

## **North Pender Island Advisory Planning Commission Recommendations regarding the housing referral**

- Members of the North Pender Special Advisory Panel Committee (NP S-APC) on housing want to thank the staff of the Island Trust for their support and prompt response to requests in the development of this report. Specifically, planners Mr Brad Smith and Ms Narissa Chadwick. We also thank Ms Carly Bilney who acts very effectively as Secretary to the APC.
- The APC also congratulates the Trust on the development of the Housing Toolkit which we found very helpful in understanding current housing issues and available options.

### **Options for increasing the availability and affordability of housing on North Pender Island, 2024**

- The North Pender APC met several times during the Summer and Fall of 2024 to develop a response to the housing referral from the LTC which briefly was to:

***Review existing relevant reports and studies prepared by or for the Islands Trust and/or the LTC including the Housing Toolkit and gather other information to provide LTC with recommendations on how best to amend the Official Community Plan and Land Use Bylaws to improve access to affordable housing in the community.***

To develop these recommendations the APC and its members:

- Reviewed the Housing Toolkit and the many resources and links contained in the toolkit.
- Reviewed existing North Pender Island Official Community Plan policies and Land Use Bylaw regulations related to housing.
- Considered initiatives, policies and regulations implemented in other Local Trust Areas. Met individually or in groups (less than a quorum) with key individuals who have interest and expertise in island housing issues and opportunities. (Including Mr Karl Hamson, Mr Rob Fenton, Gabriola Trustee Tobi Elliott)

- Met as a quorum with individuals and groups involved in Housing issues including members of the Pender Island Housing Society, the Capital Regional District (Gulf Islands director and staff) and the St Peter's Anglican Church on Pender
  - Considered the implications of potential housing alternatives on available water resources and the natural environment.
  - Reviewed the results of the Housing Survey conducted by the North Pender LTC. (The Housing Survey has been particularly useful and the NP S-APC has incorporated the results into its recommendations).
- An overriding factor that the NP S-APC considered in making its recommendations was to ensure as completely as possible that its suggestions are in accord with the Islands Trusts principal mandate, to Preserve and Protect the Natural Environment of these unique islands.
  - Recognizing that the Province created the Islands Trust in 1974 *“in response to the potential environmental effects of dense residential subdivisions that were in development in the Gulf Islands”* it might seem paradoxical that some of our recommendations have the potential to increase population density on some parts of the Island. However, we believe that increased density in specific regions that have the capacity offers the opportunity to **decrease** the overall impact of human settlement on the land.
  - The NP S-APC proposes that the LTC consider recommendations around density on the basis of site-specific parameters, including forest cover, water availability, septic capacity, ecosystem values, ecosystem preservation, and restoration plans, as well as proximity to amenities. (eg. A comprehensive Suitable Land Analysis). Any proponents of such developments must be able to demonstrate that regulations related to these issues are complied with. Limitations to the number of residents allowed on an existing property and on a new development should be considered on the basis of these factors.
  - There is an acute need for affordable housing on North Pender Island, and there is likely to be a long term need for such housing. Thus, recommendations include those that would have an immediate potential impact on the availability of affordable housing units, and

recommendations that will have effects over a period of years or decades. Both types of recommendations should be considered but the short-term options need expedited implementation.

### **The Need:**

- A diversity of housing options is needed on North Pender Island for seniors, families, and workers who do not currently own property, as well as for seniors who own property but would like to downsize. The traditional approach to land use planning in the Islands Trust Area has resulted in zoning that has almost exclusively supported the development of single-family dwellings.
- BC Housing considers housing “affordable” when 30% or less of a household’s income goes towards paying for their housing costs.
- On North Pender, according to the 2021 Statistics Canada Census Data, 12% of households are spending more than 30% of their income on housing **BUT** 34% of renters are spending more than 30% of their income on housing.
- The housing that is needed urgently is:
  - Affordable and below market rental,
  - Affordable and below market ownership
  - Market rental housing.

## **Recommendations:**

We have divided our recommendations into the following categories:

1. Review of 2024 IT housing options toolkit
2. Review of Provincial Statutes
3. General Recommendations
4. Recommendations regarding secondary suites and cottages
5. Recommendations regarding RVs
6. Recommendations regarding Tiny Homes
7. Recommendations regarding Multi-unit subsidized housing developments

### **1. REVIEW OF 2024 IT HOUSING OPTIONS TOOLKIT**

- The North Pender Special APC (S-APC) considers the Housing Options Toolkit to be a very positive and comprehensive approach to resolving the housing issues facing the islands and specifically North Pender Island.
- A fundamental element of the toolkit is **Tool 4. Suitable Land Analysis**. The S-APC strongly encourages the completion of this analysis for North Pender particularly related to water availability.
- **Tool 6 Housing Action Plan/Local Housing Options Strategy Template**, encourages the review of other islands' APC recommendations for housing. The NP S-APC followed this suggestion and based many of their recommendations on these documents.
- **Tool 6**, includes a question: "**Housing for Who?**". The NP S-APC encourages monitoring and updating of the useful documents already provided. Specifically, an updated **Housing Needs Analysis** to confirm housing needs as time goes by. The CRD has provided useful documents concerning housing strategy specifically for the SGI, including North Pender, which have provided fundamental guidance to the S-APC. These have established that the primary need is for more affordable rental and ownership units for workers, families and seniors including seniors who own property on the island but would like to downsize.
- The S-APC supports the description of the need based on the shaded area in **Table 1: Spectrum of Housing Needs (P. 32 - Tool 6)**.

Table 1:

Short-Term Accommodation	Affordable Housing		Market Housing	
Emergency Shelter and Transitional	Affordable or Below Market Rental	Affordable and Below Market Ownership	Market Rental Housing	Single Detached Market Housing

- The NP S-APC has also urged advocating for Alternative Dwelling Units, such as Tiny Homes, that are not currently allowed by building codes

## 2. REVIEW OF PROVINCIAL STATUTES

In the referral to the S-APC, the NP LTC also requested comments on the Housing Statute Changes to British Columbia Legislation (staff memorandum found on p. 166 of the April 5, 2024 LTC agenda package).

### **Speculation and Vacancy Tax Act** (a.k.a. Empty Homes Tax)

- The Act applies to municipalities in the Capital Regional District and is presently not applicable to the Islands Trust area. The majority of S-APC members support advocating for this Act to apply to North Pender with the hope that it will be extended to all parts of the Trust area.
- The rationale for those supporting this recommendation was:

*Given the pressing shortage of affordable housing on North Pender, and elsewhere in the Trust area, the implementation of the vacancy tax has the potential to induce the rental of some of the many empty homes on the island. Alternatively, if the owners do not want to pay the tax they might sell the property to someone who needs a place to live. In addition, the tax may discourage the further construction of “holiday homes” on the island. These are often large buildings on sensitive areas, which have a substantial impact on the ecosystem. Revenue from the tax could be transferred to an affordable housing fund for Pender Island.*

- One S-APC member did not support expanding the Act to include North Pender citing the lack of studies establishing the benefits of tourism on the local island living and economy.

### **The Short-Term Rental Accommodation Act (Bill 35)**

- The Act requires that short-term rental accommodations be advertised on platforms that are registered with the Province and that rental units must be in the property owner's principal residence or in not more than one ***“accessory dwelling unit that is in a prescribed location in relation to the property host's principal residence”***. (We think this means a cottage or alternative dwelling on the property of the principal resident)
- The rationale for this change is the hope that some of the STVRs will be repurposed as long-term rental accommodation.
- Opting into this is available for LTCs each year. The next opportunity is March 2025 for implementation in 2026. It is understood that among LTCs only the Gabriola LTC opted in last year.
- NP S-APC has concerns that the Act also removes protection of legal non-conforming short-term rental accommodation as well as those permitted by TUP's (Temporary Use Permits). As such owners of such units would immediately lose this source of income and the LTC would lose oversight of non-conforming rental accommodation. On this basis, the majority of the S-APC suggest that the NP LTC not Opt into Bill 35 in 2025 but allow existing TUPs for such STVRs to lapse after their 3 year extensions and not be extended beyond that. This provides owners of such units time to adjust to the change. An alternate suggestion is to 'wait and see' what happens with the Gabriola experience. A comprehensive report back from staff on the impacts on Gabriola would be helpful.

### **The Housing Statutes (Residential Development) Amendment Act Bill 44**

- The Islands Trust Area is excluded from the provincially mandated minimum density requirements by an amendment, therefore most of this bill does not apply.
- However, as part of this Act, local governments are required to update their “Housing Needs Reports Amendments”. As mentioned below, the S-APC

supports regular updating of housing needs and this can be incorporated into the regular updating of island OCP's.

### **Housing Statutes (Development Financing) Amendment Act Bill 46**

- The new legislation for Amenity Cost Charges appears to apply to regional districts and would not apply to the Islands Trust LTCs and therefore is not applicable.

### **Housing Statutes (Transit Oriented Areas) Amendment Act Bill 47**

- The Islands Trust LTCs are excluded from these density requirements related to transit and therefore this statute is not applicable.

## **3. GENERAL RECOMMENDATIONS:**

- The NP S-APC recommends that the LTC support and enable staff engagement and resourcing in seeking innovative and collaborative approaches to increase affordable market rental housing stock on North Pender.
- The NP S-APC recommends that the LTC make the recently completed **Suitable Land Analysis** available for review as soon as possible and use this analysis in making other decisions
- The NP S-APC recommends that the North Pender LTC complete a comprehensive **build-out analysis** to determine how much land could ultimately be developed if existing land development laws remain unchanged, and to illustrate what the resulting density and location of such development could be. At what density and where? And with what potential impact on the community and the island's ecosystems?

A build-out analysis projects the maximum residential and commercial development allowed under law in a given area.

Analysis can also explore the impact of development on things like tax base, traffic, school enrollment, natural and historic resources, biodiversity, and quality of life. The results are usually conveyed through maps and charts.

- The NP S-APC recommends that the LTC permit under-used commercial properties to be used as principal residences and consider rezoning existing built commercial accommodation units for residential use in coordination with regulating STVRs. TUPs could be used in some situations.
- The NP S-APC recommends that the rules around STVR's, and ADU's be written more clearly on the web site. At present, B&B's and STVR bylaws are in the North Pender Island Land Use Bylaw No. 224, 2022, Part 3.7 heading: "Home Business Regulations". There needs to be a separate section for B&B's and STVR's. These sections need to be clearly defined and the rules that are in place need to be stated so that bylaw enforcement personnel and residents can work together with a clear understanding.
- The NP S-APC recommends that a section on the Islands Trust website lists grants and subsidies available for homeowners as well as a section for information on water collection and any environmental conservation initiatives.

#### **4. RECOMMENDATIONS REGARDING SECONDARY SUITES AND COTTAGES**

- The NP S-APC recommends that the NP LTC model its housing plans on the excellent work already done on other Southern Gulf Islands. In particular the APC was impressed with the Mayne Island Housing Action Plan Draft of May 2024. The North Pender S-APC endorses, for the most part, the six recommendations in this document. With some modification these could be implemented on North Pender.
- The NP S-APC recommends that the LTC make changes to allow increased density on suitably zoned lots situated relatively close to the Driftwood Centre by increasing the permitted number of dwelling



units on appropriate parcels of land. **"Appropriate"** to be defined by the afore-mentioned **Suitable Land Analysis**. This would lead to less pressure to build out to maximum possible density in other more sensitive parts of the island. Concentration of density in specific areas close to amenities would also reduce the need for transportation which forms the biggest single contributor to the Island's greenhouse gas emissions.

- Specifically, the NP S-APC recommends that the NP LTC institute a **Flexible Housing Option** on North Pender similar to the one introduced on Mayne Island. Flexible Housing Zoning would allow additional secondary suites and cottages to be built in areas of the island close to amenities on appropriately sized lots with proven sufficient water supply. Criteria for rezoning for Flexible Housing could be similar to those on Mayne island:
  - One secondary suite and one additional dwelling on lots less than 0.6 ha (1.5 acres) in area (Total combined floor area of all dwellings not to exceed 232 m<sup>2</sup> (2500 ft<sup>2</sup>).
  - Two dwellings, one secondary suite and a cottage on lots greater than 0.6 ha (1.5 acres) up to 1.2 ha (3 acres) in area. (Total combined floor area of all dwellings and cottages not to exceed 325m<sup>2</sup> (3,500ft<sup>2</sup>).
  - Three dwellings and a cottage on lots greater than 1.2 ha (3 acres) up to 5 hectares (12.35 acres. (Total combined floor area of all dwellings and cottages not to exceed 436 m<sup>2</sup> (4,750 ft<sup>2</sup>).
- Cisterns for catchment and storage of freshwater with minimum capacity of 13,640 litres (3600 gallons) would be required for each secondary suite, cottage and additional dwelling.
- The Flexible Housing Option could be limited to a region within walking distance (or approximately 2.5 km) of the Driftwood Centre, Included could be:
  - Hoosen Road
  - Bedwell Harbour Road between the Nu to Yu and road end
  - Short Road
  - Razor Point Road till the Harbour Hill turn off

- Hamilton Road
  - Canal Road between its start at the Hamilton Road and the turn off onto the bridge to South Pender Island
  - Scarff Road
- NP S-APC recommends that the NP LTC increase options for additional residences in all parts of the island by expanding the types of properties where secondary suites and Accessory Dwelling Units are permitted.

**Additional Information:**

- There is incentive to create new secondary suites based on the \$40,000 forgivable loan program recently instituted by the Province. The Provincial Secondary Suite Incentive Program (SSIP)  
See: (<https://www.bchousing.org/housing-assistance/secondary-suite> ).
- Suites built with SSIP support must be rented out below market rates for at least 5 years.
- This initiative would be amplified by the recently announced CRD Housing initiative which includes an additional \$40,000 forgivable loan for construction of such units.
- The CRD RHP incentive program is parallel to the BC SSIP and the funding can be stacked onto the BC SSIP.
- However, the Provincial SSIP has restrictive eligibility requirements some of which are not well suited to the Gulf Island context. These include:
  - Registered owner(s) of the property
  - Canadian citizens or permanent residents
  - Live in the property as their primary home
  - Combined gross annual income of all homeowners on title of less than \$209,420 (in the previous tax year)
  - Have a BC Assessment value below B.C.'s homeowner grant threshold (\$2.15 million in 2024)

- Unit must be a new legal self-contained unit with a kitchen and full bathroom (improvements to existing rental units are not eligible)
  - Received municipal building permits on or after April 1, 2023 (ie not for new construction)
- The NP S-APC considers that some of the provincial restrictions could be removed for the CRD program and recommends that the LTC advocate with the CRD for such changes. For example, the primary residence restriction would eliminate part time cottagers from making an application, the maximum property value may not be realistic given the large land parcels on the islands, and the income cap could also restrict applicants. It would be of interest to track if there has been any enrollment in the Provincial SSIP within Islands Trust jurisdictions since April 2024.
  - The NP S-APC recommends that the LTC take a critical look at these incentive programs and other initiatives designed to encourage the construction of new affordable housing units before making major decisions. There are many such options that other islands have created but which have had little uptake. Due diligence for this issue could include:
    - Examine why/what units are illegal vs legal,
    - Survey why people haven't created the already allowable SSs
    - Ask home owners what would help to motivate the development of Secondary Suites and Alternative Dwelling Units. This could be done by reviewing the CRD's recent survey for property owners.
    - Review rezoning requests that have been made that were rejected
  - Many homeowners do not put in secondary suites because they are afraid of, and confused by, the onerous permitting process. The NP S-APC recommends that the publication of a pamphlet setting out the step-by-step process for building secondary suites and including links to possible grants or subsidies could clarify the process.

## 5. RECOMMENDATIONS REGARDING RVS

- The NP S-APC recommends that the NP LTC permit the use of RVs on appropriate properties considering set-backs, parking, access, septic, available water and visual aesthetics (**Suitable Land Analysis**). RVs are increasingly being used as primary dwellings or ADUs on Pender. Although this is not permitted by bylaws the NP LTC has deferred enforcement on this issue. This leaves the residents of such dwellings in an awkward position, subject to potential enforcement at any time.
- Mayne and Saturna Islands permit use of RVs as dwellings and cottages as long as they have water supply and are connected to sewage. Regularizing such dwellings on North Pender with similar provisions will have an immediate impact on the availability of affordable dwellings.
- Where connection to a septic system is problematic or too expensive we suggest that the LTC establish criteria for Island Health-approved Self Composting Privies.

## 6. RECOMMENDATIONS REGARDING TINY HOMES

- The NP S-APC recommends that the NP LTC permit the use of Tiny Homes on Wheels as ADUs on appropriate properties considering, set-backs, parking, access, septic, available water and visual aesthetics (**Suitable Land Analysis**). Like RVs, Tiny Homes are being used as primary dwellings on Pender. Where connection to a septic system is problematic or too expensive we suggest that the LTC establish criteria for Island Health-approved Self Composting Privies.
- The Trust's Regional Planning Committee [RPC] has an active project with the aim of regularizing Tiny Homes on Wheels (THOW) and has developed a THOW Guide. **The NP S-APC recommends** that the NP LTC work with the Regional Planning Committee to advocate for and implement its recommendations. Specifically, the RPC has received budgetary support to convene a steering committee and technical panels to explore enablement of Tiny Homes in the Islands Trust Area.

This project aims to convene a Steering Committee and two Technical Panels of experts to explore existing building codes and regulations, identify options to code modifications or exemptions for a Tiny Home standard, and develop recommendations for alternative regulatory frameworks, including zoning, siting and use, and servicing. These inter-agency working groups will include the IT and Regional districts and will contribute to the development of a robust and flexible regulatory environment that supports innovative and affordable housing solutions in the Trust Area.

- In drafting regulations for RV and Tiny Home ADUs the **APC recommends** that the LTC ask existing RV and Tiny Home users on North Pender to form an *ad hoc* advisory committee to provide LTC with practical aspects of such dwellings and best practices so that the ultimate recommendations are feasible and clear.
- The NP S-APC recommends that our LTC become informed of, and act on the work done on TINY HOMES on Salt Spring Island. See:
  - <https://saltspringexchange.com/2024/05/19/summary-of-current-housing-initiatives-on-salt-spring-island/>
  - AND
  - <https://islandstrust.bc.ca/document/salt-spring-tiny-homes-village-pilot-project-framework-criteria/>
- Of particular interest is the work of ***Salt Spring Solutions Society*** which is a registered non-profit volunteer-run community organization composed of islanders who care about protecting the remarkable natural environment, while at the same time ensuring they maintain a vibrant, diverse, and equitable community for all.
  - See:
    - <https://saltspringsolutions.com/wp-content/uploads/2023/07/SSS-IntegratedHousingFramework-V6.pdf>
    - AND
    - <https://saltspringsolutions.com/wp-content/uploads/2023/10/HomesforIslanders.pdf>

- In drafting regulations for RV and Tiny Home ADUs the APC also recommends that the LTC consult with Maïkan (Forest) Bordeleau of **Homes With Love Ecological Development Ltd.** In 2021 Mr Bordeleau was appointed by the Islands Trust Housing Action Program Taskforce (HAPTF) to report specifically on the health/safety, insurance liability and environmental impact of THOWs in the Gulf island context. He served for 2 years and produced a 50+ page report based on 15 interviews with staff/officials at all levels of government, plus industry professionals. His report is available on the Islands Trust website at:

<https://tinyurl.com/eyryy2bw>

See also:

- <https://www.homeswithlove.ca/welcome>
  - AND
  - <https://www.homeswithlove.ca/tiny-home-services>
- For expertise on the construction of Self Composting Privies that meet Island Health regulations the S-APC recommend consulting with Mr Gord Baird of EcoSense, (<https://eco-sense.ca/about/>)
  - The NP S-APC recommend that the LTC consider creating zoning for clusters of manufactured, THOWs that meet provincial and federal construction standards. Such parcels will need to show adequate water supply and have adequate sewage disposal capacity (or approved self composting privies).

## **7. RECOMMENDATIONS REGARDING MULTI-UNIT SUBSIDIZED HOUSING DEVELOPMENTS**

- The NP S-APC recommends that the LTC continue to dialogue with the North Pender Island Housing Society, the Anglican Church and other community groups to explore potential parcels of land suitable for multi-unit below-market subsidized housing (rental or ownership).

- Specifically, the NP-SPC suggests that the LTC move immediately to rezone the Anglican Church property from Community Service (CSa) to Rental Housing (RH). It is hoped that rezoning now removes impediments so that affordable housing initiatives may proceed more rapidly in the future.
- Additionally, the NP-SPC recommends that any such rezoning would be contingent on the development of a housing agreement between the IT and the proponents similar to the one developed for such a development on Galiano.

See: <https://islandstrust.bc.ca/document/galiano-island-housing-agreement-bylaw-no-2023/>