

# STAFF REPORT

File No.: 2023 Housing Options -

Phase2

DATE OF MEETING: February 24, 2025

TO: Mayne Island Local Trust Committee

FROM: Narissa Chadwick RPP, Island Planner

Southern Team

COPY: Robert Kojima, Regional Planning Manager

SUBJECT: Housing Related Bylaw Amendment Options

#### RECOMMENDATION

1. That the Mayne Island Local Trust Committee request staff draft bylaws to implement Phase 2 of the Housing Options Project.

#### **REPORT SUMMARY**

This report explores each of the actions identified in Mayne Island's Housing Action Plan and identifies recommended options for each.

#### **BACKGROUND**

On May 27, 2024 the Mayne Island LTC endorsed the Project Charter (Attachment 3) for the Mayne Islands Housing Options Project Phase 2 as well as the related Mayne Island Housing Action Plan. The Mayne Island Housing Action Plan Implementation Table, as it appears in the Mayne Island Housing Action Plan, is contained in Attachment 2. A list of actions, related specifically to changes to amendments to the OCP and LUB, that are addressed by this report is contained in Appendix 1. This includes some additional actions for review which will be discussed in the body of this report. Advocacy actions are not being addressed in this report.

A work shop was held on October 28 to introduce the Housing Action Plan and engage the community in a focussed discussion related to increasing opportunities for the development of not for profit housing. Representatives from the Capital Regional District, Habitat for Humanity, the Teachery Project and the Mayne Island Housing Society provided presentations as well as Islands Trust Staff.

At this point the project is on track with the proposed timeline of the Project Charter.

#### **ANALYSIS**

The focus of the Mayne Island Housing Action Plan is to increase the diversity of housing on Mayne Island. With increasing property costs housing affordable to many low and middle income wage owners is unattainable. Supporting the ability for a diversity of housing to be built increases the opportunity for more rental, subsidized and more affordable smaller unit housing to be built.

Goals of Housing Action that relate directly to land use are:

**Diversifying Housing Options:** 

- Expanding opportunities to build secondary suites and secondary detached dwelling units
- Increasing alternative housing options (eg. Tiny homes, multi-unit housing)

Increasing opportunities for housing affordability to be protected by a housing agreement:

- Expanding opportunities to develop multi-unit affordable housing
- Increasing opportunities for non profit housing to acquire donated land

#### Minimizing Environmental Impact

- Utilizing available data for informed decision making
- Protecting and preserving ecosystems and freshwater resources

While implementing the actions identified in the Housing Action Plan will lead to the potential for many more units of housing to be built it is important to recognize that permitting additional units will not mean that units will be built out with haste. Housing of all forms is becoming increasingly expensive to build. The pace of housing development on Mayne Island has been relatively slow with the average number of building permits issued for new dwellings being less than 10 annually since 2019.

As the LTC considers each option, staff recommend that the LTC prioritize:

- Land suitability (as determined by the suitable land analysis (SLA))
  - o The SLA was introduced to the Mayne LTC on February 12<sup>th</sup>, 2025 for the first time. Trustees identified some concerns related to the data. Staff are working on addressing these concerns.
  - The LTC can decide on which data in the suitable land analysis they would like to use.
  - The SLA brings together a variety of data related to ecological impact, impact on freshwater resources and steep slope to identify areas that are more or less suitable for additional residential density.
  - The SLA can be used to rule out all options for increased density and intensity of residential land use where the land is identified to be particularly unsuitable.
- Probability for affordable housing to be built
  - As has been demonstrated by the teacherage project, affordable housing is most likely to be built where there is a group inspired to build it.
  - Expanding opportunities for purpose built affordable and rental housing can help reduce rezoning requirements that may delay projects.
  - Enabling public bodies, that employ staff or rely on volunteers, to build housing in the zones where community services are provided (as with the teacherage).
  - Encouraging and requiring housing agreements can ensure that housing remains affordable over time.

# **Options to Address Actions**

Attachment 1 provides a full list of all the land use related actions contained in Mayne's Housing Action Plan (HAP) that will be addressed below. Some new actions for LTC consideration have been added. These have been clearly identified. Staff recommendations including proposed bylaw language is provided where appropriate. Alternative options are provided in some cases.

## **GOAL: Update Information to Inform Housing Projects (Basic Bylaw Updates)**

The status of existing HAP items is provided and two additional items have been added.

ACTION		STATUS	NEXT STEPS
1	Update population projections based on needs assessment	To be provided with draft bylaws	Staff to update
2	Workshop with LTC on Suitable Land Analysis	Held February 12 <sup>th</sup> , 2025	Review data
3	<b>NEW</b> - New definitions added	Identified as they emerge	In progress

Needs Assessments – Amendments to the Local Government Act require updated Housing Needs Reports.
Islands Trust is currently waiting for this work to be completed by a consultant by the end of March. The
amendments to be drafted will include updated needs assessment data.

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Workshop with LTC on Suitable Land Analysis (SLA) – The SLA is a tool that brings together a variety of data available to the Islands Trust (eg. Sensitive ecosystem, steep slopes, freshwater recharge) to identify area on the island that are more or less suitable for increase in density and intensity of residential use. It is a refinement of the more rudimentary analysis that was done to determine the flexible housing pilot area. The SLA methodology is being introduced into major projects across the trust area (including Denman, Gabriola and North Pender). While the SLA was introduced to the LTC on February 12, 2025, it was clear that there needs to be more work to ensure that some of the layers are useful. Staff will be reviewing the layers and report back to the LTC.

New Definitions – Staff have developed a model Land Use Bylaw with consist format, definitions, general regulations and administration sections. New definitions will be included where relevant.

#### **GOAL: Expanding Opportunities to Build Secondary Suites and Accessory Dwelling Units**

The actions related to this goal focus primarily on expanding permission for secondary dwellings units (dwelling units secondary to the primary use).

ACT	ION	STATUS/COMMENT	NEXT STEPS
4	Require worker housing for significant commercial rezonings	Draft language provided	LTC direction to proceed
5	<b>NEW</b> -Increase flexibility for residential use in commercial areas (C3, C4)	Draft language provided	LTC direction to proceed
6	Support Strata subdivision of accessory dwelling units in suitable areas	No reference to strata in OCP is needed to support this	LTC direction to leave as is
7	Expand secondary suites permission in suitable areas	Water districts input through referral	LTC direction to proceed
8	Permit ADUs on smaller lots	Draft language provided	LTC direction to proceed
9	Expand flexible housing regulations	Analysis needed	Staff to provide options

To encourage consistency across LTC bylaws and reduce confusion staff recommend the following definition changes:

"Accessory dwelling unit" means an additional dwelling unit on a residential property which may be attached (internal) to the primary residence or detached (external) from the primary residence.

"Accessory residential use" means a dwelling unit, either in a detached building or within a portion of a building, on the same lot as a non-residential principal use.

"Cottage" means a detached accessory dwelling unit with a limited floor area that is located on the same lot as another dwelling.

**Require Worker Housing** – There are currently no requirements for worker housing with respect to commercial rezoning outside of visitor accommodation (OCP 2.4.2.7). Rezoning for significant commercial use is an opportunity to create more housing for workers on the Island.

### **Proposed Draft OCP Language:**

2.4.1.14 Employee accommodation may be required in for significant commercial rezoning.

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**Increase flexibility for residential use in commercial areas (C3,C4)** – These zones currently only allow for an accessory dwelling unit "for the accommodation of the owner, operator, or employee of a permitted principal use". Staff recommend this be made more flexible to accommodate other workers in the absence of the need for accommodation of the owner, operator or employee of the permitted principal use.

Proposed Draft LUB Language:

In both the Commercial 3 (C3) Zone and the Commercial 3 (C4) Zone replace "accessory dwelling unit for the accommodation of the owner, operator, or employee of a permitted principal use" with "accessory residential unit" under "Permitted Uses.

**Strata subdivision of accessory dwelling units in suitable areas-** An existing detached accessory dwelling unit (ADU) (such as a cottage or accessory dwelling unit) and a primary dwelling can be converted into a strata property in British Columbia, but it requires approval through a strata conversion process under the Strata Property Act. A building strata conversion is subject to local government approval, strata titling of a new building is not.

- A building strata for new builds occurs when the developer is constructing a new building and wants to
  divide each dwelling unit into separate, individually owned units. Local Trust Committee Approval
  would not be required in this case. The developer would register the strata title with the Land Title
  Office.
- A **building strata conversion** occurs when an existing building/existing buildings is converted into a strata- titled property. In this case, Local Trust Committee approval would be required.

The Land Use Bylaw currently does not support strata subdivision for a secondary suites (LUB section 3.13 (9)) The regulation was introduced to protect limited rental stock. The bylaw is currently mute with respect to the strata subdivision of accessory dwelling units. As indicated above, a building strata conversion would be subject to LTC approval.

To protect rental stock and provide the opportunity for a property owner to apply for strata subdivision of an accessory dwelling unit, staff recommend no changes be made to the OCP with respect to strata subdivision.

**Expand Secondary Suites** – Currently secondary suites are permitted in all residential areas excluding water districts as per Schedule D in the LUB. Water service providers have the ability to monitor water use. Given the cost to build, and the fact that there have been very few building permits for secondary suites where they are currently permitted, this permission will likely not lead to a proliferation of secondary suites.

Staff recommends expanding permission for secondary suites to all residential areas in the draft bylaws by removing 3.13 (1) and Schedule D from the LUB. The draft bylaw will be referred to the water districts for comment.

#### Proposed Draft LUB Deletion:

3.13 Secondary Suites

(1) Secondary suites are permitted on lots that are within the shaded area on Schedule "D" to this Bylaw.

**Permit ADUs on Smaller Lots** – In order to prevent confusion, "cottage" is going to be used in the place of "ADU" (accessory dwelling unit). Staff have spent considerable time discussing whether the word "cottage" should be replaced by "ADU". Given that the word "cottage" appears throughout the OCP and LUB, maintaining "cottage" to mean "a detached accessory dwelling unit with a limited floor area that is located on the same lot as another dwelling" is a reasonable approach.

Cottages are currently permitted on lots greater than 0.6 hectares (1.5 acres) in general. In the flexible housing pilot area one cottage is permitted on lots smaller than 0.6ha. 0.4ha (1.0 acres) is the minimum parcel size for subdivision. Given this, if the LTC wants to reduce the required minimum lot size for a cottages in general staff recommend it be reduced to 0.4h in the settlement residential zone.

This will expand the permission for cottages to an additional 107 properties. This would require changes to the "Settlement Residential (SR) Zone" in the LUB Section 5.1. The draft bylaw language below also considers a smaller floor area for cottages on lots 0.4h-0.6h (1 acre -1.5 acres).

#### Proposed Draft Bylaw Language:

Density

- (3) One cottage is permitted on lots 0.4 hectares (1 acre) 0.6 hectares (1.5 acres) or greater in area.
- (3.1)(a) On lots having an area less than 0.4 hectares (1 acre) 0.6 hectares (1.5 acres), one additional dwelling is permitted it the total combined floor area of all dwellings does not exceed 232m<sup>2</sup> (2500 square feet).

Siting and Size

- (7) The maximum floor area for a cottage is:
  - (a) 93 square metres (1001 square feet) on lots 0.6 hectares (1.5 acres) or greater in area.
  - (b) 46.5 square metres (500 square feet) on lots less than 0.6 hectares (1.5 acres) in area and 0.4 hectares (1 acre) or greater in area.

#### **Alternative Options:**

- 1. Allow cottages 93 square metres (1001 square feet) on lots 0.4 hectares (1 acre) to 0.6 hectares (1.5 acres).
- 2. Allow cottages on lots smaller than 0.4 hectares (1 acre). Staff recommend that further analysis be applied to identify areas that would be most suitable and least suitable for this approach. Also, consideration related to septic, well siting and water system capacity would need to be considered.

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**Expand Flexible Housing Regulations** – In November 2022, the LTC adopted the flexible housing zoning which applies to about 65 lots under 5 acres in a pilot area. These lots were identified to be most suitable for additional density based on an analysis which considered proximity to amenities, sensitive ecosystems, salt water intrusion and other variables impacting livability. The suitable land analysis that has recently been completed combines previous data with additional data to inform the suitability of land to support additional density and intensity of residential use.

Staff recommend expanding flexible housing zoning (as identified in Schedule E of the LUB) to the areas that can be identified to be most suitable for supporting additional density and intensity of residential use. This will involve determining the degree of suitability of land that the LTC feels is an appropriate measure.

#### Alternative Option:

1.	The LTC could consider expanding flexible housing to larger sized lots in areas identified to be more
	suitable for additional residential density and intensity. If the LTC want to support this, request staff to
	return with proposed combined maximum floor areas for larger lots.

#### GOAL: Expand Residential Use Permission and Permission for Mult-Unit Development

The actions related to this goal focus on supporting the development of non market housing.

ACTION		<b>FION</b>	STATUS	NEXT STEPS
	10	Allowing zoning for non-market housing in more land use designations (including school properties, parks, community service)	Draft language provided	LTC direction to proceed
	11	Proactively rezoning existing land for multiple dwelling	No locations have been identified to date	No action

Allowing zoning for non-market housing in more land use designations – Housing is not currently permitted in Parks, Community Service S1 (except for the for site specific zoning for the teacherage property S1 (b)) or Local Community Service ((S2) Zone. The LTC could choose to permit residential use outright in community service zone (S1) as the size of these lots and the uses are conducive to including residential use for those working or volunteering to support the service. It would not be appropriate in the S2 zone where the lots tend to be smaller and the service does not necessarily involve having individuals on site.

Permitting housing in Community Service areas and Parks that are owned and managed by other government bodies and not for profit organizations may be one of the most effective ways of seeing housing get built. As we have seen with the Teacherage, supporting housing for those providing a service to the community can motivate community action. These organization also have the potential to tap into funding sources for building rental housing as well as the capacity to oversee the management of the rental housing.

## Potential Draft OCP Language:

#### 2.6 PUBLIC USE AND PUBLIC SERVICES

2..6.1.5 In suitable locations, zoning may permit residential use

#### 2.7.1 Regional Parks

2.7.1.1 In suitable locations, zoning may permit residential use

#### 2.7.2 Community Parks

2.7.2.1 In suitable locations, zoning may permit residential use

By including language in the OCP to support residential use in the Land Use designations identified above, based on recent changes to the Local Government Act, a public hearing would not be necessary if a property was to be rezoned to support the development of housing to meet housing need on the island.

#### Alternative Option:

The LTC could choose to tie the residential use to the principal use as identified below:

In suitable locations, zoning may permit accessory residential use for the accommodation of employees and volunteers of the permitted principle use.

### **Potential LUB Changes:**

The LTC could also choose to proactively zone to allow housing in the Community Service Zone and Park Zones. Options are identified below.

## Community Service Zone:

The option identified below would permit one accessory residential unit in each the Community Service Zone (S1). This includes the properties held by the Mayne Islands Agricultural Society, the School District, the Mayne Island Community Centre Society and the Mayne Island Improvement District.

The LTC may want to increase the number of accessory residential units or prohibit them on specific lots through site specific zoning. Suggested number of dwelling units, beyond one, to permit on specific properties in the S1 zone area are identified in Table 1 for LTC consideration. The locations are in areas that appear to be more suitable than others for increased density and intensity of residential use.

#### 5.14 Community Service (S1) Zone

#### **Permitted Uses**

- (1) The following uses are permitted, subject to the regulations set out in the Section and the general regulations, and all other uses are prohibited:
  - (f) Accessory residential unit for accommodation of employees of a permitted principal use

Options for site specific zoning to increase number of permitted dwelling units by more than one:

Location	# of units to permit
Health/Emergency Services Area	3 w/max total floor area
LOT 1, SECTION 8, MAYNE ISLAND, COWICHAN DISTRICT, PLAN 17069	
PID: 4125371	
Teacherage Property (S1 (b))	2 w/max total floor area
LOT 6, SECTIONS 8 AND 11, MAYNE ISLAND, COWICHAN DISTRICT, PLAN 8200	
PID: 845035	
Lot adjacent to school building lot	2 w/ max total floor area or
LOT 9, SECTION 8, MAYNE ISLAND, COWICHAN DISTRICT, PLAN 8200	could be included in
PID:548099	flexible housing zoning
Lot adjacent to one over from school building lot	2 w/ max total floor area or
LOT 10, SECTION 8, MAYNE ISLAND, COWICHAN DISTRICT, PLAN 8200,	could be included in
OUTLINED IN RED ON PLAN 1968 R	flexible housing zoning
PID: 5480159	

# Community and Regional Park Zone (P) Zone

As the use and nature of the parks within these zones are unique to each park, staff recommend that the permission for residential use be site specific. Staff will take direction from the LTC on whether providing housing for a caretaker in specific parks is appropriate.

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**Proactively rezoning existing land for multiple dwelling** – In previous discussion related to housing actions the LTC had indicated any areas that specifically stand out as areas to be proactively rezoned for multiple dwellings. Staff recommend this action me removed.

#### **GOAL: Increase Alternative Housing Options**

The actions identified below focus on supporting alternative forms of housing and housing arrangements.

AC'	TION	STATUS	NEXT STEPS
12	Permit rezoning for modular home villages / multiunit housing	Example approach provided	LTC to approve direction
13	Developing TUP guidelines for tiny homes	Example approach provided  Suggestion to include TUPs for RVs	LTC to approve direction
14	Pre-zoning for manufactured/mobile/tiny home parks	No areas identified. Review of suitable land analysis recommended.	LTC to approve direction to remove
15	Increasing building height to increase residential potential in commercial and other suitable areas	Remove. Can be addressed through DVP	LTC to approve direction to remove

Permit Rezoning for modular home villages/ multi unit housing — Staff recommend that both multi-unit attached housing an single units of clustered housing be addressed in a similar way as they have a similar impact on the land. The permission for multi-unit attached housing should be provided only for moderate income housing, affordable and special needs housing (housing agreements required where possible). Staff also recommend that what has been referred to as "modular home village" be referred to as "clustered small unit housing".

Definitions to consider for LUB:

**Moderate Income Housing** is housing that is financially accessible to individuals and families earning a moderate income, enabling them to live and work within their community without undue financial strain. It often bridges the gap between affordable housing and market-rate housing.

**Affordable Housing** is housing, secured by a housing agreement where costs (including rent or mortgage, utilities, and other related expenses) that do not exceed 30% of a household's gross income, ensuring basic needs can still be met without financial hardship.

**Special Needs Housing** is housing designed or adapted to meet the specific needs of individuals with unique challenges, such as seniors, people with disabilities, or those requiring supportive living arrangements, ensuring safety, accessibility, and dignity.

**Clustered Small Unit Housing** is a group of dwelling units within a maximum combined floor area that is concentrated within a specific area on a lot.

#### **Potential OCP Policies:**

Staff recommend creating a new section in the OCP related to moderate income, affordable and special needs housing. Options for policies are as follows:

- The Local Trust Committee may consider applications to rezone property, in any land use designation in which residential is a permitted principal use, to permit boarding homes for Special Needs residents and seniors housing.
- The Local Trust Committee may consider applications to rezone property, in any land use designation in which residential is a permitted principal use, to permit multi-unit dwelling developments and clustered small-unit affordable and moderate income housing as a form of affordable, moderate income or special needs housing. Clustered small unit housing can include, but is not restricted to: modular homes, tiny homes on wheels, mobile homes, alternative dwelling units.
- The Local Trust Committee may consider applications from not for profit organizations, government agencies and First Nation to rezone property in land use designations where residential is not a permitted principle use for the purposes of creating affordable housing.
- The Local Trust Committee may consider reducing minimum and average parcel size for rezoning applications from not for profit organizations, government agencies and First Nations intending to provide affordable housing.
- To ensure affordable and moderate income rental or home ownership housing, a Housing Agreement must be registered on title.
- Multi-dwelling housing and clustered small unit housing should be located near services, amenities, biking and walking trails.
- Proposals for multi- dwelling housing developments should not exceed 10 units.

In addition to the above, staff recommend that the Amenity Zoning Guidelines also be amended as follows:

#### 2.10 Amenity Zoning Guidelines

2.10.2 (xi) the provision of moderate income, affordable, non market rental and special needs housing

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**Developing TUP guidelines for tiny homes on wheels** – Adding TUP guidelines for tiny homes to the OCP is fairly straight forward. Staff recommends that the OCP support TUPs for tiny homes on wheels that do not adhere to the current British Columbia Building Code or the CSA Z240 or Z240RV standard if it is premanufactured.

## **Proposed Draft OCP Policy:**

# 2.9 Temporary Use Permits

2.9.1.9 Permit conditions related to tiny homes on wheels should include measures dealing with the following points:

- a) connection to sewage disposal facilities consistent with the provisions of the Public Health Act;
- b) the provision of a domestic water supply;

- c) appropriate screening from road and neighbours; and
- d) compliance with the use, density and siting requirements of the land use bylaw for dwellings and cottages

#### Additional Staff Recommendation:

If the LTC is in support of allowing Tiny Homes on Wheels through a TUP, staff recommend the LTC also considering requiring that Recreational Vehicles that are not pre-existing also be permitted by TUP only (current RVs would have non-conforming protection). This would help address a proliferation of more full time occupancy of RVs in potentially unsafe or unhealthy living circumstances.

Pre-zoning for manufactured/mobile/tiny home parks - In previous discussion related to housing actions the LTC had indicated that there are not any areas that specifically stand out as areas to be proactively rezoned for multiple dwellings. Given this, staff recommend this action be removed at this time.

Increasing building height to increase residential potential in commercial and other suitable areas -Given that this could be best addressed through the DVP and DP process, staff recommend it be removed from the list of actions.

# **Increase Opportunities for Non Profit Housing**

These actions all focus on making is easier for government agencies, not for profit organizations and First Nations to build and acquire land to affordable housing.

AC.	TION	STATUS	NEXT STEPS
16	Permit non-profit housing in most OCP designations	Address in new "moderate income, affordable and special needs housing" section of OCP	LTC approve direction to remove
17	Permitting rezoning for subdivision provided there is a donation of a lot for affordable housing	Already supported by amenity zoning policy and guidelines (2.10)	LTC approve direction to remove
18	Permit reduction of min. parcel size to facilitate land for donation to a Government Agency, Not For Profit Organization or First Nation.	Bylaw language provided	LTC to approve direction
19	Designating suitable land to permit rezoning for subdivision inexchange for lots donated for affordable housing (to be secured with covenant)	Requires examining the suitable land analysis.	Staff to provide options based on SLA
20	Proactively rezone to facilitate subdivision resulting in donation of land	Requires examining the suitable land analysis	LTC or property owners to provide options
21	<b>NEW</b> - Pre-zone property to facilitate the development of affordable housing	The LTC has identified the CRD property at the end of Wooddale Drive to be suitable for this approach.	Letter to be sent to CRD regarding zoning land
22	<b>NEW</b> - Identification of properties that could offer options for FN reserve land to have access to water and power	Added July 29 <sup>th</sup> 2024, This has not been explored by staff	LTC to approve direction to remove

**Permit non-profit housing in most OCP designations** – Option for OCP amendment policy in the proposed new section related to "moderate income, affordable and special needs housing".

# Proposed OCP Policy

The Local Trust Committee may consider applications from not for profit organizations, government agencies and First Nation to rezone property in land use designations where residential is not a permitted principle use for the purposes of creating affordable housing.

Permitting rezoning for subdivision provided there is a donation of land for affordable housing - This is currently supported by the amenity zoning policies and guidelines. The current amenity zoning guidelines in the OCP (2.10) supports the following: In the case where a property owner offers to provide a voluntary community amenity as a condition of subdivision or rezoning, consideration may be given to increasing the permitted density on a parcel in any designation other than Public Service, Park or Resource Conservation. As identified above, "the provision of affordable and special needs housing" is identified as a potential amenity. Given this, staff recommends removing this action form the action list.

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Permit rezoning to reduce minimum parcel size to facilitate land for donation to a government agency Not for **Profit Organization, or First Nation** – This action may help encourage donation of land in suitable areas.

Option for OCP amendment policy in the proposed new section related to "moderate income, affordable and special needs housing".

#### **Proposed OCP Policy**

The Local Trust Committee may consider reducing minimum and average parcel size for rezoning applications from not for profit organizations, government agencies and First Nations intending to provide affordable housing.

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Designating suitable land to permit rezoning for subdivision in exchange for lots donated for affordable housing (to be secured with covenant) – This would potentially narrow down the options of where the provision of affordable housing as a community amenity could be considered. By identifying suitable locations landowners would know whether it is worth applying to rezone in order to donate a parcel of land in exchange for additional density.

Staff recommend the LTC request that staff return the LTC with recommendations of potential suitable areas.

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**Proactively rezone to facilitate subdivision resulting in donation of land** - An example of this action would be rezoning land that may currently be zoned "rural" to "settlement residential" in order to permit subdivision into smaller lots. Staff recommend the LTC identify properties they would like staff to explore and/or encourage property owner to write to the LTC is they would like their properties to be included in an assessment for potential rezoning as part of this project.

Pre-zone property to facilitate the development of affordable housing — This action is specifically related to the LTC's direction for staff to staff to "draft a letter to the Capital Regional Director requesting Capital Regional District staff explore the option of split zoning the Capital Regional District owned property at the end of Wooddale Drive to enable residential zoning supporting affordable housing in one portion, and propose zone boundaries". The LTC has not identified any other opportunities for pre-zoning at this time. This letter is in process.

If there are other properties of interest the LTC add those to the list for staff to examine.

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Identification of properties that could offer options for FN reserve land to have access to water and power-This action was added to the action list at the July 2025 meeting. At the time no specific properties were identified. As this action would require extensive engagement that is very specific, staff recommend this action be moved off the action list and placed on the future projects list.

# **GOAL: Protect and Preserve Ecosystems and Freshwater Resources**

A key interest of the LTC has been to balance the need for housing with the need to preserve and protect the natural environment. The actions below are related to supporting that interest.

ACTION		STATUS	NEXT STEPS
23	Use suitable land analysis to identify areas more suitable for additional density	SLA is being reviewed	Staff to provide options
24	Require freshwater cisterns for all new builds	Draft language provided	LTC to approve direction
25	Update potable water requirements for subdivision	North Pender example provided	LTC to approve direction
26	Prohibit groundwater fed swimming pools	Draft language provided	LTC to approve direction
27	Review lot coverage with potential to establish paved surface maximums	Staff recommendation to remove provided	LTC to approve direction to remove
28	Establish floor area maximums where appropriate	Options for discussion provided	LTC to approve direction

Require freshwater cisterns for all new builds – The LUB currently requires cisterns for 13640 litres (3000 gallons) for all new secondary suites. The cistern size being adopted by other LTCs related to requirements for all new builds is 18,000 litre. Staff recommend that the Mayne requirement for cisterns for new builds be 18,000 litres for consistency as well as utility. 15,000 – 20,000 litres is the general range recommended for non potable uses supplemental to the main water supply (e.g., irrigation, toilet flushing) or as a backup during shortages.

#### **Potential LUB Addition:**

The following draft LUB regulation is based on recently adopted North Pender cistern regulations.

#### 3.15 Cistern Requirements

- (1) A building permit for a lot outside a community water system shall not be issued for a new building to be used as a dwelling, including a cottage and secondary suite, unless a cistern (or combination of cisterns) is located on the lot for the storage of freshwater having a total capacity of at least 18,000 litres.
- (2) The floor area occupied by any cistern located in a building and the housing provided for such cistern is excluded from the calculation of the floor area of the building and the lot coverage of the lot on which it is located.

#### Alternative Option:

The LTC could choose to have a smaller cistern size for cottages and secondary suites or dwellings under a certain size (in the case of flexible housing). If the LTC chooses this approach, staff recommend the existing size 13640 litres (3000 gallons) be used.

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**Update potable water requirements for subdivision** – Staff had encouraged this topic to be on the action list as it relates to housing and freshwater. The subdivision regulations contained in Attachment 4 were adopted by North Pender in 2024. They are the most up to date standards for potable water supply in the Islands Trust Area. Staff recommends this update be adopted by the Mayne LTC as part of this project.

If the LTC has issue with adopting the proposed as is staff suggest that this action be removed from the project and moved to the future projects list so as not to detract from the actions specific to housing.

**Prohibit Groundwater Fed Swimming Pools** – Given that the Island's carrying capacity is influenced by groundwater availability and the availability of groundwater is minimal, this is one small action that can contribute to the sustainability of groundwater supply. Below is staff's recommended approach.

#### Proposed Land Use Bylaw Addition:

- 3.2 Prohibited in all Zones
- 3.2.1.1 Groundwater fed swimming pools

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**Review lot coverage with potential to establish paved surface maximums-** As this action goes beyond the scope of housing, staff recommend it be removed from the housing actions list and be placed on the future projects list.

**Establish floor area maximums where appropriate** – Mayne currently has a floor area maximum for cottages (93 square metres (1001 square feet)) but not for primary dwellings.

Mayne Island's maximum combined floor area for all dwellings is only applicable in the case were flexible zoning (zoning allowing additional units beyond what is permitted without the maximum) is acted upon. The maximum combined floor areas for multiple dwellings in the flexible housing pilot area are as follows:

Lot Are	Total Combined	# of Dwellings
	Floor Area	
Lots < 0.6 ha (1.5 acres)	232m <sup>2</sup> (2500ft <sup>2</sup> )	one secondary suite and 2
		dwellings = 3 dwelling units
Lots > 0.6 ha (1.5 acres) up to 1.2ha (3acres)	325m² (3,500ft²)	one secondary suite and 3
		dwellings = 4 dwelling units
Lots >1.2 ha (3 acres) – 5 ha (12.35 acres)	436 m <sup>2</sup> (4,750 ft <sup>2</sup> )	One secondary suite and 4
		dwellings = 5 dwelling units

If the LTC wants to move forward with this action, staff recommend that the LTC request staff report back with options. The current draft Policy Statement includes a directive policy that LTCs establish maximum floor area.

#### **First Nations Engagement:**

"Incorporating First Nations Interests in Land Use Decision Making" is identified as a goal for the Mayne Island Housing Action Implementation Plan. Initial letters identifying that the Mayne LTC was engaging in a Housing Project were sent out to relevant First Nations in December 2023. A follow-up letter which included the Mayne Island Housing Action Plan was sent in October 2024. We received the following responses from the Tsawout, Tsawwassen and Malahat Nations. No major concerns were expressed. The next step will be to send the bylaws out to First Nations for referral.

#### **Rationale for Recommendation**

Recommendation: That the Mayne Island Local Trust Committee request staff draft bylaws to implement Phase 2 of the Housing Options Project.

Supporting this recommendation will support the momentum of the project and project charter timelines.

#### **ALTERNATIVES**

#### 1. Request further information

The LTC may request further information on any of the recommendations provided. The LTC will need to be specific in their request.

That the Mayne Island Local Trust Committee request staff provide specific information on XXX.

# 2. Request staff provide options for locations for increase in density and intensity of residential land use base on analysis of available data.

The LTC may choose to review the staff recommended locations for increase density and intensity of residential land use prior to bylaws being drafted.

That the Mayne Island Local Trust Committee request staff draft bylaws related to Phase 2 of the Housing Options Project following LTC review of staff recommended locations for increased density and intensity of land use. .

# 3. Request full staff report, or specific items in the report be forwarded to the APC for review

The LTC may choose to send the full report or specific items in the report to the APC for review. Staff recommend that specific items be identified.

That the Mayne Island Local Trust Committee request staff to forward item number X,X,X to the APC for review.

# 4. Request staff schedule a community information meeting prior to First Reading of the bylaws.

This will provide opportunity for the public to familiarize themselves with the proposed bylaw amendments and ask questions prior to public hearing.

That the Mayne Island Local Trust Committee request staff to schedule a community information meeting prior to First Reading of the bylaws.

#### **NEXT STEPS**

If the staff recommendations are approved, staff will:

- Draft bylaws which will include recommended locations for the increase in density and intensity of residential use (eg. in the case of flexible housing)
- Community information meeting?
- First Reading
- Second CIM and Public Hearing
- Second Reading
- Third Reading
- EC approval
- Minister approval
- Adoption

Submitted By:	Narissa Chadwick RPP MCIP, Island Planner	February 13, 2025
Concurrence:	Robert Kojima, Regional Planning Manager	February 13, 2025

#### **ATTACHMENTS**

- 1. Actions Addressed in the Report
- 2. Mayne Island Housing Action Implementation Table (May 2024)
- 3. Mayne Island Housing Options Project Charter (May 2024)
- 4. North Pender Potable Water for Subdivision Requirements

# APPENDIX 1 – Actions Addressed in Report

ACTION		COMMENTS/NEXT STEPS
Update In	nformation to Inform Housing Projects (Basic Bylaw Updates)	
1.	Update population projections based on needs assessment	Section to be updated upon receipt of data
2.	Workshop with LTC on Suitable Land Analysis	Held February 12 <sup>th,</sup> 2025
3.	<b>NEW-</b> New definitions added	In progress
<b>Expand O</b>	pportunities to Build Secondary Suites and Accessory Dwelling Units	
4.	Require worker housing for significant commercial rezonings	LTC to approve direction
5.	Increase flexibility for residential use in commercial areas	LTC to approve direction
6.	Support Strata subdivision of accessory dwelling units in suitable areas	LTC to approve direction
7.	Expand secondary suites permission in suitable areas	LTC to approve direction
8.	Permit ADUs on smaller lots	LTC to approve direction
9.	Expand flexible housing regulations	Staff to provide options
Expand R	esidential Use Permission and Permission for Multi Unit Development	
10.	Allowing rezoning for non-market housing in more land use	LTC to approve direction
	designations (including school properties, parks, communityservice)	
11.	Proactively rezoning existing land for multiple dwelling	Staff to provide options
Increase /	Alternative Housing Options	
12.	Permit rezoning for modular home villages / multiunit housing	LTC to approve direction
13.	Developing TUP guidelines for tiny homes	LTC to approve direction
14.	Pre-zoning for manufactured/mobile/tiny home parks	LTC to approve direction to remove
15.	Increasing building height to increase residential potential in	LTC to approve direction to remove
	commercial and other suitable areas	
Increase (	Opportunities for Non Profit Housing	
16.	Permit non-profit housing in most OCP designations	LTC approve direction to remove
17.	Permitting rezoning for subdivision provided there is a donation of a lot	LTC approve direction to remove
	for affordable housing	
18.	Permit reduction of min. parcel size to facilitate land for donation to	LTC to approve direction
	gov, NFP an FN	
19.	Designating suitable land to permit rezoning for subdivision inexchange	Staff to provide options
	for lots donated for affordable housing (to besecured with covenant)	
20.	Proactively rezone to facilitate subdivision resulting in donation of land	LTC and/or property owners to identify options
21.	<b>NEW</b> - Pre-zone property to facilitate the development of affordable	Letter to be sent to CRD regarding zoning land
	housing	
22.	<b>NEW</b> -Identification of properties that could offer options for FN	LTC approve direction to remove
	reserve land to have access to water and power	
Protect a	nd Preserve Ecosystems and Freshwater Resources	
23.	Use suitable land analysis to identify areas more suitable for additional	Staff to provide options
	density	
24.	Require freshwater cisterns for all new builds	LTC to approve direction
25.	Update potable water requirements for subdivision	LTC to approve direction
26.	Prohibit groundwater fed swimming pools	LTC to approve direction
27.	Review lot coverage with potential to establish paved surface	LTC to decide direction
	maximums	
	Establish floor area maximums where appropriate	LTC to approve direction

# **Mayne Island Housing Action Implementation Table**

**Blue** = Items to be addressed a part of the Mayne Island Housing Options Project

**Green** = Items being address at Trust Wide level or requiring partnership with other level of government

ACTION	Status/Staff Comments	Timing
Goal 1: Update information to Inform housing project - I	NFORMATION	
Update Housing Needs Assessment	To be coordinated for whole Trust Area	By March 2025
Workshop with LTC on Suitable Land Analysis (SLA)	To be scheduled	By July 2024
Goal 2: Incorporate First Nations Interests in Land Use De	ecision Making – RECONCILIATION	
Identify FN Interests with respect to housing options and impacts	Letter sent fall 2023, staff to follow up	Letter by July 2024
Goal 3: Diversifying Housing Options – LAND-USE		
3.1 Expand opportunities to build Secondary Suites and Access	ory Dwelling Units	
Require worker housing for significant commercial rezonings	OCP - minor	Winter 2025 –
Support Strata subdivision of accessory dwelling units in suitable areas	OCP – minor unless controversial	Analysis/Engagement
Expand secondary suites permission in suitable areas	LUB- water service areas.	Summer/Fall 2025 –
Permit ADUs on smaller lots	OCP/LUB- Using suitable land analysis	Bylaw reading
Expand flexible housing regulations	(SLA) is encouraged	
3.2 Expand Residential Use Permission and Permission for Mul	ti Unit Development	
Allowing rezoning for non-market housing in all land use designations (including school properties, parks, community service)	OCP/LUB- Zones to be identified. This can include allowing additional units on the school board property.	Winter 2024 – Analysis/Engagement
Proactively rezoning existing land zoned for multiple dwellings	LUB- increase flexibility of use where identified	Summer/Fall 2025 – Bylaw readings
3.3 Increase Alternative Housing Options		
Permit rezoning for modular home villages	OCP - to provide flexibility	Winter 2024 –
Developing TUP guidelines for tiny homes	OCP - guidelines will make it easier to provide TUPs for tiny home	Analysis/Engagement
Pre-zoning for manufactured/mobile/tiny home parks	OCP/LUB – This will require identifying locations	Summer/Fall 2025 – Bylaw readings
Increasing building height to increase residential potential in commercial and other suitable areas	LUB – specific locations will need to be identified	
Goal 4- Minimize Environmental Impact –LAND-USE		
4.1 Utilize Available Data for Informed Decision Making		
Use suitable land analysis to identify areas more suitable for additional density	Suitable land analysis if in process	Winter 2024 – Analysis/Engagement
4.2 Protect and Preserve Ecosystems and Freshwater Resource		
Require freshwater cisterns for all new builds	LUB – implement model used in other LUBs	Winter 2024 – Analysis/Engagement
Update potable water requirements for subdivision	LUB – model recently implemented in North Pender LUB	Summer/Fall 2024 –
Prohibit groundwater fed swimming pools	LUB – minor amendment	Bylaw readings
Reviewing lot coverage with potential to establish paved surface maximums	LUB – minor amendment	
Establish floor area maximums where appropriate	LUB- this is beyond flex housing and maximum combined floor area	

ACTION	Status/Staff Comments	Timing
Goal 5: Increase Opportunities for Non Profit Housing –	LAND-USE and PARTNERSHIP	
5.1 Increase Permission for housing if it is Built and/or Manage		У
Permitting non-profit housing in most OCP designations	The LTC may want to consider	Summer 2024 -CIM
Permitting rezoning for subdivision provided there is a	organizing a CIM to focus specifically	
donation of a lot for affordable housing.	on land use changes that will help	
Permit reduction of min parcel size to facilitate land for	facilitate the donation of land. This	
donation to NGO/Govt	CIM could be the first step in a	
Designating suitable land to permit rezoning for subdivision in	process to identify land owners who	
exchange for lots donated for affordable housing (to be	would be interested in donating land.	
secured with covenant)	A community group/special APC could	
Proactively rezone to facilitate subdivision resulting in	be formed to help explore donation	
donation of land	opportunities.	
5.2 Develop Partnerships to Build Housing		
Consider opportunities for grants to support the development	This is work to be done in	ongoing
of accessory dwelling units (secondary suites, coach houses,	collaboration with the CRD staff as it	
cottage, garden suites)	supports their Southern Gulf Islands	
Consider a housing agreement program for private	Housing Strategy.	
landowners developing rental options	Engage Hebitet for Humanity	Cummor 2024
Explore options for NGO involvement	Engage Habitat for Humanity	Summer 2024
5.3 Securing Land Donation to Not for Profit Housing Identify properties with potential for donation for affordable	This work sould be done with help	Ctart Cummar/Fall 2024
housing	This work could be done with help from a Mayne Island community	Start Summer/Fall 2024
Housing	organization.	
Goal 6 – Advocate for Senior Government Support – ADV		
6. 1 Secure Financial and Policy Support for Water Access and		
Advocate to province for additional revenue to support	Item in Trust wide Housing Action	TBD
housing	Plan	
Advocate to Island Health to support waste disposal		
alternatives		
Advocate to Province re: funding support to island based		
water service districts		
6.2 Secure Financial Support to Build Housing		
Apply for funding where appropriate and available	This can be done in partnership with	TBD
	the CRD where appropriate	
6.3 Encourage Implementation of the CRD's Southern Gulf Islan	nds Housing Strategy (SGIHS)	
Advocate to the CRD for funding to be directed toward the	There is currently very limited funding	TBD
Implementation of the SGIHS. The LTC may consider	supporting the implementation of the	
advocating with the CRD to support additional funding being	SGIHS.	
allocated to SGIHS implementation		

# **Mayne Island Housing Action Implementation Timetable**

The table below identifies the anticipated timing for the implementation of the actions in the Housing Action Plan as well as responsibilities.

RPT – Regional Planning Team
IS- Information Systems
TC – Trust Council

SFWS – Senior Freshwater Specialist CRD – Capital Regional District

Objective/Actions	Summer 2024	Fall 2024	Winter 24/25	Spring 2025	Fall 2025	Responsibility/ Partners
Goal 1: Update information	to Inform 1	nousing proje	ct - INFORM	IATION		
Needs Assessment	To be und					RPT
Suitable Land Analysis	To be und Trust Wide	e level				RPT, SFWS, IS, IP
Goal 2: Incorporate First N						
Identify FN Interests	follow up	Ongoing Eng	agement			RPT
Goal 3: Diversifying Housi	ng Options					
All Related Objectives		Analysis/En	gagement	Bylaw Read	dings	RPT
Goal 4: Minimize Environ	nental Impa	ict				
All Related Objectives		Analysis/Engagement Bylaw Readings		RPT		
Goal 5: Increase Opportun	ities for Nor	n Profit Housi	ing			
Increasing permissions for housing if it is for not for profit/gov't	CIM	Analysis/Engagement Bylaw Readings		lings	RPT	
Develop Partnerships	Habitat reconnect	Ongoing		RPT, Habitat for Humanity, CRD		
Secure land donation	explore	Ongoing		RPT, LTC, community		
Goal 6: Advocate for Senior Government Support						
All Related Objective		Could be included as policies in OCP.		LTC, TC		
Encourage SGIHS implementation	Letter to CRD					тс

# **Mayne Island Housing Options (Phase 2)**

Mayne Island LTC Date: May 27, 2024

Purpose: The purpose of this project is to explore and implement Land Use Bylaw and Official Community Plan amendments that will expand opportunities to build secondary suites and accessory dwelling units, increase opportunities for not for profit and government organizations to build affordable and accessible housing, permit alternative housing approaches and reduce the ecological footprint of new builds.

**Background:** Housing is one of Mayne Island LTC's Top Priorities. Significant effort has been invested by the LTC over the years on this issue. The Mayne Island LTC's most recent work to address the housing challenge on the Island began in 2019 when the Housing Bylaw and Policy Review Project was launched. Through that work a flexible housing project was implemented permitting a number of additional units. This project will build upon previous work.

# **Objectives**

- To implement regulatory/policy changes that provide more flexibility and incentives for increasing accessible and affordable housing while considering impact to ecological and freshwater sustainability.
- To increase opportunities for not-forprofit and government organizations to build housing on Mayne Island.

# In Scope

- Research/analysis of existing regulations and policies
- First Nations Engagement
- Public outreach including at least one public meeting
- Consultation with agencies and affected stakeholders
- Bylaw amendment process

# **Out of Scope**

- Unrelated OCP or LUB amendments
- Housing Needs
   Assessement (to be done at Trust Wide level)

Workplan Overview		
Deliverable/Milestone	Date	
Early engagement with First Nations	June 2024	
Contact potential partners (eg. Habitat for Humanity, CRD, MIHS)	June 2024	
LTC review of analysis, issues and opportunities	Sept-Dec. 2024	
Community Consultation as needed	Sept – Dec 2024	
Bylaw Drafting	Jan – March 2025	
Bylaws Readings/ Referrals/ Public Hearing	April – Sept 2025	
OCP Amendments to EC/Province	October 2025	
Final Adoption	TBD	

Project Team		
Narissa Chadwick, Island	Project Manager	
Planner		
Emily Bryant	Admin Support	
GIS Technician	GIS Support	
RPM Approval:	LTC Endorsement:	
Robert Kojima	Resolution #:	
<b>Date:</b> May 6, 2024	Date:	
Update:		

Budget		
<b>Budget Sources: LTC Project Budget (Fiscal 2020-2021)</b>		
Fiscal	Item	Cost
2024/25	Open House/CIM	\$500
2024/25	First Nations Engagement	\$8000
2024/25	Contingency (legal, additional public/stakeholder meetings etc)	\$1500
	Total	\$10,000

#### **ATTACHMENT 4: Standard for Potable Water Supply**

Standard for Potable Water Supply

Information Note: If more than one dwelling is connected to the same source of water, the water system may be subject to the Drinking Water Protection Act, the Water Utility Act or other regulations pertaining to water supply systems.

Information Note: Water obtained from a stream, or non-domestic groundwater use requires a licence under the Water Sustainability Act.

- 1. Where potable water is proposed to be supplied to lots in a subdivision by an established community water system, the applicant for subdivision must provide written confirmation from the community water system that it is able to supply potable water for the permitted principal use and density to each lot.
- 2. Where potable water is proposed to be supplied to lots in a subdivision by creating a community water system, the applicant for subdivision must provide proof of all authorizations required under the Drinking Water Protection Act, the Water Utility Act or any other enactment pertaining to water supply systems.
- 3. Where potable water is proposed to be supplied to lots in a subdivision from a stream, the applicant for subdivision must provide proof of authorization in the form of a water licence confirming that the total volume of water granted to the licence holder is able to supply potable water for domestic uses at the volume specified in Table 1 to each lot.
- 4. Where potable water is proposed to be supplied to lots in a subdivision by drilled wells the applicant for subdivision must provide written certification under seal of a hydrogeologist that: a. Each well has been constructed in accordance with the Groundwater Protection Regulation; b. Each well has been constructed in accordance with Subsections 8 . 1 2 (6), 8.12(7) and 8.12(8); c. Each well hassufficient available groundwater to provide the daily required volume of potable water for the permitted domestic uses on each lot in accordance with Table 1; d. Each well for which a water licence has not been issued has sufficient available groundwater volume for all permitted non-domestic, non-agricultural, non-park, non-conservation area principal uses for each lot at the permitted density of use; and e. Includes recommendations for mitigation measures, if applicable, to ensure long-term sustainable yield of the drilled well.

TABLE 1  DOMESTIC POTABLE WATER SUPPLY STANDARDS FOR SUBDIVISION		
USE	VOLUME (per day per lot)	
Per lot (including one dwelling	2000 litres	
Each additional permitted dwelling and cottage per lot	2000 litres	

- 5. Where the potable water is proposed to be supplied to lots in a subdivision by drilled wells, for any well where a water licence has not been issued the applicant for subdivision must also provide written certification under seal of a hydrogeologist:
  - a. Results of a water quality analysis, completed by an accredited laboratory;
  - b. A plan of the proposed subdivision indicating the location where each water sample was taken;
  - c. A statement that the watersamples upon which the water quality analysis was performed were unadulterated samples taken from the locations indicated on the plan;
  - d. Confirmation, based on the accredited laboratory water quality analysis, that each proposed water supply source is potable, or can be made potable, with a treatment system; and
  - e. Confirmation, based on the accredited laboratory water quality analysis of chloride concentrations, that each drilled well is not likely to be affected by the intrusion of saline groundwater or sea water in accordance with the Province of British Columbia guidance documents.
- 6. Where a water license has not been issued and where potable water is proposed to be supplied to lots in a subdivision by a drilled well, a pumping test shall be carried out on each well in a proposed subdivision by: a. pumping groundwater, at a constant rate, for a minimum period of 12 hours; and b. withdrawing the total daily required volume specified in Subsection 8.12(4) over a maximum period of 24 hours; and c. monitoring groundwater levels continuously during the pumping test and during the recovery period.
- 7. Where potable water is to be supplied by a drilled well a sounding tube or wellhead port must be installed to enable the insertion of water level monitoring equipment.
- 8. Drilled wells used for the purposes of subdivision must not be located within 50 metres of the natural boundary of the sea.
- 9. If the daily required volume of potable water cannot be supplied in accordance with Subsection 8.12(1) or if the certification in Articles 8.12(4)(c) and 8.12(4)(d) cannot be made, the Approving Officer may nonetheless approve the subdivision provided that the applicant grants a s.219 covenant to the North Pender Island Local Trust Committee and the Capital Regional District that restricts the development of the subdivision to the uses or density of the uses for which a certification has been made under Subsections 8.12(1) or 8.12(4).
- 10. Where the certification under Article 8.12(5)(d) states that a water supply is not potable but can be made potable with a treatment system, the Approving Officer may approve subdivision provided that the applicant grants a s. 219 covenant under the Land Title Act to the North Pender Island Local Trust Committee and the Capital Regional District that requires on-going treatment of the water to potable water standards recommended by a hydrogeologist.
- 11. For the purposes of subdivision, drilled wells impacted by seawater intrusion or whose operation is likely to cause seawater intrusion are not permitted sources of potable water.

- 12. For the purposes of subdivision, alternative potable water supplies including, but not limited to, shallow dug wells, rainwater catchment and desalination are not permitted sources of potable water.
- 13. The requirements of Subsections 8.12(1) and 8.12(2) do not apply where the proposed subdivision is a boundary adjustment that does not result in an increase in the number of lots or permitted dwelling units, provided that all lots in the subdivision are currently serviced by existing wells, community water system connection or water licence.