



Denman Island Local Trust Committee Minutes of Special Meeting

- Date:** August 6, 2020
Location: Electronic Meeting via Zoom
- Members Present:** Sue Ellen Fast, Chair
David Critchley, Local Trustee
- Regrets:** Laura Busheikin, Local Trustee
- Staff Present:** David Marlor, Director Local Planning Services
Sonja Zupanec, Island Planner
Vicky Bockman, Recorder
- Others Present:** Approximately forty (40) members of the public
Simon Palmer, Denman Housing Association (DHA)

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 2:00 pm, welcomed the public, and acknowledged that the meeting was being held in traditional Qualicum and K’ómoks First Nations territory. She introduced herself, Local Trustee Critchley, staff, recorder and the representative from Denman Housing Association (DHA). She explained that Trustee Busheikin was not in attendance due to a declared potential conflict of interest as she lives next to the proposed DHA development.

She advised that this Special Local Trust Committee (LTC) meeting was being held to conduct a Community Information Meeting (CIM) for application DE-RZ-2018.1 (Denman Housing Association) and that it will include a presentation and facilitated Q&A session where members of the public will hear information and can ask questions about the application and proposed bylaw amendments.

2. COMMUNITY INFORMATION MEETING

Presentation regarding DE-RZ-2018.1 (Denman Housing Association) – Bylaw Nos. 234, 235, 236, and 238

Trustee Critchley spoke to the holding of the CIM electronically, noting that the COVID health and safety guidelines preventing in-person meetings may continue for an extended period of time and that this approach provides an option to inform the public, consider the applicant’s financing time constraints, and allows the LTC to continue due process and careful consideration of the proposal.

Planner Zupanec provided an overview of the proposal, changes to bylaws necessary to enable the proposal, and next steps. She advised that all relevant information is posted on the Islands Trust Denman Island Applications webpage.

Following are key points from the presentation:

- Proposed density transfer overview:
 - Decrease density from a current maximum of seven single family dwellings to a maximum of three on 63 hectares (approximately 156 acres) currently zoned Residential (donor parcel);
 - Increase density on 29 hectares (72 acres) currently zoned Forestry and permitting one single family dwelling to a maximum of 25 dwellings (receiving parcel), with 20 of the dwellings designated as affordable rental housing and with the remaining five allocated to the remainder parcel. The owner of that parcel is in negotiations with DHA to trade 8.09 hectares (20 acres) for an increase in density on the remaining 52 acres for private use.
- Rezoning required: from R2 to R2(7) on the donor parcel and from F(1) to R2(8) on the receiving parcel; the eight hectare portion for the affordable housing (Denman Green) is to be subdivided from the parent parcel and rezoned from F(1) to Multi-Family Housing R4(1);
- The eight hectare portion for the affordable housing would require the dwellings to be rental tenure with a housing agreement to maintain the affordable nature;
- The applicant has been asked to provide an updated report for sewage disposal and grey water management;
- Consultations regarding fire protection are occurring;
- A proposed Development Permit Area would guide any and all development of the receiving parcel to ensure adequate ecological protection;
- Rental affordability proposal: all prospective renters must be on the BC Housing registry and meet BC Housing criteria. Proposed conceptual breakdowns: 30% near market rentals, 50% rent geared to income, 20% classified as shelter units with rates based on income assistance rates set by the BC government;
- Water servicing adequacy and quality: applicant is proposing rainwater collection as the primary source with backup consisting of increased rainwater storage capacity. Preliminary estimates are to supply 69 litres per person, per day;
- Referral responses were summarized with concerns expressed regarding the rainwater collection as a primary source of potable water for a development of this size. The Advisory Planning Commission will be meeting again to consider the proposed primary source of potable water, daily use water budget, and sufficiency of stored water for the development;
- Possible next steps were identified that include opportunities for public input to the LTC after this CIM. More information is needed before a Public Hearing can be scheduled.

3. QUESTION AND ANSWER SESSION

Chair Fast explained the format for the Q&A session and advised that she will address the questions to the appropriate person to answer: planning staff, Trustees or applicant.

Members of the public had the following questions:

- Where is the proof of water for the five densities on the remainder parcel?

- The LTC has not requested a hydrological report for the remainder parcel at this time; proof of water would be a necessary element if an application is made to subdivide that parcel in the future.
- Is there an estimated timeline to completion of all the requirements?
 - It is up to the applicant to provide information to the satisfaction of the LTC. This can vary by application and there is no precedent for a primary source of water being rainwater collection.
- What advantages could the Denman Green project bring to the wider Denman Island community, the close neighbours, and the natural environment?
 - The project would address the need for affordable, secure rental housing and a Development Permit Area is proposed for the protection of the environment on the Denman Green property. Any broader benefits might be provided by the community to the LTC for consideration.
- What are the criteria by which BC Housing will select tenants and will there be a Denman Island residency requirement?
 - Prospective tenants must first qualify for the BC Housing registry and subsequently would be considered by a DHA selection committee. The criteria to be considered by the selection committee have not yet been finalized, however it is anticipated that basic and fundamental criteria would include residency and length of residency on Denman Island, whether children are involved, and the current state of applicant housing.
- An Islands Trust survey identified a need of 80 units of affordable housing on Denman Island; why are only 20 units being proposed when there are more needed?
 - The application is requesting 20 units of housing; it is the responsibility of the applicant to decide on the threshold of density based on factors that would suggest a viable outcome.
- What advantages other than better housing construction could Denman Green offer potential occupants in comparison to their current accommodations?
 - The proposed bylaws would require the level of construction to be higher than the current requirements of the BC building code, BC Housing is interested in partnering with projects that demonstrate a high level of sustainability, and rental tenure housing has been identified as the biggest housing shortage on Denman Island.
- How can the LTC make decisions and not rush the community consultation process with the time constraints that government financing for the project may create?
 - The LTC recognizes the challenges of completing necessary due diligence in a timely manner while ensuring that all requirements are completed that are necessary for protection of the community and success of the project.
- Is the LTC considering a proposal from DHA that would create 12 affordable housing units plus eight market rate units?
 - DHA is applying for 20 units of affordable rental units with some being near market rate. The remainder parcel of 52 acres could have a provision for five dwellings at market housing rates.
- Given that the Executive Committee, Island Health, Provincial water authorities and the LTC all consider rainwater collection to be a backup water system, why is this application still being considered?
 - The applicant advises that rainwater catchment is the only option available to move forward. Provincial health authorities have been looking at developing guidelines for rainwater harvesting as an acceptable primary source of potable water and while

current regulations do not support this approach it is possible that changes will be made to these regulations that would allow the project to proceed. In the meantime the LTC is attempting to make as much progress as possible with information that is currently available to advance the proposal to public input.

- Who will be managing this project on an ongoing basis if it is approved?
 - The practice on other islands is to subcontract for professional management of day-to-day tenancy agreements and Denman Green would likely be following this example.
- Could you clarify funding sources, assuming there are non-BC Housing funding sources involved?
 - BC Housing is considered to be the primary source of funding, however there may be some federal organization funding available; and foundation grant support may be sought for other innovative, progressive aspects of the project.
- Does the LTC continue to support Official Community Plan Housing Advocacy Policy 1: “VIHA and landowners are encouraged to consider, as an alternative, innovative methods of waste water treatment that minimize water use; and to consider rainwater collection as a source of water” and how does the Executive Committee’s response affect the LTC’s decision?
 - While Trustee Critchley cannot speak for the LTC or Islands Trust, he confirmed that he does support innovation and looks at innovative proposals seriously. He noted that the Executive Committee’s response to referrals on this matter suggests that they will generally defer to a LTC decision.
- Can you explain the term “rental tenure”?
 - It refers to residential tenancy with month-to-month rental but not ownership where the title is transferred to an individual and they own that unit.
- What would happen if the project is approved by the LTC but not supported by BC Housing or Island Health?
 - The reason that proof of adequate waste water and water servicing systems, for example, are being requested at this time is to conduct due diligence to offer the best possibility that these infrastructure factors can be approved by agencies in order to avoid the density transfers, subdivision, and zoning changes of properties with no benefit of affordable housing.
- Has the LTC received the requested financial statement detailing proposed rental revenue, site servicing costs, construction costs and 35 year maintenance costs for 20 rental housing units?
 - Yes, this information was received and posted on the application website as a part of a staff report. The budget *pro forma* estimate needs to be adjusted to reflect changes to the project that have occurred since the budget was created.
- As the Islands Trust is requiring more information about a rainwater harvesting system before rezoning, will the Islands Trust Freshwater Specialist help with this or will the Islands Trust help the Society with funding?
 - Unfortunately the Islands Trust or LTC cannot use public funds to supply to an applicant to do research to support their application. Islands Trust has sponsored the application fees for this file as it is for affordable housing and that is the extent of financial support that the Islands Trust can provide.

Chair Fast concluded the Q&A portion of the meeting. She commented that information on this application can be found on the Islands Trust Denman Island Applications webpage; and offered

options and contact information for providing input, asking questions regarding this proposal, or for follow-up on questions that time did not allow at this CIM.

She thanked everyone for their participation today and advised that the next LTC regular meeting is scheduled for September 8, 2020 and will be held electronically.

4. ADJOURNMENT

By general consent the meeting was adjourned at 3:32 pm.

Sue Ellen Fast, Chair

Certified Correct:

Vicky Bockman, Recorder