



# STAFF REPORT

File No.: Housing Options

DATE OF MEETING: March 27, 2023  
TO: Mayne Island Local Trust Committee  
FROM: Narissa Chadwick, Island Planner  
Southern Team  
COPY: Robert Kojima, Regional Planning Manager  
SUBJECT: Housing Project Options

## RECOMMENDATION

1. That the Mayne Island Local Trust Committee request staff to schedule a Community Information Meeting on housing options.
2. That the Mayne Island Local Trust Committee endorse the recommended next steps leading to the development of a business case for 2024/25 supporting the Mayne Island Housing Options Project.

## REPORT SUMMARY

The purpose of this report is to:

- Provide an overview of housing needs on Mayne;
- Identify preliminary options for OCP and LUB amendments to address this needs; and
- Recommend next steps for the Mayne Island Housing Options Project

## BACKGROUND

Housing has been identified as a key concern on Mayne Island for over a decade. A number of steps have been taken to address housing needs on Mayne Island over the years.

In 2010 the Mayne Island Housing Options Task Force was struck to determine current and future needs for housing on Mayne Island. In their May 31, 2011 report, the Task Force identified a number of recommendations. These included: allowing accessory suites and secondary suites, zoning options for senior-friendly housing and special needs housing and permitting multi-family dwellings. As a result of this work, secondary suites were permitted in all dwellings excluding those in water service districts.

In 2019, following the direction of the LTC, staff developed the Mayne Island Housing Regulations and Policy Review Project Discussion Paper. The discussion paper included the following options:

- 1) Expand secondary suite provisions across all designations allowing residential use
- 2) Allow secondary suites on smaller parcels that have a cottage
- 3) Permit larger cottages/secondary suites
- 4) Permit tiny homes in conjunction with secondary suites/cottages
- 5) Establish density bonus incentives tied to maximum floor size
- 6) Establish OCP policies specific to smaller home communities

7) Establish density bonus provisions to reduce minimum lot size through rezoning

In 2020, the community driven “Designing the Future of Mayne Island: Strategic Plan” was completed identifying a number of goals for housing including: the implementation of the recommendations in the “Mayne Island Housing Regulations and Policy Review Project Discussion Paper”.

In 2022 Bylaws 189 and 184 were approved which:

- Increased the maximum floor area of secondary suites to 95m<sup>2</sup> (1001ft<sup>2</sup>) in all zones where secondary suites are allowed.
- Removed smaller cottage floor area on smaller lots to allow 93m<sup>2</sup> (1001ft<sup>2</sup>) to be the maximum floor area for all cottages in all zones allowing cottages.
- Introduced Flexible Housing which permits additional dwelling units within a combined maximum floor area within a pilot area identified in the Land Use Bylaw.

In 2022 Bylaw 181 and 182, enabling the rezoning of a portion of 375 Village Bay Road to allow for 10 units of multi-family rental zoning, was read for the third time. The bylaws are awaiting approval by the Minister of Municipal Affairs.

At the January 30, 2023 Mayne LTC Regular Meeting the LTC directed staff to continue with the Housing Options Project as the LTC’s one Minor Project leading up to the development of a Business Case for a major project in 2024/25.

## HOUSING NEED

The lack of housing inventory and increasing property values in recent years have made purchasing and renting housing less accessible for residents and workers on Mayne Island and throughout the Islands Trust Area.

Below is a snapshot of housing needs in the community based on a review of:

- [The 2018 Housing Needs Assessment for the Southern Gulf Islands](#);
- [2021 Statistics Canada Census Data](#) (this data is also provided in the Draft Mayne Island Housing Affordability Profile in Appendix 1);
- [The Capital Regional District’s 2022 Southern Gulf Islands \(SGI\) Housing Strategy](#);
- [Capital Regional Districts’s 2022 SGI Housing Market Analysis Report](#): and
- Survey results provided by the Mayne Islands Housing Society (MIHS) gathered through the application process for their proposed Salish Grove rental housing project (2021/22).

**Needs of seniors and families.** Mayne 2021 Census reveals that there are 30 single parent households. The number of total families with children appears to have increased by 30 since 2016 census. Of the 44 applicants for MIHS’s proposed rental housing 29% were families. About 58% of Mayne Island’s population is 60 or over. The needs of seniors on the island is more complex than affordability. In cases where seniors own properties there are interests in downsizing and continuing to age in place. There are no clear options to facilitate this process. The MIHS identified that 61% of applications for their proposed rental housing were seniors, 24% were seniors who owned homes.

**Needs of those paying over 30% of income on housing or are living in unsuitable housing.** As defined by BC Housing “housing is considered affordable when 30 per cent or less of your household’s income goes toward paying for your housing costs”. Based on a 25% sample, census statistics reveal that about 28% of households on

Mayne Island are spending more than 30% of their income on housing or live in housing that is unsuitable or in need of repair.

**Needs of employers and volunteer organizations.** The 2018 SGI Housing Needs Assessment and the CRD's 2022 SGI Housing Strategy identify the negative impact that limited affordable housing has had on the Southern Gulf Islands as well as the impact it has on volunteer services that are critical to supporting the community (e.g. fire department, community centre). The labour and volunteer force is decreasing and anecdotal evidence indicates that Mayne Island is no exception.

**Need for subsidized development of renter housing.** Census data identifies that the number of fulltime households who rent has increased from 40 in 2016 to 90 in 2021. The 2018 Southern Gulf Islands Housing Needs Assessment identifies affordable rent for an income of \$72,069 to be \$1,852 and for an income of \$30,528 to be \$763. The MIHS housing survey identifies that of the 44 applicants for rental housing 47.7% made less than \$30,000 and 41% of applicants were paying more than \$900 in monthly shelter costs. Housing is expensive to build and affordable rents won't cover costs. Wisser's Southern Gulf Island Housing Feasibility Analysis produced for the CRD, which considers maximum amortization periods and affordable rental rates, identifies dramatic funding gaps (even when cost of land is not included) for all forms of housing.

**Need for subsidized development of owner housing.** While there is a role for rental housing, particularly for seniors, for younger families wanting to be rooted in the Mayne Island community affordable ownership appears to be a preferred option. The 2018 Southern Gulf Islands Housing Needs Assessment identifies affordable purchase price for an income of \$72,069 to be \$420,000 and for an income of \$30,528 it is \$145,000. The 2021 Census identified the median value of a dwelling to be \$576,000. The CRD's SGI Market Analysis report identifies Mayne as having the lowest median of all the SGIs. However, it is important to recognize that some of the most inexpensive properties below the median are located in the red zone on Wooddale Drive where building permits are not provided unless extensive work is done to address the rock fall hazard.

**Need to increase mix of housing options.** Permitting, through amendments to Official Community Plan (OCP) policies and to zoning, the ability to build a mix of housing in a diversity of locations (using housing agreements where feasible), is the strongest tool LTCs have to support housing affordability. Housing on Mayne Island is predominantly single family detached. Secondary suites are permitted only in dwellings outside water service districts. There are no multi-family developments. However, Mayne bylaws do support housing diversity in a number of ways. There are areas that are zoned for multiple dwellings that have not been build upon. The Mayne Island Land Use Bylaw permits recreational vehicles as dwellings if they are hooked up to water and sewage. Apartments are permitted above commercial. Cottages are permitted in addition to primary dwellings on properties of a certain size in most zones. The recent flexible housing project permits additional dwellings within a combined maximum floor area for all dwellings on a lot in a pilot area. As will be identified in section below, there are more options the LTC could consider to further increase the possibility of increasing housing diversity.

## HOUSING OPTIONS

OCP policy and land use bylaw regulation and zoning options permitting housing diversity enable properties to be "ready" for potential investment by property owners, non profit and government organizations to build units that address housing need. In urban areas developers identify "ready land" as land that is most conducive to building affordable housing. Ready land in this context is land that is pre-zoned for multi-family and has adequate servicing (eg. sewage, water, road) that does not need to be developed or updated by the developer. In the Islands Trust

Area “ready land” can be considered to be land that has already been pre-zoned and land that is identified to be suitable for development (eg. has adequate water, impact to the environment will be limited).

## **First Steps for Mayne Island Related to Addressing Housing Need**

### **Identifying Suitable Land**

Understanding if land is suitable for increasing housing options involves understanding growth limits. This includes knowing if the land has adequate potable groundwater supply and the ecological impacts of increasing density. Mayne Island’s population has grown by 37% from 2016 to 2021. Water service providers have identified that increases in water use have placed pressure on water supply. According to the Islands Trust Conservancy’s Mayne Island Conservation Profile, Mayne Island is reaching its conservation threshold. The conservation threshold is identified as the point at which the number of species will begin to decline if further land is disturbed. The methodology used in the flexible housing project pilot to consider areas where groundwater sustainability is most vulnerable in addition to the Islands Trust Conservancy’s information and mapping of endangered species and sensitive ecosystems should be used for all projects that contribute to potential density increase. Determining suitability of land for density increase should also include social and economic factors including distance to services and distance to ferry.

### **Exploring Opportunities with Existing Land Zoned for Multiple Dwellings**

Mayne Island currently has land zoned for multiple units which has not been developed. These properties are:

- Seniors Citizens Housing Comprehensive Development One (CD1) Zone (360 Georgina Point Road) – Allows for eight duplexes containing two dwelling units each, and
- Comprehensive Development Two (CD2) Zone, Area B (412 Naylor Road) - Allows for up to 10 residential dwelling units, either detached or duplexes .

An important step in Mayne LTC’s process to address housing needs is to consult the owners of these properties to explore options.

A third of the property at 375 Village Bay Road will be zoned for ten units of rental housing once the Minister of Municipal Affairs approves Bylaw 181 (OCP) and Bylaws 181 and 183 (LUB) receive final approval by the LTC. Following subdivision the land zoned for multi-family will become one lot owned by the Mayne Island Housing Society (MIHS). The MIHS is undertaking work to secure funding for affordable rental housing on the property. A housing agreement will be in place to secure affordability into the future.

## **OCP Policy and LUB Regulation and Zoning Options**

OCP policies need to permit flexibility to build a diversity of housing in a diversity of locations. Creative solutions may be necessary. This could include the development of housing for workers and volunteers in areas that are not currently zoned for housing such as the Community Service Zone and parks. It also could mean supporting different approaches to housing such as RV parks or tiny home villages. Staff have identified options for OCP amendments in Table 1. Other options may emerge as the project progresses.

**Table 1: OCP Policy Options**

<b>OCP Policy Options</b>	
Option	Staff Comment
Allow rezoning for non-market housing in all land use designations	The Mayne OCP does not allow rezoning for non-market affordable housing in all land use designations without amendment of the OCP. Amending the OCP to permit non-market affordable housing rezoning applications without an OCP amendment would reduce the length of rezoning processes
Establish policies for rezoning for tiny home and RV villages	This type of zoning does not currently exist on Mayne Island and is not contemplated by the OCP. This would require identifying land that would be suitable and developing rezoning criteria.
Develop TUP Guidelines for RVs and Tiny Homes	TUP can be used to legally site RVs and Tiny Homes that do not conform to existing bylaws.
Require workforce housing as a condition of rezonings for commercial / institutions and industrial purposes	This is an increasing trend in small communities where services are being impacted by lack of housing for workers.
Review the definition of affordable housing	During the MIHS rezoning project it became apparent that there is a need for more flexibility in the definition of affordable housing. Current funders include market housing to support the ability to provide affordable rates and should be considered when defining affordable housing.
Include schedule maps identifying land more suitable for increases in housing	Including maps that identify areas most suitable for increased density would support of evaluating the impacts of both application based and LTC driven projects. The types of maps that could be added include water balance, groundwater recharge and sensitive ecosystems.
Allow strata subdivision of accessory dwelling units	It may be possible to subdivide accessory dwellings from principal dwellings under the Land Title Act. This could enable a more affordable entry-level home ownership model. Supportive OCP policies would be required.
Allow Density Transfer	Allow “densities” to be transferred out of large landlocked undeveloped areas and added closer to villages and infrastructure. The community amenity is preserving undeveloped large properties as forests. No additional amenities should be required.
Permit zoning for density bonus subdivision	This involves allowing rezoning for subdivisions of properties where two or more additional lots could be created provided a lot or lots created would be donated for affordable housing.
Allow smaller lot subdivision	It could involve reducing minimum parcel size and average lot size in some land use designations for the purposes of creating smaller, more affordable housing.

Table 2 identifies a number of Land Use Bylaw options to address housing needs. These include options such as expanding permission for secondary suites into water service areas to more detailed options such as pre-zoning for subdivision to enable a density bonus in exchange for lots donated for housing. All Land Use Bylaw options must be consistent with the OCP.

It is important to recognize that expanding permission for housing will not result in the housing being built. For example, there has been very limited uptake for secondary suites and, as mentioned previously, there is currently land zoned for density where there has been no development. However, permitting a diversity of housing in suitable areas “makes ready” the land for opportunities that may emerge.

**Table 2: Land Use Bylaw Options**

<b>Land Use Bylaw Options</b>	
<b>Subdivision</b>	
Option	Staff Comment
Subdivision density bonus	If there is suitable land close to services the LTC could introduce density bonus regulations that establish a base permitted lot density, as well as a provision for additional density in exchange for the contribution of a lot or lots for affordable housing.
<b>Targeted Rezoning</b>	
Review zoning of properties that are currently zoned for multiple dwellings.	These properties are identified in the previous section of this report. As they are already zoned and designated for multiple dwellings the zoning and associated regulations could be amended to address current housing needs and opportunities.
Amend zoning to allow for small scale density bonus in appropriate locations	This would involve rezoning specific properties for subdivision into smaller lots to create additional properties in exchange for donation of a lot to a non profit or government organization that builds affordable housing (eg. Habitat for Humanity or the CRD).
Rezoning existing rural lots to settlement residential	There may be rural zoned land that is suitable for increased density and bordering settlement residential rezoning could be considered.
<b>Zoning to increase small scale density</b>	
Permit secondary suites in all residentially zoned areas	When the secondary suites regulation was introduced water districts were excluded. This could be revisited
Expand permission for ADUs to smaller lots	Currently an ADU is not permitted on lots under 0.6ha outside of the Flex Housing pilot area.
Expand flex housing	There may be suitable areas where flex housing could be expanded (e.g. water districts and larger lots).
Allow more zones to have some measure of housing outright	Allowing housing in zones such as community service, commercial zones, education and health care could facilitate more worker and volunteer housing. The LTC would use the analysis of suitable location to determine where.
<b>Zoning to increase larger scale density</b>	
Pre-zone for manufactured/mobile/ tiny home parks	If the LTC identifies land appropriate for a manufactured or tiny home village it can pre-zone the land for that use.
Multi-family inclusionary zoning	If there are suitable areas the LTC could consider zoning for multi-family density, with the requirement that units for affordable housing be donated/restricted at a certain ratio to new market units created, including restricting new units to rental tenure
<b>Zoning –size and siting</b>	
Increase building height/storeys	The LTC could increase the permitted height of, or number of storeys for buildings. This may include commercial or community service areas where residential units could be built above other uses
<b>Zoning –Workforce Housing</b>	
Require workforce housing as a condition of commercial/ industrial/institutional zoning	Commercial/Industrial/Institutional zoning could be amended to require the provision of a certain number of employee housing units. This is currently required in some locations.

## RECOMMENDED NEXT STEPS

The recommended next steps for the LTC are as follows:

**March 27<sup>th</sup> LTC Regular Meeting** – LTC to consider housing needs and housing options report and consider requesting staff organize a community information meeting to engage the community in reviewing housing need and reviewing and prioritizing options.

**April CIM** – The purpose of this meeting would be to provide the opportunity for the LTC and the community to prioritize options. Options additional to those identified in the table may be added. Note that staff are in the process of organizing a date in April to for the LTC to meet with Habitat for Humanity.

**May 29<sup>th</sup> LTC Regular Meeting** – Staff to provide the LTC with a housing option project plan based on the prioritized options to include targets based on options chosen.

**June 26<sup>th</sup> LTC Regular Meeting** – Staff to provide a draft business case to the LTC, based on the housing options project plan, to be submitted for review by the Regional Planning Committee to be included in Trust Council 2024/25 budget and staff allocation decisions.

### Rationale for Recommendation

While the Mayne LTC has progressively addressed housing needs through a number of different projects including secondary suites and flexible housing, there are many more options that could be considered to support housing needs. A community information meeting would provide the opportunity for the community to review, comment on and help prioritize options. By creating a project plan that spans a number of years, the LTC will be able to implement options in a strategic and methodical way. Having the Trust Council consider the Mayne Island Housing Options Project as a major project for 2024/25 will provide the LTC with the ability to address the LUB Minor Amendments Project from September 2023-April 2024.

### ALTERNATIVES

1. The LTC could decide not to hold a community information meeting to discuss and prioritize options. The LTC may decide to invite community engagement in other ways. The LTC would need to identify to staff their preferred process for engaging the community
2. Following the development of the Housing Option Project Plan the Mayne Island Local Trust Committee could decide to address the “low hanging fruit” as minor projects in succession. As LTC’s can only have one active minor project the Minor LUB Review would need to be delayed.
3. The LTC could choose not to move forward with the Housing Options Project at this time.

Submitted By:	Narissa Chadwick, Island Planner	March 14, 2023
Concurrence:	Robert Kojima, Regional Planning Manager	March 16, 2023

### ATTACHMENTS

1. Mayne Island Housing Affordability Profile



# Mayne Island Housing Profile

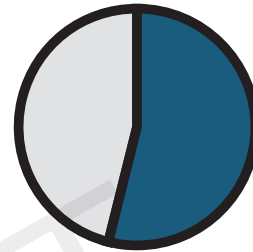
Population and Dwelling Characteristics	2021 Census
Total population	1,304
Population over 60	750
Population change 2016-2021	+ 37%
Total private dwellings	1,292
Change in dwellings 2016-2021	+ 6%
Private dwellings occupied by full-time residents	706
Private households	760
Household couples with children	80
One parent households	30
Median income of individuals**	\$34,000
Median income of households of 2+**	\$80,000
Households spending 30% or more of total income on housing *	105
Households in housing that is unsuitable or in need of repair*	215

Renter Households	
Full-time households who rent*	90
Median monthly shelter costs*	\$800
% tenants in subsidized housing*	0%
% tenants spending 30% of more on shelter*	29.4%

Owner Households	
Full-time households who own*	670
Median monthly shelter costs*	\$556
Median value of properties	\$576,000



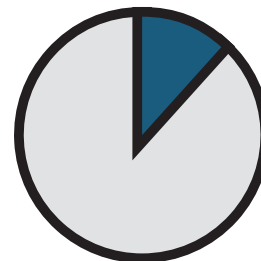
**55%**  
Full-time Occupied  
Dwellings



**58%**  
Population  
of age 60+



**31%**  
Households  
spending 30% +  
on housing and/  
or are in housing  
unsuitable or in  
need of repair.



**12%**  
Residents who rent

**88%**  
Residents who own

\* Based on 25% sample data (Census)

\*\* Before tax income (Census)