



File No.: File Number(s)
(File Name or Cross Ref. No.)

DATE OF MEETING: July 28, 2023

TO: North Pender Island Local Trust Committee

FROM: Robert Kojima, Regional Planning Manager
Southern Team

COPY: Brad Smith, Island Planner

SUBJECT: Housing Access and Affordability Project – Preliminary Report

RECOMMENDATION

1. **That the North Pender Island Local Trust Committee endorse the attached business case for the Housing Access and Affordability Project and that staff forward the business case to the relevant committees and to Trust Council.**

REPORT SUMMARY

The report attaches a draft business case for the allocation of funding and staff resources for a Housing Project for the next fiscal year. The report also provides a preliminary timeline for the project.

BACKGROUND

At the May meeting the LTC adopted the LUB (Bylaw 224) and proposed two new projects: one minor project to update DPA designations, and to request funding for a Major project for housing. The following resolution was adopted:

NP-2023-074

It was Moved and Seconded,

that the North Pender Island Local Trust Committee establish housing as a Major Project and direct staff to develop a draft Project Charter and Business Plan for July 28, 2023 Local Trust Committee meeting.

A Major Project is any LTC project that is anticipated to require a budget over \$5,000 in any given fiscal year. These projects would be supported by a planner from the Regional Planning Team and are required to have a business case approved by Trust Council. The LTC was advised to endorse a business case by July in order to have it reviewed by Regional Planning Committee and by the Financial Planning Committee in their October and November meetings. The Financial Planning Committee’s recommendations on the business case would then be considered at the December Trust Council for inclusion in the budget for the following fiscal year.

While development of a project charter is premature prior to the project being funded and the LTC deliberating on the scope of initiative, staff have developed the attached draft business case to support funding for a Housing review as a Major LTC Project.

ANALYSIS

Lack of affordable housing has long been a concern of the North Pender community. Previous local trust committees have taken actions such as permitting secondary suites and limiting and regulating short term vacation rentals as discrete initiatives. Housing is also a priority in Trust Council's strategic plan and is a priority of the Regional Planning Committee. There are a number opportunities and initiatives that would support an LTC housing project in the next fiscal year:

- The RPC is developing a housing toolkit that provides an inventory of policy and regulatory options along with supporting information. It is anticipated to be completed in September.
- In addition, RPC is supporting the development of land use suitability mapping that would incorporate data sets such as recent groundwater mapping to identify areas that may be more suitable for additional housing.
- The Southern Gulf Islands Housing Needs Assessment will be updated in 2024.
- Currently two other LTCs are undertaking housing projects (Mayne, Denman) along with an OCP/LUB Review with a strong housing focus (Gabriola). All three projects are being managed by the same Regional Planning Team planner.
- The CRD Board has adopted a Southern Gulf Islands Housing Strategy and the Southern Gulf Islands Economic Sustainability Commission has supported initiatives to encourage housing affordability
- There are anticipated to be continued funding opportunities from senior levels of government related to housing.

Staff are proposing that, if the project is supported by Trust Council, it proceed in three phases over two fiscal years:

1. The first phase to establish the scope of the project, gather data and research, and to engage in consultation with the community, First Nations, and stakeholder groups.
2. The second phase for the LTC to review the results of consultation, consider options and give direction to draft bylaw amendments and to draft a housing action plan.
3. The third phase to undertake consultation on draft bylaws and housing action plan, and proceed with the legislative steps to amend the OCP and LUB.

Potentially a fourth phase could include implementation of non-regulatory housing action plan items. This could be considered as a separate project.

Staff are proposing a budget for fiscal year 2024-25 of \$10,000. This would principally be for the costs of engagement and consultation, along with a contingency amount. This is consistent with funding for consultation for other LTC housing initiatives and includes the fact that much of the research and analysis has been, or will be, completed by RPC or for other LTC's housing initiatives. If the project proceeds as proposed, a similar budget request would be anticipated for the following fiscal year.

A draft timeline is as follows, this would be reviewed, revised and expanded by the LTC during the scoping of the project and the development of the project charter:

DRAFT PROJECT WORK PLAN	
Milestone	Target Dates
Pre-Project	2023
LTC endorsement of Business Case, forwarded to Committees	July
Committees and Trust Council consideration of business case	Sept – Dec
Project Initiation	2024
LTC scoping of project, development of engagement plan and development of Project Charter	Feb – May
Research, data gathering and presentation	March - May
Phase 1: Consultation	2024
First Nation, stakeholder group, and public consultation	May - Dec
Phase 2: Drafting	2025
LTC Review of consultation results and policy options	Jan - March
Direction to draft bylaws and a housing action plan	March
Phase 3: Legislative	2025
LTC Review of draft bylaws and housing action plan	April - June
Referrals, Community Information Meeting(s), revisions and first reading	June - Sept
Community Information Meeting/Public Hearing	Oct
3 rd reading, Executive Committee, Minister	Oct - Dec
Phase 4: Implementation	2026
Communications and implementation	Jan - March

Rationale for Recommendation

Staff are of the opinion that the project as outlined in the business case is feasible, subject to the availability of planning staff and funding from Trust Council. This is supported by the on-going experience with other LTC housing initiatives. In the alternative, the LTC could consider undertaking a housing review as the LTC's minor project, supported by the Island Planner, with a more limited project scope.

ALTERNATIVES

The LTC may consider the following alternatives to the staff recommendation:

1. Request further information

The LTC may request further information prior to making a decision. Staff advise that deferring endorsement of the business case may result in committee deadlines being missed.

That the North Pender Island Local Trust Committee request that...

2. Revise the business case

If the LTC wishes to revise some aspects of the business case, staff recommend that direction be given to make changes and to forward to the relevant committees with the revisions:

That the North Pender Island Local Trust Committee request that staff revise the Housing Business Case by... and submit the revised Business Case to the relevant committees.

3. Not Proceed with the Project

The LTC may choose to not proceed with the project.

4. Proceed with the initiative as a Minor Project

The LTC may request that staff report back with options to proceed with the initiative as the LTC's Minor Project.

NEXT STEPS

If the business case is endorsed, staff will forward it to the Regional Planning Committee and Financial Planning Committee for consideration.

Submitted By:	Robert Kojima, Regional Planning Manager	July 13, 2023
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ATTACHMENTS

1. Draft Business Case



**Budget Funding Request
Short-Form Business Case**

Completion of this form initiates a request to the management team, RPC, FPC, and ultimately Trust Council for allocation funding in the next fiscal year budget. The form is to be completed and submitted at the start of the decision making process. The business case forms part of the Annual Budget Process (refer to Islands Trust Council Budget Process Policy 6.3.i).

TO BE COMPLETED BY INITIATOR

<p>Initiated by (name, title): Robert Kojima, Regional Planning Manager On behalf of the North Pender Island Local Trust Committee</p>	<p>Budget Source (select all that apply):</p> <p><input checked="" type="checkbox"/> Specific Project Funding (select all that apply)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Third Party Contractors <input type="checkbox"/> Staff Travel Expense <input type="checkbox"/> Staff Overtime Expense <input type="checkbox"/> New Staff Member – Temporary for project <input type="checkbox"/> Computer Hardware/Software
<p>Business Area: NPILTC - Planning Services</p>	<p><input type="checkbox"/> Furniture & Equipment</p>
<p>Name of Request: North Pender LTC Housing Access and Affordability Project 2024-25 Phase 1 - \$10,000</p> <p>NP-2023-074 It was Moved and Seconded, that the North Pender Island Local Trust Committee establish housing as a Major Project and direct staff to develop a draft Project Charter and Business Plan for July 28, 2023 Local Trust Committee meeting.</p> <p style="text-align: right;"><u>CARRIED</u></p>	<p><input type="checkbox"/> Computer Hardware/Software/Supplies</p> <p><input type="checkbox"/> New Staff Resources (see Staff Costing Tool)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Permanent <input type="checkbox"/> Temporary <p style="text-align: right;">Temp Duration: _____</p> <p><input checked="" type="checkbox"/> Other – please describe: _____</p> <p>For fiscal year 2024-25:</p> <ul style="list-style-type: none"> - Community consultation, First Nations consultation, support for advisory bodies, legal and contingency
<p>Date of Funding Request Submission:</p>	<p>Funding Required for (date range): April 1, 2024 – March 31, 2025</p>
<p>ISSUE/OPPORTUNITY: The North Pender Island Local Trust Committee has identified access to affordable housing as a priority issue. The request is to fund a Major Project to engage in community consultation, to consult with First Nations, to engage with stakeholder groups, to review housing options and to undertake amendments to the OCP and LUB</p>	

and development of a housing action plan to improve access to affordable housing in the community. This project would be consistent with Islands Trust Council Strategic Plan Goal to “Strengthen housing affordability throughout the Trust Area”. It would also utilize the recent completed housing toolkit prepared on behalf of the Regional Planning Committee. A Housing Strategy for the Southern Gulf Islands was recently adopted by the CRD Board. Housing related initiatives are currently underway in several other local trust areas and this project would apply and build on options, experiences and lessons from those initiatives. As a Major Project, the initiative would be managed by a planner from the Regional Planning Team, bringing experience with similar projects in other local trust areas.

PROJECTED RESULTS/DELIVERABLES: the project would result in amendments to the OCP and LUB that would provide opportunities and options to create more housing diversity and affordability. A Housing Action Plan that includes non-bylaw actions could also be developed.

RISK ASSESSMENT: There are several contingencies that could negatively affect the project outcome or deliverables:

1. Lack of staff resources: the regional planning team may not be able to support the project due to other on-going projects or staff shortages
2. First Nations’ capacity and timing may not align with project timelines
3. The LTC may choose to not proceed with amendments
4. Costs may exceed the budget due to consultation or other factors

ALTERNATIVES CONSIDERED:

Option 1: Status quo: housing affordability will continue to be eroded in the community

Option 2: Proceed with the initiative as a Minor LTC Project – this would limit the project budget to a maximum of \$5,000 per fiscal year. However, with the availability of the housing toolkit and experience from other local trust areas, staff consider this a viable alternative. If timing is a consideration, the LTC could proceed with the initiative as a Minor Project in the current fiscal year.

Option 3: Defer: the project could be deferred to a future fiscal year, potentially including in the initiative in a more comprehensive OCP/LUB review.

CRITICAL SUCCESS FACTORS:

The project would be considered successfully completed if relevant amendments to the OCP and LUB are adopted. Ultimate success would be measured over the longer term through improvements to housing options, accessibility and affordability.

RECOMMENDED OPTION: The recommended option is to fund the initiative as a Major LTC Project at the requested amount of \$10,000 for the coming fiscal year. This provides sufficient funding for consultation and for project management by a Regional Planning Team planner. The alternative is for the LTC to proceed as a Minor Project.

COST/BENEFIT ANALYSIS:

Quantitative Analysis: \$10,000 for fiscal 2024-25 for phase 1

- Consultation (APC, First Nations, stakeholders, community, communications) - \$8,000
- Contingency - \$2,000

Qualitative Analysis: project would benefit from efficiencies associated with similar projects in other LTA and build on those experiences.

PURCHASING PROCEDURE: N/A

PROPOSED IMPLEMENTATION STRATEGY:

The project is proposed to be completed over two fiscal years, with phase 1 primarily consisting of consultation and review of options and phase 2 consisting of drafting and review of bylaws, legislative process, and implementation.

STAFF RESOURCING:

The project would be managed by a planner assigned from the Regional Planning Team, estimated at 0.25 FTE, with support from the RPM (up to 0.10 FTE), admin support (0.10 FTE) and support from the Senior Indigenous Relations Advisor, the Senior Freshwater Specialist, mapping and communications staff as needed.

CHANGE MANAGEMENT/COMMUNICATIONS/COLLABORATION: N/A

Robert Kojima, Regional Planning Manager

Initiator Name, Title

July 13, 2023

Date

Reviewed by Department Lead: Name, Title

Date