

3. Completed the final report: [Community Housing in the Trust Area](#) (2016) and advanced 15 recommendations for action.
4. Completed Housing Needs Assessment for the Northern and Southern regions. Islands Trust now has a complete data set identifying housing needs in each region.
5. Established the administrative capacity for the in-house administration of housing agreements by Islands Trust:
 - A housing agreement guide for planners
 - A housing agreement reference list
 - An application guide for affordable housing proponents
 - A roles and responsibilities checklist
 - Housing Agreement Templates
 - Information Brochure (on-going)
 - Monitoring Procedure (for Leg. Clerks or potential new Project Coordinator job)
 - Annual Monitoring Letter Template
 - Monitoring and Enforcing Guide

Previous Reports on Affordable Housing in the Islands Trust Area

The recommendations and conclusions in the current Request For Decision draw on a number of seminal reports that were produced for Islands Trust Council in the last decade (and longer). These include:

- [Community Housing in the Islands Trust Area](#)
 - Developed to present the results of the Islands Trust Community Housing Forum held on June 13, 2016, in Cowichan Bay; made recommendations for improving Islands Trust’s ability to meet community housing needs.
- [Baseline Report: Affordable Housing in the Islands Trust Area \(2016\)](#), 2019 update attached to this report).
- [Seniors Housing Strategy](#).
 - Commissioned by the Housing Task Force, a subcommittee of Islands Trust Council.
- [Islands Trust Community Housing “Tool Kit”: A Guide to Tools Available to Support the Development of Affordable Housing in the Trust Area](#).
 - Commissioned by Islands Trust Council. Appendix A -Tool Kit Summary of Studies includes a comprehensive literature review of affordable housing reports done throughout the Islands Trust Area.
- [Options for Affordable Housing: New Solutions to the Housing Crisis in the Islands Trust Area](#).
 - Continues to be significant today. The recommendations in this report were considered and carried forward in subsequent staff reports for local trust committees and in the 2010 *Housing Tool Kit*, but are worthy of mention again. The report is an excellent summary of the housing challenges of the Islands Trust Area and has a number of important insights and recommendations still relevant today, especially the focus on density bonus and cluster/cottage housing.
- There are other relevant studies that have been undertaken by individual local trust committees, most notably the [Salt Spring Island Community Affordable Housing Strategy – Action Plan](#) (2011), the [Bowen Island Affordable Housing Strategy \(2011\)](#), and the [North Pender Island Affordable Housing Task Force Report \(2008\)](#).

Housing Needs in the Islands Trust Area

During the previous term, Housing Needs Assessments were commissioned for the Northern and Southern regions of the Islands Trust Area. Now a legislative requirement, Housing Needs Assessments are the first step a community can take to understand the gaps between the

community's housing needs and the availability of suitable housing to meet that need. A major deliverable of both the Northern and Southern Housing Needs Assessments was to follow the methodology of the Salt Spring Island Housing Needs Assessment as closely as possible. This enables comparable analysis between the regions, and will facilitate regular updates to the baseline information provided by these reports.

Note that Bowen Island Municipality also has a housing needs assessment, the [Bowen Island Affordable Housing Needs Assessment](#) (2007) ([Updated in 2008](#)). These reports were not addressed in the recent assessments.

Below is a list of the most recent housing needs assessments completed for the Trust Area:

- ✓ [Housing Needs Assessment, Northern Region of Islands Trust, \(Dillon Consulting, 2018\)](#)
- ✓ [Southern Gulf Islands Housing Needs Assessment, \(JG Consulting Services, 2018\)](#)
- ✓ [Salt Spring Island Affordable Housing Needs Assessment, \(JG Consulting, Services 2015\)](#)
- ✓ [Bowen Island Affordable Housing Needs Assessment \(Eberle Planning and Research, 2008\)](#)

Review of the housing needs assessments reveals a number of common challenges that are faced throughout the Islands Trust Area:

- Rental supply is low and unit numbers are decreasing; a high proportion of renters pay more than 30% of their income on shelter costs; home ownership is increasingly out of reach for many households.
- Islands are characterized by an older demographic; there is a higher percentage of seniors living on the islands than regional and provincial averages.
- Islanders are lower income than their regional counterparts; the median incomes are much lower than those of BC and adjacent communities in the region.
- There is disparity between the cost of housing and people's income levels. Median housing costs are much greater than the median incomes overall.
- Households with children and seniors show particular vulnerability to housing stress.
- Vacation homes – the islands have a high percentage of non-resident property owners; much of the housing is not occupied by “usual residents.”
- Unhealthy conditions – a proportion of the housing stock, especially rental units, are subject to mould, inadequate heat, and lack potable water and adequate septic services.
- Insecure tenure – many renters are subject to seasonal evictions as non-resident property owners may rent their homes out, but for vacation uses and only to residents for part of the year.
- Lack of housing options – the islands are characterized by low density, rural settlement patterns. The dominant housing form is the single family dwelling. Most rental units on the islands are found in full houses, portions of houses, suites, and cottages. Many people also live in mobile home, travel trailers, and accessory buildings.

Affordable Housing in the Trust Area: Strategic Actions for Islands Trust

The previous term of Islands Trust Council received the final report, [Community Housing in the Trust Area](#), which followed from the 2016 Housing Forum. The report contains a “Table of Recommendations,” as Appendix 1. Many high priority recommendations from this table were implemented during the last term, as detailed in the background section above. As Trust Council embarks on a new term of office, it is timely to review and update the recommendations to set a course for the term's work programs and address the needs identified in the Housing Needs Assessments.

The “Table of Recommendations,” has been updated and renamed, “Affordable Housing in the Trust Area: Strategic Actions for Islands Trust.” It is presented for consideration as a stand-alone document to guide the Local Planning Committee's potential work program but can also be used in local trust

committee land use planning processes, Trust Council advocacy, and Islands Trust coordination functions.

Updates to the table reflect work that has been completed and also include some new priority actions for consideration of further study and implementation.

These include:

- **Number 5: *Develop model bylaws that use floor area ratio as a density metric for consideration of implementation in local trust area land use bylaws.***

Staff Comment:

This follows through on the proposal to redefine how density is measured. Most of the land use bylaws in the Islands Trust Area define density by number of dwelling units and define a dwelling unit as only having one kitchen. While the number of dwelling units is limited, the size of homes is not (with the exception of South Pender) and lot coverage limits are often very high (25% of total lot area). Unrestricted dwelling footprints has resulted in many very large and sprawling homes throughout the Islands Trust Area, while tiny homes - with less impacts - may be prohibited if the number of dwelling units exceeds the zoning requirement.

Floor Area Ratio is an alternative way to measure density often used in high density urban areas, but it may also be an appropriate density tool for the Islands Trust Area. "Floor area ratio" can be defined as, "the figure obtained by dividing the total floor area of all buildings and structures on a lot by the total lot area."¹ If land use bylaws limited lot coverage and used floor area ratios to define density, they might better protect natural values while giving people more flexibility to provide different forms of housing on residential properties.

- **Number 6: *Develop model density bonus bylaws for consideration of implementation in local trust area land use bylaws.***

Staff Comment:

Density bonus bylaws have long been recommended as an ideal tool for the Islands Trust Area. Density bonus zones allow extra density in exchange for eligible community amenities such as affordable housing, ensured with a housing agreement, or protection of ecosystems by way of a conservation covenant. To illustrate the tool, in a density bonus zone, the base density of X is required unless the eligible amenity is secured, at which time the bonus density provision is applied. A rezoning application is not required, so the property owner has the certainty needed for capital investment and will be more willing to incur expenses (for example by providing legal documents such as housing agreements or covenants). Rainwater catchment systems should always be required for any additional density.

- **Number 7: *Develop model bylaws to address the use of building stratas as a tool for affordable housing.***

Staff Comment:

The *Strata Property Act* authorizes building stratas to be established without the requirement for review by a subdivision approving officer and without subdividing the land. The process to do this is either through a "strata conversion" application or, if it is new development, by way of registration of the strata units at the Land Title Office. Conventionally used for condominiums, this tool can be innovated for use in the low density, rural context of the Islands Trust Area. The titles of two units on one property can each be individually bought, owned, and sold. The land surrounding the units is considered "limited common property," and the value of it can be

¹ North Pender Island Land Use Bylaw 103

separated from the value of the dwelling units as it is not owned by an individual, but by the Strata Corporation. Building stratas could become a key strategy if land values continue to escalate; they enable co-ownership of land separate from ownership of individual dwelling units and offer affordable ownership scenarios through land sharing. Each co-owner would have title to the dwelling unit and could be eligible for a mortgage by a conventional lender.

Policies to enable building stratas should be carefully considered and managed to avoid the risk of further fee simple subdivision or of possible abuse of density requirements. Such pitfalls could be avoided if the policy framework is developed to allow building stratas while also including provisions to ensure the density and subdivision limits within the zone are upheld.

- **Number 8: *Develop model bylaws for secondary suites and cottages to be standardized across the Islands Trust Area according to best practices.***

Staff Comment:

Secondary suites and cottages are the most effective and easiest way to support affordable housing and a diversified housing stock within the existing settlement pattern and limited servicing of the Islands Trust Area. However, as the Baseline Report shows, each LTA has a different approach to secondary suites and especially to cottages, where regulations were developed many years ago. Model bylaws could offer local trust committees a standardized approach to ensuring the suites and cottage regulations in their land use bylaws are geared towards housing islanders and are targeting the demographic needs identified in the housing needs assessments. For example, secondary suites should be considered as an island's primary rental stock. Cottages should be considered as rental family housing and could offer opportunities for affordable ownership housing (using tools such as building stratas – see above).

In many land use bylaws, the floor area limits of suites is greater than that for cottages. Floor area limits of cottages should be reconsidered to accommodate the need for affordable family housing.

Some important best practices include ensuring floor area limits are not included in the definitions, but are located in land use bylaw regulations. When a floor area restriction is included in the definitions section of a Land Use Bylaw, it makes the size of the cottage inherent to the use. Development variance permits cannot be used to change use or density (a rezoning application would be required). If an LTC wants to enable flexibility it should ensure floor area maximums can be varied by locating them in the regulations of a land use bylaw. This will enable LTC consideration of Development Variance Permits to increase floor area under appropriate circumstances. For example, stock model, pre-fabricated cottages are available on the market and are often the most affordable construction option. However, these stock models may not be the exact size to comply with cottage floor area restrictions in land use bylaws. Enabling a variance allows flexibility, which is key to supporting affordability. The LTC would still have the discretion whether to grant the variance.

- **Number 9: *Develop model rental housing zoning bylaw.***

Staff Comment:

This is a new recommendation stemming from recent legislative amendments which allow local governments to zone for tenure and require rental units in multi-family zones. It is considered low priority because the legislation only allows the zoning authority to be used where multi-family residential is a permitted use. Purpose-built, multi-family rental housing is not always viable in Trust Area communities. It may be more efficient to pilot the rental zoning powers through a development application for multi-family rental housing in an appropriate location.

- **Number 10: *Continue development of a program for Islands Trust to hold and administer housing agreements on behalf of local trust committees.***

Staff Comment:

As detailed above, during the previous term Islands Trust developed resources and capacity to administer housing agreements. This function should continue to be supported and developed in order to support local trust committees in accepting affordable housing agreements and ensuring the long term affordability of housing developments.

- **Number 11: *Trust Council to use coordination authority of Islands Trust Act to strike a multi-stakeholder and inter-jurisdictional affordability committee by region. Make sure to include regional districts and the health authorities. Create terms of references based on mutual cooperation and a commitment to considering affordability in application processes and regulatory requirements.***

Staff Comment:

A long standing community recommendation has been for Islands Trust to coordinate with partner government agencies to ensure the various housing requirements and regulations are not in conflict with one another. This is about facilitating and supporting the viability of housing projects. There is a need to better understand the sequencing requirements of the various agencies in order to best support applicants for affordable housing. Also, there may be opportunity to align policies around principles of affordability and seek agreement on ensuring affordability is considered and enabled wherever possible. Mortgage experts and representatives from the building industry should be consulted to bring understanding of current economic realities in the financing of development and construction of affordable housing. While inter-agency policy coordination is essential to support purpose built, multi-family affordable housing, it is just as important for the individual property owner who may want to build a housing unit to rent, but faces a mountain of obstacles.

- **Number 19: *Support Bowen Island Municipality in updating its Housing Needs Assessment using a consistent methodological approach as done for the other regions of the Islands Trust Area.***

Staff Comment:

The housing needs assessments conducted in 2018 excluded the Bowen Island Municipality. There may be opportunities for cost sharing or other coordinated supports that would assist the BIM in updating its 2008 Housing Needs Assessment.

3 IMPLICATIONS OF RECOMMENDATION

ORGANIZATIONAL:

Strategic leadership by Islands Trust Council will assist local trust committees with addressing housing issues through land use planning.

FINANCIAL:

None

POLICY:

Trust Council Policy 2.3.ii – Local Planning Committee Terms of Reference

IMPLEMENTATION/COMMUNICATIONS:

Islands Trust Communications Specialist to assist with webposting and communications for the reports.

FIRST NATIONS:

No First Nations implications.

OTHER:

No other implications.

4 RELEVANT POLICY(S):

Trust Council Policy 2.3.ii – Local Planning Committee Terms of Reference
Recommendations to make fundamental policy changes such as redefining how density is measured are not suggested in isolation of recommendations to also use all available tools for environmental protection. As impacts to the environment are controlled using land use planning and conservation tools, more flexibility can be given to addressing housing needs. It is not effective to try to protect the environment through restrictive housing policies.

5 ATTACHMENT(S):

1. *Affordable Housing in the Trust Area: Strategic Actions for Islands Trust*
2. *Baseline Report: Affordable Housing in the Islands Trust Area (updated January 2019)*

RESPONSE OPTIONS

Recommendation:

1. That Islands Trust Council receives the “Baseline Report: Affordable Housing in the Islands Trust Area (Updated January, 2019)”.
2. That Islands Trust Council receives the document “Affordable Housing in the Trust Area: Strategic Actions for Islands Trust,” and considers adding the high priority actions within it in the Trust Council Strategic Plan for the current term.
3. That Islands Trust Council requests Staff to post the updated “Baseline Report: Affordable Housing in the Islands Trust Area,” and the “Affordable Housing in the Trust Area: Strategic Actions for Islands Trust,” on the website.

Alternative:

1. That Islands Trust Council does not accept the attached reports and requests staff to make changes for further consideration.
2. That Islands Trust Council directs staff to take another course of action.

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Affordable Housing in the Trust Area: Strategic Actions for Islands Trust

	Recommendation	Source	Priority	Timing	Staff Comment
ISLANDS TRUST POLICY STATEMENT					
1.	Review the Islands Trust Policy statement and give consideration to: <ul style="list-style-type: none"> a) giving affordable housing a greater profile for its role in sustainable communities b) including a reference to affordable housing in its policy direction to LTCs and municipalities 	Housing Tool Kit	High	Medium – align with policy statement review	Islands Trust Council is intending to update the Islands Trust Policy Statement. Strong direction from Trust Council to LTCs assist in interpreting the Islands Trust mandate and in defining how affordable housing fits into Trust Council’s vision for the future. Policy Statement directives shape the OCP policies and LUB regulations within local trust areas.
2.	Review the Islands Trust Policy statement to ensure that it: <ul style="list-style-type: none"> a) includes clear and well-thought out definition of ‘affordability’ b) includes clearly articulated vision, goal and objectives for affordable housing c) gives affordable housing a greater profile for its role in sustainable communities d) includes a reference to affordable housing in its policy direction to LTCs and municipalities 	Housing Tool Kit	High	Medium – align with policy statement review	As above.
3.	Consider initiating a Trust-wide Affordable Housing Strategy, with direction to LTCs to develop Local Trust Area-specific components.	Housing Tool Kit	low	Medium – align with policy statement review.	The Islands Trust Policy Statement could give LTCs such direction. Trust Council should follow the recommendations and include affordable housing in its Policy Statement review. The Policy Statement is a legislative tool and has more teeth than an Affordable Housing Strategy would.
MODEL BYLAWS					
4.	Bring forward a thorough analysis of alternative ways of measuring density and how to manage any corresponding impacts.	Housing Forum Final Report; Daniels, 2003.	Medium	Long Term	Such an analysis would support understanding and consideration of model bylaws suggested below. Should include concepts such as floor area ratio, home plate proposals (Agricultural Land Commission), and cottage housing (Daniels, 2003).

5.	Develop model bylaws that use floor area ratio as a density metric for consideration of implementation in local trust area land use bylaws.	Daniels, 2003, Tool Kit, 2010.	High	Short Term	Redefine how density is measured. Explore alternative metrics that measure building footprints and land impacts instead of dwelling units. Floor area ratio as a density metric will protect natural values while giving people more flexibility to provide different forms of housing on residential properties.
6.	Develop model density bonus bylaws for consideration of implementation in local trust area land use bylaws.	Daniels, 2003, Tool Kit, 2010.	High	Short Term	Imbed extra density allowances in land use bylaw residential zones. Extra density can only be realized in exchange for an eligible community amenity such as affordable housing, ensured with a housing agreement, or protection of ecosystems by way of a conservation covenant. Ensure rainwater catchment systems are required for any additional density.
7.	Develop model bylaws to address the use of building stratas as a tool for affordable housing.	New	High	Short Term	The Strata Property Act enables property titles to be subdivided without subdividing the land (and causing the associated impacts). This tool should be carefully considered and managed as a way to enable co-ownership of land with multiple property titles that can each be financed separately by a conventional lender. This option could become a key strategy if land values continue to escalate.
8.	Develop model bylaws for secondary suites and cottages to be standardized across the Islands Trust Area according to best practices.	New	Medium	Short Term	Suites and cottages should be used to intentionally target needs identified in housing needs assessments. Secondary suites should be considered as an island's primary rental stock for singles, while cottages should be considered as rental or ownership family housing. Floor area limits should be able to be varied where appropriate (locate the size limits in the regulations, not the definitions, of a land use bylaw).
9.	Develop model rental housing zoning bylaw.	New	Low	Long Term	This is a new recommendation stemming from recent legislative amendments. It is considered low priority because purpose built, multi-family rental housing is not always viable in Trust Area communities. It may be more efficient to go ^{go}

						the rental zoning powers through a development application for multi-family rental housing.
HOUSING AGREEMENTS						
10.	Continue development of a program for Islands Trust to hold and administer housing agreements on behalf of local trust committees.	Housing Tool Kit	High	Short term		Islands Trust has developed resources and capacity to administer housing agreements. This function should continue to be supported and developed.
COORDINATION						
11.	Trust Council to use coordination authority of Islands Trust Act to strike a multi-stakeholder and inter-jurisdictional affordability committee by region. Make sure to include regional districts and the health authorities. Create terms of references based on mutual cooperation and a commitment to considering affordability in application processes and regulatory requirements.	New	High	Short term		Coordinate policy across different jurisdictions to ensure different regulations are not in conflict and to ensure affordability is considered and enabled wherever possible. This committee should consult mortgage experts and representatives from the building industry to inform policy coordination with current economic realities.
ADVOCACY						
12.	Advocate other regulatory agencies find a way to permit alternative solutions for affordable housing pilot projects.	Housing Tool Kit	Medium	Long Term		This is an advocacy item that requires discussion by Trust Council. Trust Council could advocate the BC Building Code include minimum standard exemptions that ensured environmental standards are met, as are health and safety standards of buildings. It could be addressed through coordination, as noted above.
13.	Initiate an ongoing Housing Council consisting of membership from a broad range of stakeholders.	Housing Tool Kit	Low	Long Term		The Islands Trust governance structure is prescribed by the Islands Trust Act. This recommendation is best directed at community groups. A community based Housing Council could be initiated by community groups to coordinate affordable housing initiatives and speak with one voice to government agencies such as Trust Council.
14.	Advocate senior levels of government increase funding for affordable housing specifically targeting low density, rural communities.	Housing Tool Kit	High	Long Term		Affordable housing proponents need funding support which is a Provincial and Federal role.
15.	Advocate senior levels of government provide additional funding for seniors housing, support	Housing Forum Final	Medium	Long Term		Land owners and developers may need funding support to add community value to

	services, public transportation options, medical services, and for commercial establishments to upgrade with universal design standards.	Report			developments. Land use and transportation are inter-dependent and related.
TRUST FUND BOARD					
16.	Explore the potential for the creation of an affordable housing Land Trust.	Housing Tool Kit	Medium	Long Term	Trust Council could consider expanding the role of the Trust Fund Board to create an affordable housing land trust. This would be a fundamental change to the Islands Trust and should be explored in the context of the Trust Fund Board role, mandate, and legislative authority.
17.	Explore the potential for and required changes to the Trust Fund Board to allow it to hold land on an interim basis for affordable housing.	Housing Tool Kit	Low	Long Term	Trust Fund Board can own land and currently has a property acquisition role, however it may only hold land in support of furthering the mandate of Islands Trust. This is a key discussion for Trust Council in interpreting the Islands Trust mandate and the definition of unique amenities.
HOUSING NEEDS ASSESSMENTS					
18.	Continue on-going coordination and funding for Housing Needs Assessments across the Islands trust Area.	Housing Tool Kit	Medium	Long Term	Housing Needs Assessments have been completed for the Islands Trust Area. Legislation requires they be updated every five years.
19.	Support Bowen Island Municipality in updating its Housing Needs Assessment using a consistent methodological approach as done for the other regions of the Islands Trust Area.	New	High	Short term	The housing needs assessments conducted in 2018 excluded the Bowen Island Municipality. There may be opportunities for cost sharing or other coordinated supports that would assist the BIM in updating its 2008 HNA.