Research Study to identify labour gaps and training insights specifically for the Town of Huntsville. The cost has been estimated at \$25-30,000, with each partner providing half of the funds.

\$15,000 for Business Retention and Expansion was budgeted for 2023 through the Municipal Accommodation Tax budget, and therefore has no impact to the taxpayer. RT012 will match the funds provided by the Town.

## Council Strategic Direction / Relevant Policies / Legislation / Resolutions

**EcDev.1.5** - Work with regional partners and the business community to identify actionable solutions to assist with the diversification of the workforce.

**EcDev.2.2** - Partner in regional smart value housing strategies

## Consultations

Kate Monk and James Murphy of Explorers' Edge (RTO12)  
Kirstin Maxwell, Director of Development Services  
Denise Corry, Chief Administrative Officer

**Respectfully Submitted:** Lauren MacDermid, Economic Development Officer

**Manager Approval (if required):** \_\_\_\_\_

**Director Approval:** Kirstin Maxwell, Director of Development Services

**CAO Approval:** Denise Corry, Chief Administrative Officer