

DATE OF MEETING: May 7, 2024
TO: Denman Island Local Trust Committee
FROM: Narissa Chadwick
Local Planning Services
COPY: Marlis McCargar, Island Planner
Renée Jamurat, Regional Planning Manager
SUBJECT: Housing Review Project – Review of Process Options

RECOMMENDATION

1. That the Denman Island Local Trust Committee endorse the Project Charter, dated May 7, 2024 for the Housing Related Temporary Use Permit Review Project as a minor project.
2. That the Denman Island Local Trust Committee endorse the Denman Island Housing Action Plan as shown in Attachment 5 of this staff report dated May 7, 2024.
3. That the Denman Island Local Trust Committee endorse the revised project charter for Phase 2 of Stage 2 of the Denman Island Housing Review Project based on the process recommended in the May 7, 2024 staff report.

REPORT SUMMARY

The purpose of this report is to:

- Provide a review on the status of the Denman Island Housing Review Project;
- Provide the Denman Island Housing Action Plan draft for review and endorsement;
- Present a recommended process for next Phase of the Housing Review Project which focusses moving forward with bylaw amendments efficiently without compromising early and effective First Nations engagement, and effective analysis of environmental and other impacts related to increasing density of residential use; and
- Provide revised project charters which support the recommended process for moving forward with bylaw amendments related to this project.

BACKGROUND

The Denman Island Housing Review Project was initiated in 2022 to address housing need, a key concern for Denman residents over two decades. Stage 1 of the project involved public engagement facilitated by a consultant and resulted in a number of recommendations which are provided in the [Denman Island Housing Review Recommendations Report](#). As identified in the Project Charter for Stage 2 (see Attachment 1), the project involves:

Phase 1 - Public engagement with a focus on identifying and prioritizing options for OCP and LUB amendments
Phase 2 - Writing, reviewing and adopting OCP and LUB amendments.

Stage 2 Phase 1

The Denman Island Housing Review Project (Stage 2 Phase 1) was initiated in July 30, 2023 and has now concluded. The purpose of this phase, as identified in the original project charter (see Attachment 1), was to engage the Denman Island Housing Advisory Planning Commission (HAPC); housing groups on Denman Island; and community members to identify options for updates to the Denman Island Official Community Plan and Land Use Bylaw that focus on addressing housing need. The entirety of the active community engagement was facilitated through the HAPC. The LTC also held an information session after receiving the “Denman Island Housing Advisory Planning Commission Final Report”.

On November 14, 2023 the Denman Island LTC received the “[Denman Island Housing Advisory Planning Commission Final Report of November 3, 2023](#)” as well as the guide to the report and requested staff schedule a special meeting to provide an analysis and recommendations. February 20, 2024 a special meeting was scheduled to discuss [staff analysis of the HAPC report](#). The following resolutions were passed at the February 20, 2023 special meeting:

DE-2024-021

That the Denman Island Local Trust Committee request staff to develop an action plan to inform draft bylaws regarding the Housing Review.

Status: A draft Denman Island Housing Action Plan can be found in Attachment 5. This plan identifies goals, objectives and the actions the Denman Island LTC at the February 20, 2023 meeting, supported. This Action Plan will help guide the project and could be used as a public communications and engagement tool. The plan identifies options that can be implemented as part of this project as well as those that are outside the scope of this project. Additional staff resources, if not already assigned, may need to be allocated to items outside the scope of this project. The LTC can choose to add to or take away from the list of actions at any time in the project.

DE-2024-022

That the Denman Island Local Trust Committee request staff to begin drafting bylaws relating to options identified in the February 20, 2024 Special Meeting Staff Report.

Status: Staff have reviewed the list of potential bylaw options in detail. As a means of moving ahead efficiently, without compromising effective analysis of existing data and early and respectful First Nations engagement, the bylaw options have been divided into four streams. Staff are recommending that each stream advance at different times. Appendix 4 identifies the four streams. The revised project charter (Attachment 2) is based on this approach. Providing clear and specific direction related to amendment options at this stage can minimize the need to revise or abandon bylaws the LTC may later decide they no longer support once additional information is considered, ultimately increasing the ability of staff to work efficiently to move the project forward.

DE-2024-023

That the Denman Island Local Trust Committee request staff to schedule a special meeting to review the Suitable Land Analysis Mapping Tool (SLA).

Status: The suitable land analysis (SLA) mapping for Denman has not yet been completed due to staff changes. It is a priority for Planning Services. Suitable Land Analysis mapping is anticipated to be available in June for both Gabriola and Denman SLA. The special meeting related to the Suitable Land Analysis will be scheduled as soon as possible.

As described above, bylaw amendment options have been placed into four streams. The suitable land analysis mapping is connected to the “Options Requiring More Analysis” stream. This stream includes bylaw amendments related to increases in density (e.g. expansion of permission for accessory dwelling units and secondary suites).

Stage 2, Phase 2

Stage 2 of the Denman Island Housing Review project is now entering Phase 2. As identified in the revised Project Charter (Attachment 2), the focus of Phase 2 of Stage 2 is to advance policy and regulatory amendments that focus on increasing permitted number of housing units in order to address housing need while preserving and protecting the natural environment. Trust Council has approved \$15,000 for the continuation of this work in fiscal 2024/25. An additional \$16,000 from the previous fiscal year (2023/24) has been provided to the K’omoks Nations to support their engagement in the project.

Steps have been taken toward engaging with the K’omoks Nation over the past year. This has included developing a capacity agreement to help facilitate K’omoks engagement on this project. Staff will be working with the K’omoks in the coming months to identify their interests. This work is a strong step forward with respect to engaging early and respectfully. This work is anticipated to help facilitate the efficient review and approval of OCP amendments by the Province. A K’omoks engagement report is anticipated to be prepared by Spring of 2025 (timing is based on experience with other engagement processes). As the Province has indicated, they are not willing to approve Islands Trust OCP bylaws that do not demonstrate early and effective engagement with First Nations.

The Denman Islands Housing Stage 2, Phase 2 revised project charter (Attachment 2) identifies three bylaw amendment streams. A fourth bylaw amendment stream (minor projects) is supported by the project charter related to the removal of temporary use permits (TUPs) for accessory dwelling units (ADUs). The proposed project process is designed to support effective First Nations engagement, and the use of existing data to provide an analysis of areas where land is more or less suitable for an increase in density and intensity of land use without compromising the timing of amendments that may not require detailed analysis and engagement. The process streams are identified below. The bylaw amendment options associated with each of these are identified in both Attachment 4 and Attachment 5:

1. Housing Phase 2A: Land Use Amendments that Require Limited Analysis

The amendment options in this stream are land use bylaw amendment that do not require OCP amendments and may not require detailed analysis and community engagement. The LTC may identify items in this stream that require more analysis and engagement. If so, items can be moved to the Major 2C stream or be addressed through another minor project to enable the amendments to proceed efficiently. Land Use Bylaw amendments do not require provincial approval so can be approved by the LTC much sooner than OCP amendments.

2. Housing Phase 2B: OCP Amendments that Require Limited Analysis

There are a number of options for OCP amendments that are minor in nature or may not require extensive analysis. As with those identified in the “Housing Phase 2A” stream, if there are options that appear to require more detailed engagement and analysis the LTC can request that these be moved to the Major 2C stream or be addressed as a minor project.

3. Housing Phase 2C: Options that Require More Detailed Analysis

The bylaw amendment options in this stream are those that require detailed analysis of existing data, consideration of First Nations and further community engagement. Amendment options that involve increasing density on a wider scale (e.g. expansion of permissions for secondary suites and accessory dwelling units) fall into this stream. The LTC can choose to include or remove items from this stream. Staff caution that without effective analysis and engagement of First Nations the bylaws may not be fully supported by the community or approved by the Province.

If there are topics identified in the “Housing Phase 2A” or “Housing Phase 2B” stream that are identified by the K’omoks or the Denman community to require more detailed analysis, the LTC can choose to include these in the Housing Phase 2C stream. If items in this stream accumulate, the LTC may choose to have these topics addressed as a minor project. The LTC can also choose to move items in “Housing Phase 2C” into “2B” or “2A”.

4. Minor Projects

Moving elements of the larger project forward as a minor project provides an opportunity to “fast-track” focused amendments and dedicate more staff and financial resource to the project. At the moment there is only one project “Housing Related TUP Review” identified in this stream. More details about advancing focussed amendments through minor projects are provided below.

Advancing Focussed Amendments Through Minor Projects

Staff are recommending the LTC support elements of this project being “fast-tracked” through minor projects. One minor project and one major project can move forward concurrently thereby increasing staff capacity to move amendments related to housing forward at a faster pace. Minor projects are focussed. The Island Planner typically undertakes minor projects. Minor project budgets are separate from the major project budget. Up to \$5000 can be used to support a minor project without having to request funding from Trust Council. A Major project is a larger project with multiple aspects and takes longer to complete than a minor project. Members of the Regional Planning Team support major projects. Staff time and project budget for major projects need to be approved by Trust Council.

The LTC has approved the development of a project charter to support the removal of Temporary Use Permits (TUP) as a minor project. The community engagement work that was done during Stage One of the Denman Housing Review Project and the recent work by the Denman Island Housing APC has identified that there is clear support for removing the need for a Temporary Use Permit for Accessory Dwelling Units. A second project charter is contained in Attachment 3 related to the removal of the Temporary Use Permit (TUP) requirement for Accessory Dwelling Units (ADUs).

Removal of the TUP requirement may bring a number of ADUs into compliance and/or potentially encourage the development of more. Given this, as part of this minor project, the LTC will need to make a decision as to whether they want to remove or revise the Residential Density Bank policies. Revising the Density Bank would

require analysis of options. However, if the residential density bank is removed as part of the minor project, the development of an alternative density bank option could be addressed as a minor project following the TUP project or be included in the Major 2C stream. The reason for this is that the development of an alternative density bank option will required analysis and identification of options.

As Stage 2, Phase 2 of the Denman Housing Review Project moves forward, and depending on how fast the first associated minor project is completed, as previously identified, other focussed amendments could be completed as minor projects.

Draft Project Implementation Timeline

The draft timeline below, while subject to change, is provided to give a sense of time of each element of the project. This timing is reflected in the project charters (Attachments 2 and 3). Timing related to First Nations engagement and Provincial Approval cannot be exactly determined.

Spring 2024	Summer 2024	Fall 2024	Winter 2024/25	Spring 2025	Summer 2025	Fall 2025
Minor Project : Options to Advance Immediately as Minor Project						
Project Charter (TUP)	Draft Bylaws	Bylaw readings EC Approval	Provincial referrals??			
Housing Phase 2A: Land Use Bylaw Amendments Requiring Limited Analysis						
Project Charter	LUB reformat Issues Exploration Engage Community?	Draft Bylaws Referrals	Bylaw readings LTC Approval			
Housing Phase 2B: OCP Amendments Requiring Limited Analysis						
Project Charter	Issues Exploration Engage Community? Legal review		Draft Bylaws Bylaw readings EC Approval Referrals	Provincial referral		
Housing Phase 2C: Options Requiring More Detailed Analysis and Engagement						
Project Charter	Suitable Land Analysis Issues Exploration Draft Options (e.g. flexible housing/ density bonus)	Detailed First Nations Engagement (estimated understanding of interest by Spring 2025) Identify areas suitable for additional density Community Engagement where needed Provincial Referrals				

Rationale for Recommendation

Re: That the Denman Island Local Trust Committee endorse the Project Charter, dated May 7, 2024 for the Housing Related Temporary Use Permit Review Project as a minor project.

- This topic has been identified in Stage 1 of this project as well as in the HAPC’s report as being of significant interest to the community.
- Given the volume of other bylaw amendments and the potential need for further analysis and public engagement anticipated as part of this project, having the TUP requirements for ADUs move forward as a minor project will advance the related bylaw changes at a faster rate.

Re: That the Denman Island Local Trust Committee endorse the Denman Island Housing Action Plan.

- The Denman Island Housing Action Plan draft provides a framework for implementing the options and measures.
- Endorsing the Action Plan provides clear direction to staff.

- The Action Plan can serve as a communication tool for the community, non-profit housing groups, Comox Valley Regional District (CVRD), and senior government identifying focal points of housing related actions for Denman Island.

Re: That the Denman Island Local Trust Committee endorse the revised project charter for Phase 2 of Stage 2 of the Denman Island Housing Review Project based on the process recommended in the May 7, 2024 staff report.

- Endorsement of the revised project charter for the Denman Island Housing Review Project is required in order for staff to move forward with the proposed change in process.
- The revised project charter reflects staffs analysis of the most efficient way to move forward with the project in a way that considers First Nations input and analysis of existing data informing the suitability of land as it relates to increases in density and intensity of land use.

ALTERNATIVES

1. Combine the removal of the TUPs for ADU project with the elements of Stream 2A (Land Use Amendments the Require Limited Engagement)

This would enable some additional land use bylaw amendments to advance with the removal of the TUP for ADUs project. If choosing this option staff encourage the LTC to consider if there are options that they may want to remove as they may require additional analysis or community engagement. For example, legalizing existing housing on a site specific basis will require individuals to identify their interests in being included. The communications related to this will take time. There may also be property owners that want to be included at the last minute which could delay the other amendments. Establishing floor area maximums, if controversial, is also a topic that may require more time. These could be considered as separate minor projects of be added to Stream 2C.

2. Request staff to gather community feedback on the Draft Housing Action Plan.

Staff could design a public process to collect community feedback on the Draft Housing Action Plan. This process could be facilitated online through the Imagine Comox Valley website or through other means. The purpose of this process would be to provide information to the community and gather information that may not already have been shared. This process can happen in parallel to the minor project, major project stream 2A and 2B as well as the scoping, analysis and First Nations engagement involved with stream 2D. Information gathered may help identify additional options to be considered or identify options that the community have issue with that may require targeted engagement.

3. Request staff advance the writing of all bylaws without suitable land analysis and First Nations engagement

Staff could move forward with writing the bylaws without the suitable land analysis mapping tool and without engaging the K'omoks in a comprehensive way. Staff caution that the lack of detailed analysis related to substantial increases in density could be challenged by the First Nations. This kind of challenge can hold back a project by months to years. The suitable land analysis, which brings together all the data on Denman Island that is currently available within the Islands Trust, it provides a focus for discussions with the K'omoks Nation in addition to providing the LTC with the opportunity for data informed discussions related to trade-offs.

NEXT STEPS

If the staff recommendations are endorsed by the LTC, staff will:

- Continue working with the K’omoks Nation;
- Begin to draft amendments related to the removal of the TUP requirement for ADUs as a minor project;
- Identify where items in stream 2A and 2B require further input from the LTC;
- Begin to draft bylaws related to stream 2A and 2B;
- Schedule a workshop with the LTC to review the suitable land analysis mapping once available; and
- Begin analysis of items in stream 2C.

Submitted By:	Narissa Chadwick RPP, Island Planner	April 25, 2024
Concurrence:	Renee Jamurat, Regional Planning Manager	April 25, 2024

ATTACHMENTS

1. Denman Housing Review Project (Stage 2 Phase 1 & 2) Project Charter (Original)
2. Denman Housing Review Project (Stage 2 Phase 2 Revised) Project Charter
3. Housing Related TUP Review Project Charter
4. Denman Housing Review Project Options Charts
5. Denman Housing Review Project Housing Action Plan (Draft)

Denman Island Housing Review Project (Stage 2 Phase 1&2)- Charter v1

Denman Island Local Trust Committee (LTC)

Date: July 30, 2023 (update)

Purpose: **Phase 1** – Engaging the Denman Island Housing Advisory Planning Commission (HAPC), housing groups on Denman Island and community members to identify updates to the Denman Island Official Community Plan and Land Use Bylaw to increase housing options that address housing need **Phase 2-** Advancing policy and regulatory amendments that focus on increasing permitted number of housing units to address housing need while preserving and protecting the natural environment .

Background: Low diversity of housing types on Denman Island and low rental vacancy are the prominent housing challenges on Denman Island. The Denman Island LTC initiated a budget request to Trust Council for 2023/24 funding and allocation of staff time to address housing needs through amendments to the OCP and LUB. A budget of \$18,000 and Regional Planning Team time was allocated to this project for fiscal 2023/24. Of this, \$6,000 has been allocated to legal review and \$12,000 to the development of communication and educational information/community information meeting(s) and public hearing.

Objectives

Amending to the Official Community Plan and Land Use Bylaw to increase the number of permitted housing units to address housing needs of current residents of Denman Island.

In Scope

- Public engagement to identify housing options;
- Consideration of the environmental implications of housing options; and
- Amendments to the OCP and the LUB to increase housing number of permitted housing units to address housing need.
- Identify advocacy policies and other Action Plan items

Out of Scope

- Review of Development Permit Areas.
- Amendment of policies outside of the OCP and LUB

Workplan Overview

Deliverable/Milestone	Date
Phase 1	
Project initiation	July 2023
First Nations engagement	June – Dec. 2023
Review and prioritization of housing options by HAPC	July – Nov. 2023
Public engagement	Oct. – Dec. 2023
Suitable Land and Build Out Analysis	June – August 2023
Phase 2	
Housing Action Plan/ Bylaw Drafting	Jan. – June 2024
Public Engagement/ First Nations Consultation	Jan.- June 2024
Legal Review/ CIM	June – Sept. 2024
First Reading/referrals	Oct. 2024
Second Reading/Public Hearing/Third Reading/EC review	Oct. – Dec. 2024
Ministry Approval of bylaws	TBD
Bylaw approval	TBD

Project Team

Regional Planning Manager	Renée Jamurat
Regional Planning Team Member	Narissa Chadwick
Planning Team Assistant	Chloë Straw
GIS Tech	Jackie O'Neil
Housing Advisory Planning Commission	As Appointed

Budget

Budget Sources:		
2023/24	Engagement/Comm	\$12,000
	Legal Review	\$6,000
	Total	\$18,000

ATTACHMENT 2

Denman Island Housing Review Project (Stage 2 Phase 2)- Charter v1

Denman Island Local Trust Committee (LTC)

Date: May 2024, 2024 (update)

Purpose: Advancing policy and regulatory amendments that focus on increasing permitted number of housing units to address housing need while preserving and protecting the natural environment .

Background: Denman Island is experiencing a crisis of housing affordability and availability. The Denman Island LTC initiated a budget request to Trust Council for 2024/25 funding and allocation of staff time to continue the Denman Islands Housing Review Project. A budget of \$15,000 and Regional Planning Team time was allocated to this project for fiscal 2024/25.

Objectives

Amending to the Official Community Plan and Land Use Bylaw to increase the number of permitted housing units to address housing needs of current residents of Denman Island.

In Scope

- First Nations engagement
- Public engagement to identify housing options;
- Amendments to the OCP and the LUB to increase housing number of permitted housing units to address housing need while considering environmental impact
- Identify advocacy policies

Out of Scope

- Development of educational materials
- Engagement in advocacy
- Amendment of policies outside of the OCP and LUB

Workplan Overview

Deliverable/Milestone	Date
Phase 2A – Land Use Bylaw Amendments Requiring Limited Analysis	
First Nations Engagement	Jan 2024 – April 2025
Draft Bylaws/ Community Engagement where required	May 2024- July 2024
Bylaw Referral/Readings	July -Oct 2024
LTC Approval	December 2024
Phase 2B – OCP Amendments Requiring Limited Analysis	
First Nations Engagement	Jan 2024 – April 2025
Draft Bylaws/ Community Engagement where required	May –Sept. 2024
Legal Review/ CIM	October/November 2024
Bylaw Reading/ EC Approval	Dec 2024 – Jan. 2025
Provincial Referral	February 2025
Phase 2C – Options Requiring More Detailed Analysis and Engagement	
First Nations Engagement	Oct. – Dec. 2024
Suitable Land Analysis	June 2024
Draft Options/Community Engagement where required	June 2024 – November 2024
Draft Bylaws	February 2025
Understanding of FN Interests/Bylaw readings/ CIM	March- May 2025
Provincial Referral	May 2025

Project Team

Regional Planning Manager	Renée Jamurat
Regional Planning Team Member	Narissa Chadwick
Planning Team Assistant	Chloë Straw
Denman Island Planner	Marlis McCargar
GIS Tech	TBD

Budget

Budget Sources:		
2023/24	FN Engagement	\$16,000
2024/25	Legal Review	\$7,000
2024/25	Community Engage	\$3,000
2024/25	TBD	\$5,000
	Total	\$32,000

Housing Related TUP Review – Project Charter v1

Denman Island LTC

Date: May 7, 2024

Purpose: *The purpose of this project is to remove Denman Island’s Temporary Use Permit policies and regulations related to accessory dwelling units (ADUs). This project will also explore eliminating the residential density bank as removing the TUP requirement for ADUs will potentially draw more housing units than are available in the bank.*

Background: *A Housing Review Project to address housing need has been Denman Island LTC’s Top Priority project since 2022. On April 9, 2024, the Denman Island LTC was provided with a staff report identifying options for a minor project; the LTC chose to advance a small and important piece of the housing work ahead of the major project. This Project Charter is based on the recommendation to support a limited review with no public engagement process.*

Objectives

- *To review options to remove the existing TUP regulations and policies for accessory dwelling units (ADUs).*
- *Amend the Denman OCP and LUB with regards to the TUP requirement for ADUs.*
- *Consider options to remove the residential density bank to accommodate additional ADUs*

In Scope

- Amendments to the OCP and LUB that include:
 - Removal of TUP regulations for secondary dwellings
 - Elimination of residential density bank

Out of Scope

- *OCP and LUB amendments not related to the use of TUPs for secondary dwellings.*
- *Revising the residential density bank*

Workplan Overview

Deliverable/Milestone	Date
Project initiation	April 9, 2024
LTC endorses project charter	May 7, 2024
Staff to prepare two draft bylaws (1 OCP; 1 LUB)	Summer 2024
Draft bylaws presented to LTC for consideration of 1 st and 2 nd reading	Summer 2024
Referrals	Summer 2024
CIM/Public Hearing, 3rd reading and forward to EC and Ministry	Fall 2024
Bylaw adoption	Fall/Winter 2024
Bylaw consolidation, post bylaw adoption communications	Winter 2024

Project Team

Island Planner	Project Manager
Regional Planning Manager	Project Sponsor
Island Planner – Regional Planning Team	Planning & Technical Support (limited)
OAA, PTA, LC	Admin Support
RPM Approval: <i>Name of RPM</i> Date: xxx	LTC Endorsement: Resolution #: Date: xxx

Budget

Budget Sources:		
Fiscal	Item	Cost
2024-25	CIM/Public Hearing	\$1000
2024-25	Legal Review	\$1500
	Total	\$2500

ATTACHMENT 4: Bylaw Amendment Process Categories and Related Options

Table 1 - Housing Phase 2A: Land Use Amendments that Require Limited Analysis and Engagement

Topic	Considerations
Reformatting Land Use Bylaw Zoning Regulations	<ul style="list-style-type: none"> - Current format is very difficult to update in current state - Current format challenged legal interpretation in past - Need consistency Trust Wide
Permit dwelling units in community service zone	<ul style="list-style-type: none"> - Consider which areas (e.g. school zone for a school board/PAC supported teacher's residence)
Explicitly permit alternative forms of housing as ADUs	<ul style="list-style-type: none"> - To include RVs, yurts, etc. - Review existing travel trailer regulations
Legalize existing dwellings on a site specific basis	<ul style="list-style-type: none"> - Properties would need to be identified. - A process for identifying to be developed.
Consistency with ALR Regulations	<ul style="list-style-type: none"> - Review to ensure that recent changes are consistent
Ensure that vacation rental permissions are restricted to Bed and Breakfast type accommodation	<ul style="list-style-type: none"> - Relates to previous legal review
Permit secondary suites in all zones where residential use is permitted	<ul style="list-style-type: none"> - Limit to lots in water service areas as part of this phase - Further expansion as part of Major 2C (table 3)
Cistern requirements for new builds	<ul style="list-style-type: none"> - Can look at other LTCs for models - Will involve some analysis
Review definitions to ensure consistency with OCP and LUB	<ul style="list-style-type: none"> - Can be done throughout the process
Review existing site specific exemptions in light of other changes (e.g. TUP)	<ul style="list-style-type: none"> - There are a number of site specific zones in the Denman LUB. Some of these may be redundant if ADUs are permitted outright.
Floor Area maximums for dwellings	<ul style="list-style-type: none"> - Can advance if not controversial - May require public consultation
Impervious surface maximums	<ul style="list-style-type: none"> - Can advance if not controversial - May require public consultation
Make existing multi-family zoning more flexible	<ul style="list-style-type: none"> - Denman Green, Pepper Lane ?, CoHo (currently going through rezoning)

Table 2 – Housing Phase 2B: OCP Amendments that Require Limited Analysis and Engagement

Topic	Comments
Include policies related to ALR exclusion in the OCP	<ul style="list-style-type: none"> - Exclusions must be initiated by the LTC. The OCP can include guidelines. - The LTC may want to include the farming community in identifying guidelines
Expand subdivision permission if land is being donated to not-for profit/gov/FN for housing	<ul style="list-style-type: none"> - Can focus on zone type or multiple
Allow subdivision only if a portion of land is being donated to not-for profit/gov/FN for affordable housing	<ul style="list-style-type: none"> - This may be controversial - Community Engagement

Permit development variances for proof of water for cooperatives (like Coho) if community is collecting rainwater*	<ul style="list-style-type: none"> - Coho has demonstrated a co-operative approach to collecting and sharing alternative water supply. - OCP policies can include flexibility and guidance supporting this type of approach.
Ensure OCP Policies support home-based assisted living and tiny home villages	<ul style="list-style-type: none"> - Minor language amendment
Allow variations in housing that support shared facilities	<ul style="list-style-type: none"> - May include new definition
Changing references to “the Village” to “Downtown Denman”	<ul style="list-style-type: none"> - Technical amendment
Minor updates	<ul style="list-style-type: none"> - Includes outdated references

*This topic has been recently added by staff

Major C: Options Requiring More Detailed Analysis and Engagement

Topic	Comments
Expand Permissions for ADUs to include: <ul style="list-style-type: none"> - Expanding ADU as a permitted use beyond A, F, RE, R2 zones - Including options for additional units within a limited combined floor area (flexible housing) - Density bonus option re: conservation of land and housing agreement potential 	<ul style="list-style-type: none"> - Suitable Land Analysis (SLA) recommended - Detailed First Nations engagement recommended - Work related to the SLA and FN engagement can be done concurrent to the development of options. Timing will depend on the pace of the other phases of the project.
Expanding permission for secondary suites beyond existing an water service areas	<ul style="list-style-type: none"> - SLA recommended - Detailed First Nations engagement recommended

Minor Projects

Topic	Considerations
Removal of TUPs for ADUs	<ul style="list-style-type: none"> - There is much public support - Would advance ahead of other housing work - Removing the density bank can be part of the work related to the TUP project - If LTC choses to revise the density bank this work is recommended to be done as a separate minor project which would follow the TUP project. The density bank could be removed and then revised or revised without removing first.

Denman Island Housing Action Plan (Draft) - May 2024

Introduction

Denman Island is experiencing a crisis of housing affordability and availability that has already caused many residents to leave the community. Over the decades, land use regulations on Denman Island created housing stock that is almost exclusively composed of single family dwellings. With limited rental stock and rising purchase prices, accessing housing on Denman Island has become less accessible for those who do not already own property.

The limited housing options on Denman Island have been a prominent topic of discussion for over 20 years. In that time, numerous studies have been undertaken to understand housing need. Work undertaken by the Housing Advisory Planning Commission (HAPC) in Winter 2024 as a part of the Denman Island's Housing Review Project identified a suite of land use planning measures, tools, and advocacy opportunities geared toward increasing housing options and legalizing existing living situations where appropriate while preserving and protecting the natural environment.

This Action Plan identifies objectives and provides corresponding policy, regulatory, and strategic measures aligned with eight overarching goals emerging from the Denman Island HAPC 2024 report and other input provided to and supported by the Denman Local Trust Committee (LTC) to date. The Draft Housing Action Implementation List, a key part of the Housing Action Plan, provides a framework for monitoring implementation progress on options that the LTC has identified support for, with the flexibility for updates as needed. The land use-focused actions identified in this plan are the main focus of the Denman Island Housing Review Project.

This Action Plan serves as a plan for implementing measures and strategies to address the housing challenge on Denman Island within the framework of the Denman Island Housing Review Stage 2, Phase 2 (2023-2025). It also offers a comprehensive tracking and monitoring mechanism and serves as a succinct representation for community members, non-profit housing groups, Comox Valley Regional District (CVRD) and senior government, illustrating the focal points of housing-related actions providing insights into potential areas of involvement and collaboration.

Goals

Goal 1: Update Information to Inform Housing Projects

The collection of information that may inform housing projects on Denman Island now and into the future are in process. The extent to which this information is used to inform housing projects on the Island is a Local Trust Committee (LTC) decision. Related objectives are as follows:

Update Housing Needs Information: Updating housing needs assessments every five years is now a requirement of the Provincial Government. The Province provided the Islands Trust with funding to do this work in 2024. This work will begin once the Province has provided direction on the required content of housing needs assessments. This work will be managed by a member of the Islands Trust Regional Planning team and will not impact the timing of Denman's Housing Review Project.

Use Suitable Land Analysis: Integrating diverse data sources, this mapping tool aids the LTC in making informed decisions regarding density increases, considering factors such as environmental protection, fire safety, water recharge, saltwater intrusion and terrain suitability. Water Balance assessment data and other data can be added to the suitable land analysis, when available. The LTC can determine the existing data they would like to use and the weight of that data to inform decision making related to increasing the density and intensity of land use.

Goal 2: Incorporate First Nations Interests in Land Use Decision Making

Working with the K'omoks, and other First Nations, on all projects related to increasing density and intensity of land use is an important step forward with respect to reconciliation. This work is also anticipated to help facilitate efficient review and approval of OCP amendments by the Province. One key objective related to this goal is to:

Foster Early and Respectful First Nations Engagement: Proactive engagement with First Nations is essential for effective collaboration and reconciliation. Initiated by staff and supported by the LTC's approval of funding and a capacity agreement, this engagement process aims to produce a comprehensive report by Spring 2025, aligning with provincial expectations for meaningful Indigenous consultation.

Goal 3: Diversify Housing Options – Land-Use

Increasing housing options has been identified by the Denman HAPC and the LTC as a key focus for increasing housing access and affordability on Denman Island. This is a key focus of Denman Island's Housing Review process. Related objectives include:

Streamline Land-Use Regulations : Actions related to this objective include removing temporary use permit (TUP) requirements for accessory dwelling units (ADUs) and making changes to OCP policy and land use regulations to increase flexibility in type of house. As well as facilitate easier access to donated land for not for profit and government organizations.

Expand Housing Options: Actions related to this objective include a variety of options such as permitting alternative dwelling types and expanding permission for secondary suites and accessory dwelling units. Expanding permissions for multiple accessory dwelling units within a maximum floor area or in exchange for land preserve is also include in the list of actions.

Goal 4: Minimize Environmental Impact on Land – Land-Use

The preservation and protection of the environment is a core value of the Islands Trust and something that is well respected by the Denman Island community. The Housing Action Plan includes actions identified by the HAPC that support environmental interests. The use of suitable land analysis to identify areas where development may have higher impact on environmental protection will also help inform decisions related to minimizing environmental impact. Related objectives include:

Utilize Available Data for Informed Decision Making: Suitable land analysis provides the opportunity to use all available data related to environmental interests to identify areas that are more or less suitable for additional density from an environmental impacts perspective. This analysis can be complemented by/complement local knowledge.

Protect and Preserve Ecosystems and Freshwater Resources: Cistern requirements for new builds are one option identified to reduce the draw on freshwater resources. Reducing lot coverage and considering the suitability of land from an ecological and freshwater sustainability perspective will help contribute to protecting groundwater recharge as well as protecting other ecological values.

Goal 5: Implement Affordability Measures – Affordability Controls

"Ensuring affordability" is a key interest of the APC. Given that the Local Trust Committee's jurisdiction is limited to land use, ensuring affordability is a challenging task for the LTC. Housing agreements are one land use planning tool available to ensure affordability over time. In the Islands Trust Area, this tool is primarily used to ensure affordability with multi-family developments owned by not-for-profit organizations. Expanding the use of housing agreements to single units

owned by private property owners will require the Islands Trust and/or the Comox Valley Regional District (CVRD) to consider administrative support needs. Related advocacy policies can be included in the OCP. A related objective identified by the HAPC is:

Allow Additional Units in Exchange for a Community Amenity (Affordable Housing of Conservation of Land): Denman Island has already used a “density bonus” approach in 2008 where 505.3 hectares of land was protected in exchange for 31 units. This approach could be explored for smaller lots. Policies can be created to allow additional units if they are rented affordably. However, administrative support is required to ensure that the units are rented affordably over time.

Goal 6: Address Bylaw Enforcement Issues Related to Housing

Islands Trust Council has directed the Regional Planning Committee to review the recommendations of the Ombudsperson’s Report on Bylaw Enforcement Policies and Practices and recommend amendments to policies. For specific local issues, the LTC could meet with bylaw staff to discuss options. Related objective:

Bylaw Enforcement on Housing Related Matters is Appropriate: In addition to the work being done at the Islands Trust Wide level, the Denman LTC, at their November 14, 2023 LTC meeting, requested regular reporting from the Bylaw Compliance & Enforcement Manager so that the Local Trust Committee can review and prioritize enforcement and enforcement resources.

Goal 7: Provide Education and Engagement on Building Costs/Options/Environmental Alternatives

Education and engagement actions are outside the scope of land use project work. However, they have been included in Denman Island’s Housing Action Plan as they could be addressed at the LTC level as a minor project, or at the Trust Wide level and/or in cooperation with the CVRD. Related advocacy policies can be added to the OCP. Related Objective:

Educational Resources Related to Housing Costs and Alternatives Available to Community: The kind of information identified by the HAPC to be useful to the community include: information on building costs, water capture, and alternative building options.

Goal 8: Advocate for Support for Infrastructure Needs

This goal recognizes that the housing needs on Denman Island cannot be fully supported through land use changes only. Affordability of housing is tied to the cost of water access (wells and rainwater catchment) and sewage disposal (septic system) in addition to the costs to build. The OCP can include advocacy policies to support the following objectives:

Secure Financial and Policy Support for Water Access and Septic System Development – This includes financial support for cistern purchase and septic installation or expansion of regional water and sewage services as well as policy support for alternative systems such as greywater recycling and small water system sharing.

Secure Financial Support to Build Housing: Advocacy related to this can be directed to the Islands Trust to take on a broader advocacy role. Advocacy can also be directed to the agencies that have sources of funding that could be directed toward the supporting housing for Denman Island.

Attachment 4: Draft Denman Island Housing Action Implementation Plan

Blue – Items Part of Denman Housing Review Stage 2, Phase 2

Green – Items being done at Trust Wide level or require collaboration with CVRD or Province

I – Information

M – Minor Project

P – Phase 2

IT – Islands Trust Responsibility

BL – Bylaw Enforcement

ED – Education

ACTION		Status	Anticipated Timing	
Goal 1: Update information to Inform housing project - INFORMATION				
I1	Update Housing Needs Assessment	To be done as part of IT project	TBD once Provincial direction is provided	
I2	Water Balance Assessment	Waiting for funding allocation	2025/26 fiscal	
I3	Workshop with LTC on Suitable Land Analysis (SLA)	To be Scheduled	June – August 2024	
Goal 2: Incorporate First Nations Interests in Land use Decision Making – RECONCILIATION				
P2A,P2B, P2C	Identify FN Interests with respect to housing options and impacts	Capacity Agreement and funding in place	ongoing	
Goal 3: Diversifying Housing Options – LAND-USE				
M1	Remove TUP requirement for ADUs	Minor Project	Bylaws fall 2024	
M1?	Eliminate or update Density Bank	Minor Project ()?	TBD	
P2A	Reformatting Land Use Bylaw Regulations	Required	Summer 2024	
P2A	Review LUB definitions to ensure consistency with OCP	IT standards being created		
P2A	Review existing site specific exemptions in light of TUP changes	Technical change	Summer 2024 – primary work (exploring questions that might arise, public engagement as required, FN engagement, bylaw drafting)	
P2A	Permit Dwelling units in community service zone	Explore options		
P2A	Consistency with ALC regulations	Technical change		
P2A	Permit Alternative Types of units (RVs, Yurts etc.)	Technical change		
P2A	Legalize housing on a site specific basis	Communications required for voluntary identification		
P2A	Make existing multi-family zoning more flexible	Technical change		
P2A	Limiting Vacation Rental Permission to BnB	Tech change related to legal review		
P2A	Expand secondary suite permissions into water service areas	Requiring connecting with CVRD		Fall 2024 – draft bylaws
P2B	Include policies related to ALR exclusion for affordable housing	Technical change, engagement related to conditions recommended		
P2B	Permit reduction of min parcel size to facilitate land for donation to NGO/Govt	Size of parcel TBD		
P2B	Permit subdivision (where not currently permitted) in exchange for donation	Type of property/zones TBD		
P2B	Allow subdivision only if land is donated for affordable housing	Community engagement?		
P2B	Add policies to support development variance for proof of water for cooperatives	Dependent on review of existing		
P2B	OCP Policies to support home based assisted living and tiny home villages	Technical change		
P2B	Allow for variations in housing that support shared facilities (e.g. podhouse)	Technical change to support existing?		
P2C	Expansion of Accessory Dwellings Unit permission	SLA and early FN engagement recommended	Summer 2024 -SLA	
P2C	Expansion of Secondary Suite Permission (SLA) beyond water service areas	SLA and early FN engagement recommended	Fall/winter 2024 – preliminary work ,	

P2C	Allow Multiple Dwelling Units with Max Combined floor area (Flexible Housing)	SLA and early FN engagement recommended;	amendment option can be drafted before locations identified FN engagement ongoing Bylaws 2025
P2C	Additional dwelling units if land is conserved/housing agreement is in place	SLA and early FN engagement recommended;	
IT1	Expedite Approvals for multi –unit housing rezoning applications	To be done at Trust Wide level as part of Trust Wide Housing Action Plan Implementation	TBD
Goal 4- Minimize the Environmental Impact on Land –LAND-USE			
P2C	Use suitable land analysis to identify areas more suitable for additional density	Suitable land analysis if in process	Summer/Fall 2024
P2C	Implement maximum combined floor area for multiple dwellings	Maximum combined floor area (MCFA) to be discussed, staff to provide options	Fall 2024 – MCFA to be identified
P2A	Reduce lot coverage (to include floor area and impervious surfaces)	Maximum combined floor area to be discussed.	Summer/Fall – draft bylaws
P2A	Cistern requirement for new builds	Cistern size to be discussed, staff to provide options	
Goal 5 – Implement Affordability Measures – AFFORDABILITY CONTROLS			
IT2	Allow additional units if they are being rented affordably	The only way to guarantee affordability into the long-term is through housing agreement. Requires increasing administration of HAs by the Islands Trust or CVRD developing administrative function.	TBD Fall 2024 -Can be included as advocacy policy
Goal 6 – Address Bylaw Enforcement Issues Related to Housing –BYLAW ENFORCEMENT			
BL1	Identify challenges and options to address	Trust Council Bylaw Enforcement Review currently underway	TBD
Goal 7 – Provide Education and Engagement on costs/options/environmental alternatives -EDUCATION			
ED1	Education re: costs to build, water capture and other alternatives	This could be done on a Trust Wide basis, CVRD or as a LTC minor project.	Fall 2024- Can be included as advocacy policy
ED2	Identify opportunities for CVRD to develop education materials	Meet with the CVRD to advance action plan	Fall 2024- Can be included as advocacy policy, meeting with CVRD
Goal 8 – Advocate for Support for Infrastructure Needs – ADVOCACY			
ED1	CVRD expansion of water and sewage services	Meetings with CVRD required	Fall 2024- Can be included as advocacy policy, meeting with CVRD
ED2	Advocate for support for Cistern purchase	Meeting with CVRD and Province required	Fall 2024- Can be included as advocacy policy, meeting with CVRD
ED3	Advocate for Municipal and Regional District Tax (MRDT) to be collected to support affordable housing development	Meeting with CVRD required	
ED4	Advocate to province for additional revenue to support housing	Item in Trust wide Housing Action Plan	Fall 2024- Can be included as advocacy policy
ED5	Advocate to Island Health to support waste disposal alternatives	Item in Trust wide Housing Action Plan	
ED6	Advocate to Province re: small water system sharing	Could be included in Trust wide Housing Strategy Action Plan	TBD re: advancing action