



Wiser Projects

Competent. Creative. Committed.

Local Trust Committee
Islands Trust - Mayne Island Trust Area
Sent via email

July 22, 2022

RE: MA-RZ-2020.1 - Staff report and Lot 2

Dear Trustees,

This letter is to provide some clarification on the project status and updates in light of the staff report being presented to the LTC for the July 25th meeting. MIHS feels that there are several points that we would like to provide clarity and additional context for.

1. Intent of Powers of Attorney (POAs) for Dr. McHugh

The language in the staff report on pages 17 and 19 of the LTC agenda states that the POAs wish to build on Lot 2 within 5 years. This is not accurate. The POAs have communicated to MIHS that they may need to sell Lot 2 as part of their duties to Dr. McHugh. An encumbrance prohibiting development for an indeterminate amount of time would significantly impact the value of the lot. A 5-year sunset clause on Lot 2 would provide certainty to the POAs or any future owners of the site about the use of the land.

2. Community water access as an amenity

On page 4 of the staff report (page 18 of the agenda), it states that MIHS has "indicated that they are not interested in entertaining this option given the multiple issues and challenges related to sharing water". This is true, but MIHS would like to be clear that this option was carefully considered and investigated, and was deemed not feasible for the following reasons:

- Regulatory issues
 - The water license, while still under review, will likely include language restricting use of water to the subject property. The application that MIHS submitted declared that the works will not need to be connected to another person's works. An amendment to the water license would be needed and it is uncertain how the additional use would be received by provincial regulators.
 - Sharing water requires a framework or arrangement, of which there are several options. These options could be informal such as the "Good Neighbour System" where there is no formal or legal agreement. This creates risk and liability to MIHS as there is no financial plan, maintenance or upgrade plan, and confusion or conflict about roles can arise. Alternatively, a Joint Works Agreement which clearly outlines roles and responsibilities, or Private Water Utility could be pursued. This would require additional time and resources on MIHS' part.

- Administrative Issues
 - Charitable status and purpose: MIHS is a registered charity with the stated purpose “to relieve poverty by providing affordable housing for low or modest income residents of Mayne Island”. Providing water to neighbours is not consistent with the purpose of the society and could jeopardize MIHS’ charitable status.
 - Legal Issues: liability to the society will be increased and significant time and resources would be needed to negotiate an agreement.
 - Financial issues
 - Water system design would require a larger storage system which would increase overall system cost
 - Negotiation of legal agreements with neighbours will take both time and money for MIHS
 - To the best of our knowledge, neighbours have not requested a sharing agreement
 - Ongoing operations will be more complex and require additional resources. This is an extra burden of time and expense for the society.

Based on the issues outlined above, and on advice from Mayne Island water systems providers and MIHS Board Advisors (including an expert on charitable society governance), MIHS feels that providing any form of shared water, secured formally in a covenant, creates undue risk and financial burden for the society, and there is not a demonstrated need for it. Community water providers have indicated that there is no benefit to them to have a potable water source on the island. Additionally, there is no potable water trucking capacity on the island, and transporting off-island water costs about \$1400 per truck which is considerably less than the costs anticipated in developing and maintaining an auxiliary water system.

3. Land will be protected in perpetuity

MIHS would like to reiterate that, with the covenant as drafted, a significant amount of land will be protected in perpetuity across both Lot 2 and Lot 3. If this application is not successful and no subdivision happens, the current zoning of the lot allows for logging of the site. However, if the proposal is successful and Lot 2 and Lot 3 are created, a significant area across both sites will be protected in perpetuity, regardless of whether affordable housing is built.

Because Lot 3 will be so encumbered, the only possible development that could happen is a maximum of 10 units of affordable rental housing within a specified development area. The remainder of the lot would be protected, as would the majority of Lot 2 (see Figure 1 in the staff report). We estimate the total amount of land to be protected to be 4.5 to 5.5 acres, depending on whether the affordable housing is developed.

MIHS hopes that the information above provides some clarity and context around the discussion about amenities and sunset clauses. MIHS continues to seek the simplest path forward that meets the needs of all parties involved, and would like to recognize that it is only due to an unfortunate change in circumstances of Dr. McHugh that these additional considerations and lengthy discussions must be had. It is in the POAs’, the Society’s, and the

community's best interest to resolve this matter in a collaborative and expedient way. Resolving this issue will bring the community one step closer to realizing much-needed affordable rental housing, but could also result in ecological protection that would not otherwise happen.

Thank you,

Eleni Gibson

Eleni Gibson, Wiser Projects
On behalf of the Mayne Island Housing Society

Cc MIHS Board
Narissa Chadwick, Island Planner
Robert Kojima, Manager, Regional Planning