



PATHWAYS TO AFFORDABLE HOUSING ON SALT SPRING ISLAND



KEY CONSIDERATIONS FOR THE OFFICIAL COMMUNITY PLAN AND ZONING UPDATE

AUTHORED BY POSITIVELY FORWARD

TABLE OF CONTENTS:

Part 1: Who we are and our vision for affordable housing on Salt Springpage 2

Part 2: A roadmap for bringing more affordable housing to Salt Spring.....page 2

Part 3: Recognizing the barriers to building affordable housing on Salt Spring.....page 4

Part 4: Recommendations on updating the Official Community Plan and Land Use
Bylaw to support affordable housing consistent with the Trust mandate.....page 6

PART 1: WHO WE ARE AND OUR VISION



Positively Forward (PF) is a collaboration by Salt Spring residents committed to research and advocacy that advance improved governance on the island, upholding the principle of separation of land-use planning authority of the Islands Trust from the delivery of other community services.

Like many in our community, we are deeply concerned about the severe lack of affordable housing on Salt Spring. This shortage affects essential services, makes it harder for businesses to operate, and forces valued members of our community to leave. A healthy, vibrant community depends on having people of all ages, incomes, and backgrounds—something that is increasingly difficult to sustain without adequate housing.

This is why we strongly advocate for a significant increase in affordable housing on Salt Spring. We believe the most effective way to achieve this is by expanding subsidized, non-market rental housing—homes that remain affordable through legally binding agreements, or other protections. The private market alone cannot solve this crisis. Instead, we must learn from and build on the successes of local non-profits already providing affordable housing on the island.

At the same time, we recognize that Salt Spring is unique under the Trust Act and differs from municipalities. Some affordable housing solutions used elsewhere, such as broad rezoning to allow second residences on all properties, may not be appropriate here.

Our community—and the ecosystems we depend on—are facing increasing pressures at every level, from global to local. Addressing affordable housing will require collaboration among community groups, shared goals, and strong leadership from elected officials. We hope this document helps move Salt Spring toward a more sustainable and inclusive future.

PART 2: A ROADMAP TO AFFORDABLE HOUSING



PF recommends these steps be followed as soon as possible:

1. Establish an Independent Housing Oversight Body

A dedicated organization should be identified, or created, to manage housing agreements, ensure rentals remain affordable, and prevent speculative development. The Islands Trust and Capital Regional District (CRD) should work together to facilitate housing projects and focus funding on non-market housing that guarantees long-term affordability.

2. Expand Rental Matching and Support Services

- Strengthen existing programs that connect homeowners with renters in need.
- Support non-profit organizations in developing affordable housing.
- Continuously gather data on program effectiveness to improve and expand housing solutions.

3. Create a Housing Trust for Sustainable Funding

A federal housing trust or charity should be established to accept private donations of funds and land. This would provide long-term financial support for community housing projects. Funds could be used for feasibility studies, construction, and ongoing maintenance of affordable housing.

4. Advocate for the Province to allow CRD to levy a small one-time excise tax (not an ongoing property tax) when a property is sold to create a fund to build affordable housing.

Currently San Juan County, that includes the San Juan Islands levies a .05% tax when a property is sold. Our tax could apply only to sales of properties valued at over a certain amount so as not to raise the cost of moderately priced properties. The tax could be paid by the buyer or seller or a combination of these. Dedicated funding would help speed construction of affordable housing projects.

5. Address the Impact of Short-Term Vacation Rentals (STVRs)

- The Salt Spring Local Trust Committee should clarify which properties can legally operate as STVRs.
- The Trust should consider the Provincial vacation rental enforcement program to encourage more long-term rentals. (This has now been done.)
- A local study should assess the impact of STVRs on housing availability and help shape necessary regulations.

6. Provide Transparent Housing Needs Data

- Identify and quantify housing needs across different income groups, including workers and retirees.
- Regularly update data collection to determine precise housing shortages and inform future planning.

7. Develop Housing for Essential Workers

- Address the lack of housing for workers who earn too much for subsidized programs yet still struggle to find affordable homes.
- Develop middle-income rental housing options so essential workers—such as healthcare providers and service staff—can live in the community they serve.



PART 3: BARRIERS TO AFFORDABLE HOUSING



1. Community Division.

Sadly, a key barrier to generating workable and sustainable solutions to the island's housing scarcity and affordability has been community division.

This division has its roots in a false narrative adhered to by some, one in which support for protection of the environment is judged as being inherently against any development. A housing vs the environment dichotomy frequently clouds our public discourse and polarizes groups in pursuit of solutions to a community wide problem of enormous proportions. This inevitably inhibits progress.

While groups such as Transition Salt Spring are endeavouring to activate a multi-faceted approach to finding common ground around the housing crisis, others have proposed solutions creating high expectations without providing supporting evidence that what they propose can actually work here, given the unique characteristics of Salt Spring Island.

2. Lack of Data.

The lack of data regarding upzoning in rural areas such as Salt Spring Island with limited resources and infrastructure is a barrier that needs to be addressed. Those studies that exist – including studies from the USA and New Zealand, are in urban or suburban contexts. And even these have thus far failed to show that stable, affordable housing in the long term results from up-zoning unless restrictions are in place to assure permanent affordability. Most also note that there are many potential liabilities, which range from raising property values and encouraging property speculation to an increase in vacation rentals and changes in neighborhood character.

Research done on Cortes Island indicates that most data on the effects of upzoning for provision of affordable housing has been done in urban areas and a lack of research exists on its impacts in rural communities.¹

We believe that the first step to solving the housing crisis is to identify and understand the real barriers that prevent affordable housing from being built. A responsible, fact-based approach is essential to achieving meaningful progress.

3. Lack of Funding

One of the biggest barriers to affordable housing is funding. Several local non-profit groups already own land zoned for multi-unit housing, but they cannot proceed without financial support.

These groups need funding not only for construction but also for assessments and feasibility studies, which are often required before they can apply for grants. Additionally, Salt Spring competes with larger communities for limited government funding, making it harder to secure resources.

Government housing programs also impose income limits on most units they fund, leaving few units for middle-income workers—such as hospital staff and government employees. A dedicated Housing Trust Fund could help secure stable financial resources and bridge this gap.

¹ <https://cortescurrents.ca/residential-upzone-proposal-for-cortes-island/>

4. Limited Water Availability

Another major challenge is the lack of potable water.

The most cost-effective way to build affordable housing is through multi-family developments, ideally located near Ganges Village, where people have access to jobs and services. These areas also benefit from existing water and sewage systems. However, the North Salt Spring Waterworks District (NSSWD) has historically lacked the capacity to serve new developments.

Although NSSWD may have more water supply in the coming years, there is no guarantee that this water will be reserved for affordable housing. This issue needs to be addressed so solutions can be found.

Beyond Ganges, hundreds of homes rely on small private water systems, many of which are already facing shortages. Others depend on wells that tap into groundwater, which is unpredictable and can be affected by new developments. Some areas of the island are already seeing wells run dry, and climate change is expected to make the problem worse.

Rainwater collection is sometimes suggested as an alternative, but it is extremely expensive and not always practical. Some estimates suggest that a single-family home would need 30,000 gallons of storage to get through the dry season.

5. Rising Construction Costs

Inflation has significantly increased construction costs in recent years. Since 2019, costs have risen by over 30%, making it harder for non-profits and small builders' projects.

Although using local construction companies could lower costs, many struggle to meet insurance requirements for government-funded housing. Off-island contractors charge even more due to travel and transport expenses.

6. Lack of information on how much development is allowed by current zoning.

The Official Community Plan (OCP) written in 2008 estimated that Salt Spring could support a population of about 17,000 under current zoning. However, the 2021 census² recorded a population of only 11,635, including 235 people living in movable dwellings. This number likely undercounts many people without stable housing and does not account for new construction since the census was taken.

To plan for future housing, we need a clear "Build-Out" estimate—a calculation that includes total dwellings allowed under current zoning which would include:

- developed lots
- undeveloped lots, including potential new lots that could be created by subdivision under current zoning
- the number of dwellings allowed per lot in each residential zone

By multiplying these numbers by average household size, we can get a realistic estimate of Salt Spring's possible future population. This data is crucial for effective planning.

² <https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/details/page.cfm?Lang=E&SearchText=Salt%20Spring%20island&DGUIDist=2021A00055917027&GENDERlist=1,2,3&STATISTIClist=1,4&HEADERlist=0>

7. Learning from Past Successes

Despite ongoing challenges, Salt Spring has made some progress in developing affordable housing. Today, there are 127 affordable housing units on the island—all built when costs were lower. An additional 46 units are either under construction or about to begin. Several non-profits own land that is already zoned for multi-unit housing but cannot move forward because of the barriers outlined above.

Recognizing what has worked in the past and learning from successful projects will be key to overcoming current challenges and making meaningful progress toward affordable housing.

PART 4: POLICY RECOMMENDATIONS FOR UPDATING THE OFFICIAL COMMUNITY PLAN AND LAND USE BYLAW



1. Inform the Community About the Real Barriers to Affordable Housing

Some materials circulated through the OCP-LUB update project have misidentified the main causes of Salt Spring's housing crisis, blaming it on a perceived lack of government coordination and excessive regulations. However, the building code exists to protect residents, and the real obstacles—such as lack of funding, water scarcity, and infrastructure limitations—must be clearly communicated to the public.

Consultants, committees, and community members should receive fact-based materials that accurately explain these barriers so that informed decisions can be made.

2. Retain OCP Policy B.2.1.2.1 to Limit Uncontrolled Growth OCP Policy B.2.1.2.1 states:

"Zoning changes should be avoided if they would likely result in a larger island population than is expected under the development potential zoned in 2008. Exceptions to this policy are to be few and minor and only to achieve affordable housing and other objectives of this Plan."

Salt Spring's natural environment and community character depend on controlling population growth. Every resident impacts the island's resources, waste management, and services. Long-term planning is essential to ensure that Salt Spring remains sustainable—not just for the present, but for future generations.

3. Do Not Allow Blanket Upzoning for ADUs (Accessory Dwelling Units (Bylaw 530)

A proposal under Bylaw 530 suggested allowing most residential property owners to build and rent out additional dwellings (such as in-house suites or cottages). While this may sound like a solution, the bylaw did not include safeguards to ensure that these new units would actually be affordable or available to local workers.

This approach presents several risks:



- Minimal impact on affordability: High construction costs and rental market risks mean most homeowners would likely use additional units for family, guests, or short-term rentals, rather than for affordable housing.
- Rising property values and taxes: Upzoning increases land values, making property even more expensive and driving up taxes for current owners.
- No rent controls: There were no measures to ensure affordability, meaning new rental units could still be priced out of reach for most local workers.
- Lack of enforcement on short-term rentals: While the proposed bylaw 530 technically banned short-term vacation rentals (STVRs) in secondary units, the Islands Trust admitted it could not effectively enforce this rule.
- First Nations concerns: The Tsawout First Nation opposed Bylaw 530, stating that it would increase environmental degradation and exceed the carrying capacity outlined in Salt Spring's Official Community Plan. The Islands Trust has committed to First Nations reconciliation, so these concerns must be addressed before any similar bylaw is pursued.
- Water supply limitations: While property owners must show they have enough water before building, there are little protection for existing wells. More development could worsen water shortages, particularly in rural areas.
- Unsafe rentals would persist: Many landlords who rent out trailers and unpermitted units would be unlikely to upgrade to legal, code-compliant housing if required.
- Encourages sprawl instead of smart growth: Expanding development across the island contradicts the Climate Action Plan 2.0, which promotes compact, sustainable development in existing village centers.

4. Ensure Fair and Inclusive Public Consultation

Public input on changes to the Official Community Plan must be inclusive and transparent:

- All community groups must be allowed to participate. This has not always been the case.
- Experience should be valued. Volunteer work and local knowledge should be considered equal to professional expertise when forming advisory and working groups.
- Environmental studies must be included. Decision-makers should be provided with current research on Salt Spring's ecosystems, such as the study by David Rapport (2007), which highlights water availability and habitat sustainability.

5. Host a Public Forum for Open Discussion

Public engagement should not be limited to “open house” events, which restrict discussion and prevent a true exchange of ideas. Instead, a structured community forum should be held where:

- Residents can speak freely and ask questions.
- Experts can provide fact-based responses and correct misinformation.

For the OCP/LUB update to reflect the community’s true vision, we need a meaningful, inclusive, and informed public dialogue—not just a series of isolated presentations.

CONCLUSION

Salt Spring Island stands at a crossroads. The demand for housing is urgent, but uncontrolled development is not the answer. Sustainable, affordable, and legally protected rental housing is possible with proper oversight, community support, and responsible policy changes made within the context of the Trust mandate to preserve and protect our natural environment.



We respectfully present this report to the community and elected officials in the hope that it will spark substantive discussions on how to accelerate the creation of affordable housing—especially for island workers. This is a critical need, and progress will come sooner if we all work together in support of the most effective solutions.

POSITIVELY FORWARD

EMAIL: info@positivelyforward.ca

WEB: positivelyforward.ca