



Denman Island Local Trust Committee Minutes of Regular Meeting

Date: July 6, 2021
Location: Electronic Meeting

Members Present: Sue Ellen Fast, Chair
 David Critchley, Local Trustee
 Laura Busheikin, Local Trustee

Staff Present: Heather Kauer, Regional Planning Manager
 Sonja Zupanec, Island Planner
 Ian Cox, Planner 2
 Wil Cottingham, Administrative Assistant
 Vicky Bockman, Recorder

Others Present: Approximately five (5) members of the public

1. CALL TO ORDER

"Please note, the order of agenda items may be modified during the meeting. Times are provided for convenience only and are subject to change."

Chair Fast called the meeting to order at 10:02 am. She welcomed the public, introduced Trustees, staff and recorder, and acknowledged that the meeting was being held in traditional territory of the Coast Salish First Nations, particularly the K'ómoks and Qualicum First Nations.

2. APPROVAL OF AGENDA

By general consent the agenda was approved.

3. RISE AND REPORT - IN CAMERA MEETING MAY 4, 2021

Chair Fast reported that at the May 4, 2021 *In Camera* meeting, the Local Trust Committee (LTC) adopted the *In Camera* minutes dated March 16, 2021.

4. REPORTS

4.1 Trustee Reports

Trustee Busheikin provided a summary of activities and meetings attended:

- June Trust Council;
- Compiling documents to assist with preparation of a business case for a housing project;
- Preparing for the upcoming special Trust Council;
- Denman Island group coordinating and sharing information regarding COVID;
- Baynes Sound/Lambert Channel Marine Ecosystem Forum.

Trustee Critchley provided a summary of activities and meetings attended:

- June Trust Council;
- Two meetings of the Trust Council Select Committee-governance and management review;
- Preparing for the special Trust Council meeting July 7 and 8;
- Baynes Sound/Lambert Channel Marine Ecosystem Forum.

4.2 Chair's Report

Chair Fast provided a summary of activities and meetings attended:

- June Trust Council;
- Trust Programs Committee meetings;
- Islands Trust Conservancy;
- Hornby Island LTC;
- Gambier Island LTC;
- Howe Sound community forum applying for designation as a UN Biosphere Region.

4.3 Electoral Area Director's Report - none

5. TOWN HALL

There were no speakers.

6. DELEGATIONS - none

7. MINUTES

7.1 Local Trust Committee Minutes dated May 04, 2021 - for adoption

By general consent the minutes dated May 4, 2021 were adopted.

7.2 Section 26 Resolutions-Without-Meeting Report dated June 28, 2021

Chair Fast presented the Resolutions-Without-Meeting report.

7.3 Advisory Planning Commission Minutes – none

8. BUSINESS ARISING FROM MINUTES

8.1 Follow-up Action List dated June 28, 2021

Discussion on the Follow-up Action List included the following:

- The BC Investment Agriculture Foundation (IAF) grant application for the Farm Plan Implementation work has been conditionally approved; staff is working on providing the remaining requested information;
- The March 16, 2021 activity may be removed as the new Islands Trust website includes a section effectively addressing public participation guidelines under the “share your views” within the “I want to...” tab.

8.2 Letter dated May 15, 2021 from S. Stanford, Assistant Deputy Minister, Ministry of Citizens' Services to Chair Fast regarding letter of support for Connected Coast Network

Received.

9. APPLICATIONS AND REFERRALS

9.1 DE-DVP-2021.1 (Gamble - 5621 Lacon Road, Denman Island) - Staff Report for decision

Planner Cox presented the Staff Report addressing a request to vary the Land Use Bylaw (LUB) to allow a kitchen addition to an existing house to be sited on the face of the building farthest away from the foreshore, within 13.09 metres of the setback to the natural boundary of the sea -a variance from the regulated 15.0 metres. He advised of a correction to the size of the proposed addition in the staff report after receiving information from the applicant. The addition will now be 8'x24'.

Trustees' discussion on the application included the following:

- Noted that a setback variance from the natural boundary of the sea for this property was granted in 2003;
- Concern was expressed regarding the existing concrete block breakwater retaining wall;
- Trustees requested that information be provided to the applicant regarding limitations of "hard armouring" barriers versus "soft" shore designs that effectively work with nature to resist erosion and protect shorelines. Planner Cox will follow-up on this request.

Chair Fast invited the applicant to speak, and Eugene Gamble expressed his satisfaction with the process.

DE-2021-043

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee approve issuance of DE-DVP-2021.1 (Gamble) as amended by showing dimensions of the addition to be 8'x24' metric equivalent.

In discussing the motion, a Trustee noted circumstances that helped informed his decision: this application follows a variance approval in 2003 that allowed rebuilding of the destroyed house in the original location; the construction is outside of the area where a midden is shown to exist; and the proposed addition is further away from the foreshore.

CARRIED

9.2 DE-DVP-2021.2 (Pandesign Inc. - 1151 Kirk Road, Denman Island) - Staff Report for decision

Planner Zupanec presented the Staff Report that asks the LTC to consider an application to vary the minimum lot size for the R1 portion of a currently split-zoned property to permit a subdivision in the first step to enable a proposed multi-unit affordable housing project. Most of the lot (1.06 ha) is zoned Commercial (C) and the remainder of the lot (0.28 ha) is zoned Residential (R1).

She reported that this variance would not result in an increase in density, would be retained as a residential lot, adjacent property owners were notified thereby satisfying the statutory requirement, and that an early referral of this application and the companion rezoning application were sent to K'ómoks First Nation with no correspondence or response received to date.

Planner Zupanec noted that staff is suggesting that a covenant be required to be on the Commercial portion that the land cannot be sold or transferred until DE-RZ-2021.1 is completed, and that the covenant would likely be registered at the time of subdivision.

DE-2021-044

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee approve issuance of Development Variance Permit DE-DVP-2021.2 (Pandesign Inc.).

Chair Fast invited the applicant to speak. Henning Nielsen appreciated the responsiveness of the Islands Trust to move this entire project forward in a timely manner.

CARRIED

9.3 DE-RZ-2017.1 (Denman Community Land Trust Association (DCLTA)) - Staff Report for decision

Planner Zupanec presented the staff report that asks the LTC to consider amendments requested by the DCLTA to proposed Bylaw No. 239 (Housing Agreement) and to the draft restrictive covenant should the rezoning application be approved.

She advised that these amendments are consistent with LTC direction; and that while the application Bylaw Nos. 233 (OCP) and 234 (LUB) are post Public Hearing, this information is not considered new and does not change the use, density or content of either proposed bylaw.

Trustees suggested that consultation with the applicant be conducted to address sections 9ii, 10ii and 10iv of the Schedule B Tenant Selection Procedure to improve Indigenous inclusiveness that is desired, and to consider other ways that connect Indigenous people to a place.

DE-2021-045

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee Bylaw No. 239 cited as “Denman Island Housing Agreement Bylaw No. 239, 2020”, Schedule B is amended as follows:

- a. Replace section 2. With the following text: “2. Only Seniors, that is, persons who are at least 65 years of age (to a maximum of two such persons) may apply for an Affordable Dwelling Unit. Seniors of all ethnicities and races including but not limited to all on-reserve and off-reserve, status and non-status, and self-identifying indigenous, Inuit and Metis people may become “Tenants” upon entering into a tenancy agreement.”;
- b. Section E. Rental rates, subsection i., be amended by adding the following to the end of the clause: “provided ‘rent’ does not include any sums received by way of institutional rent subsidy or rent assistance available from time to time.”
- c. Remove section 9i) and renumber 9ii), iii) and iv); and
- d. Add a new section after 11. “12. Tenants at Pepper Lane will be entitled to age in place provided they arrange for any medical or other personal assistance they require.”

CARRIED

DE-2021-046

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee Bylaw No. 239 cited as “Denman Island Housing Agreement Bylaw No. 239, 2020”, be read a second time as amended.

CARRIED

DE-2021-047

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request staff to amend the Restrictive Covenant as follows:

- a. Section 2 No Build – (a) add the text “or amendment thereto approved by the ALC” to the end of the sentence.
- b. Section 2 No Build – (c) delete text and replace with “Before construction of any buildings, it erects (and thereafter maintains) a solid wood fence suitable to enhance visual privacy and mitigate dust along its entire shared boundary (including driveway) with its three neighbouring properties as 3716, 3690 and 3676 Denman Road.”
- c. Section 2 No Build – (d) delete text and replace with “In the course of construction of any buildings, it installs a berm along its shared southerly boundary (excluding driveway) with its neighbour at 3806 Denman Road, said berm to be a minimum height of 1.5 metres.”
- d. Section 6 Monitoring and Reporting Requirements – (c) i. remove the text “and a hydrograph showing continuous groundwater levels, temperature, electric conductivity and monthly periodic water volume totals”;
- e. Schedule “D” Water Champion Covenant Annual Report Template, In Scope – remove the sixth bullet and remove the “Well Monitoring Analysis” section entirely.

CARRIED

DE-2021-048

It was MOVED and SECONDED,

that staff be requested to work with the applicant to amend Bylaw No. 239, Schedule B, Tenant Selection Procedure for Pepper Lane, to clarify that Indigenous people with ties to Denman Island who do not currently reside on Denman Island be considered as potential tenants on a par with current Denman Island residents, regardless of whether or not they meet all provisions in the Schedule.

CARRIED

Trustee Busheikin expressed her gratitude for this resolution that begins to welcome Indigenous people back to Denman Island, shifting the perspective in a meaningful way; and implies that when Pepper Lane units are available that outreach will be conducted at least to K'ómoks First Nation and welcoming their applications.

Trustee Critchley also wished to acknowledge and value the important reconciliation work that the Islands Trust is conducting. He pointed out that records indicate that the Pentlatch people dispersed to K'ómoks and Qualicum after the abandonment of Village Point; and acknowledged that we are mindful of their continuing connection to Denman Island.

By general consent the meeting recessed at 11:51 am and reconvened at 12:23 pm.

9.4 DE-RZ-2021.1 (Denman Housing Association (DHA)) - Staff Report

Planner Zupanec presented the Staff Report that addresses the rezoning application that proposes amendments to the Official Community Plan (OCP) and Land Use Bylaw (LUB) to transfer density between three parcels and draw upon the Denman Island Density Bank to enable the development of 20 units of rent-controlled, affordable housing in the Denman Village.

She advised that an updated site plan has been provided for the Commercial zone portion of the property. She outlined the additional information that the LTC is being asked to consider requesting for receipt prior to a Public Hearing, and suggested that staff be directed to prepare draft bylaws for future consideration.

Trustees discussed the application and noted that the provincial water license is an important element to the creation of a water management plan and advancement of the project.

DE-2021-049

It was **MOVED** and **SECONDED**,

that the Denman Island Local Trust Committee request staff to prepare for signature by the Chair a letter of support to the BC Water Licensing Branch for an expedited processing approval respecting the application of Denman Housing Association (a copy of which is attached) on the basis of community need and community benefit.

CARRIED

Discussion on the application continued with the following noted:

- A water management plan prepared by the applicant would address conservation measures being planned;
- The sewage treatment or approved system in this densely populated location will rely on professional or engineering reports to meet provincial requirements, address water recharge, and ensure adequate conditions to support the project;
- Trustees expressed concern that downslope properties' water quality not be negatively impacted by the project;
- Siting a densely populated residential unit in the Village Commercial zone across from the Community Hall might present late night noise issues. Staff will provide analysis and options for balance and flexibility between adjacent residential and commercial uses for LTC consideration;
- Consultation will provide an opportunity for the community to consider the balancing of factors that might be necessary to address a need for housing while blending with existing surroundings;
- Consideration might be given to including an electric car charging station at the site.

Chair Fast invited the applicant to speak. Simon Palmer's comments included the following:

- Reports from professionals provide assurances regarding proximity of the septic field and water sources;
- This development would provide ¼ of the necessary units of affordable housing on Denman Island as identified by the Islands Trust Housing Needs Report;
- The location has benefits that outweigh the disadvantages such as proximity to the school, ferry and grocery store;

- Islands Trust was thanked for working toward a best-case timeline; expeditious advancement was requested wherever possible as funding is competitive;
- The LTC was requested to allow the submission of the water license as late as possible, perhaps after the Public Hearing and as a condition to fourth reading to avoid delay.

DE-2021-050

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request staff to prepare a draft bylaw to amend the Denman Island Official Community Plan, 2008, to enable application DE-RZ-2021.1 (Denman Housing Association).

CARRIED

DE-2021-051

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request staff to prepare a draft bylaw to amend the Denman Island Land Use Bylaw, 2008, to enable application DE-RZ-2021.1 (Denman Housing Association).

CARRIED

DE-2021-052

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request the applicant for DE-RZ-2021.1 (Denman Housing Association) to submit the following to the Local Trust Committee prior to a Public Hearing being considered/scheduled:

- a. Confirmation from a qualified professional that the receiver parcels PID 000-393-941 and PID 006-660-495 have adequate conditions to support community sewage treatment or other approved systems, compliant with the BC Sewerage System Regulation under the *Health Act* for the proposed increase in density;
- b. A copy of the provincial water license intended to supply water to the 20 units of affordable rental housing;
- c. A water management plan based on an approved provincial water license and expanding on the findings of the May 2021 hydrogeological assessment for 1151 Kirk Road, to address:
 - I. Peak and expected water demand calculations;
 - II. Water conservation commitments to exceed BC Building Code requirements;
 - III. Minimum onsite storage capacity for potable, non-potable, rainwater and fire suppression and types of storage being considered;
 - IV. Emergency considerations should temporary demand be greater than designed storage or well capacity;
 - V. Proposed plan for irrigation and grey-water re-use;
 - VI. Proposed groundwater monitoring and reporting; and
 - VII. Proposed storm water management.

In further discussion, Trustees considered that the receipt of the water license is an integral component of the application framework and expressed hope that the proposed letter to the BC Water Licensing Branch asking for expeditious processing will be successful. They acknowledged that waiting for a later submission of the water license is an approach that can be considered later in the process if desired.

CARRIED

DE-2021-053

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request the applicant for DE-RZ-2021.1 (Denman Housing Association) enter into a cost recovery agreement with the Islands Trust for the purposes of drafting:

- a. A housing agreement for 20 units of affordable rental housing (Denman Green); and
- b. A restrictive covenant for compliance with BC Energy Step Code, water conservation and groundwater monitoring.

CARRIED

DE-2021-054

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request staff to advise the applicant for DE-SUB-2021.1 (Pandesign Inc.) that a covenant or other legal instrument be registered on the "Commercial" zoned portion of lot PID 000-393-941, 1151 Kirk Road, to prevent the sale or transfer of the subdivided parcel until such time that application DE-RZ-2021.1 (Denman Housing Association) is completed, and that confirmation that this has been completed is submitted to the Islands Trust as soon as the subdivision of the subject property is registered on title.

CARRIED

DE-2021-055

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request staff to report back on engagement with the Archaeological Branch and K'ómoks First Nation on whether an Archaeological Overview Assessment for the Commercial zoned portion of PID 000-393-941 (1151 Kirk Road) should be requested as a condition of the Local Trust Committee's consideration of an increase in density on the subject property through application DE-RZ-2021.1 (Denman Housing Association).

CARRIED

DE-2021-056

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request staff to send an early referral of DE-RZ-2021.1 (Denman Housing Association) to the Denman Island Fire Department, the Islands Trust Conservancy and Islands Trust Freshwater Specialist for comment.

Trustees discussed including a referral to the Advisory Planning Commission and concurred that this might be considered in the future.

CARRIED

10. LOCAL TRUST COMMITTEE PROJECTS

10.1 Business Case for Housing Project - Staff Report

Regional Planning Manager Kauer presented the Staff Report that includes a business case to accompany a potential request for project dollars to initiate a review of the OCP focusing on housing in the 2022/23 fiscal year.

- The grant for work on the Farm Plan Implementation first Top Priority has been conditionally approved; staff resources might be utilized to complete that project prior to work on the second Top Priority project on housing;
- Budget request timeline and process for the OCP and/or LUB housing project in fiscal 2022/23 were identified;
- The Regional Planning Team would be assigned a major project such as an update of the OCP and/or LUB relating to housing; Northern Office staff might provide analysis of bylaws to provide options to improve housing possibilities and remove regulatory barriers to initiate the process within the current fiscal budget.

Trustee discussion included the following:

- Affordable housing strategies might be addressed by the Regional Planning Committee on behalf of all Trust islands given the common themes;
- A strategy to initiating the budget request for the housing project while utilizing the grant from the IAF to complete the Farm Plan Implementation project was supported;
- The Farm Plan Implementation will remain the Top Priority number one.

DE-2021-057

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee amend the title of the second Top Priority Project to be “Denman OCP and LUB Housing and Short Term Rentals Review”.

CARRIED

DE-2021-058

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee amend the description of the second Top Priority Project by adding bullets that read:

- a. Implementation of recommendations listed in the Islands Trust Northern Region Housing Needs Assessment, 2018;
- b. Consideration of Section 473 of the *Local Government Act* regarding housing policies.

CARRIED

DE-2021-059

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee endorse the Business Case for the Denman Affordable Housing project.

CARRIED

DE-2021-060

It was MOVED and SECONDED,

that the Denman Island Local Trust Committee request staff forward the Denman Affordable Housing project Business Case to the Islands Trust Financial Planning Committee for consideration of inclusion in the 2022/23 Islands Trust budget.

CARRIED

DE-2021-061

It was MOVED and SECONDED,

that if staff workload permits, staff develop a discussion paper analysing the opportunities for and barriers to affordable housing and increased housing options currently existing in the Denman Island Official Community Plan and Land Use Bylaw.

Trustee Busheikin spoke to the motion, observing that “increased housing options” might include a variety of types of housing such as affordable and market rate rentals, and entry level purchase ownerships. She suggested that different models of housing work such as that being done on Mayne Island might be explored as potential opportunities.

CARRIED

11. CORRESPONDENCE

(Correspondence received concerning current applications or projects is posted to the LTC webpage)

Received.

12. NEW BUSINESS

12.1 Denman Community Land Trust Association (DCLTA) Housing Agreement - 2345 Chickadee Road - Schedule B – Memorandum

Received.

13. REPORTS

13.1 Trust Conservancy Report dated May 25, 2021

Chair Fast presented highlights from the report.

13.2 Applications Report dated June 28, 2021

Received.

13.3 Trustee and Local Expense Report

Received.

13.4 Adopted Policies and Standing Resolutions

Received.

13.5 Local Trust Committee Webpage

No changes requested.

14. WORK PROGRAM

14.1 Top Priorities Report dated June 28, 2021

No changes requested.

14.2 Projects List Report dated June 28, 2021

Received.

15. UPCOMING MEETINGS

15.1 Next Regular Meeting Scheduled for Tuesday, September 7, 2021 at 10:30 am, Location - to be determined

Trustees confirmed the next regular meeting date and time.

16. INFORMATION ITEMS

16.1 News Release regarding upcoming Trust Council Meeting July 7-8

Received.

16.2 Highlights of June, 2021 Trust Council meeting

Received.

16.3 News Release regarding Surge of Development

Received.

17. CLOSED MEETING

17.1 Motion to Close the Meeting

DE-2021-062

It was MOVED and SECONDED,

that the meeting be closed to the public in accordance with the *Community Charter*, Part 4, Division 3, s.90(1) (a), (d), (f) and (m) for the purpose of considering (a) appointments to the Advisory Planning Commission, (d) adoption of *In-Camera* Meeting minutes dated May 4, 2021, (f) Bylaw Enforcement, if council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment and (m) under another enactment, is such that the public may be excluded from the meeting and that the recorder and staff attend the meeting.

CARRIED

The meeting was closed to the public at 2:38 pm.

18. ADJOURNMENT

By general consent the meeting was adjourned at 2:38 pm.

Sue Ellen Fast, Chair

Certified Correct:

Vicky Bockman, Recorder