

**Denman Community Land Trust Association (DCLTA)
ANNUAL REPORT**

**Submitted for AGM Sept. 11, 2022
By Co-Chairs Stephanie Slater and Doug Olstead**

Pepper Lane Seniors Affordable Housing Project

The DCLTA continues to focus on work to create an independent living complex for low-income seniors (age 65 or older). The Pepper Lane project (Pepper after the family who originally lived on the site and Lane to reflect the laneway entry) will be centrally located in the Denman village area (behind the Guest House). It will be both financially and physically accessible, allowing residents to age in place as long as possible.

Pepper Lane is the second affordable housing project undertaken by the DCLTA. The first is a single-family residence on Chickadee Place. However, the primary focus of our organization's work (since 2014) has been on Pepper Lane. The following project milestones have been achieved since the last annual general meeting, which was held June 15, 2021:

- The Minister for Municipal Affairs approved the amendment to a Land Use Bylaw created specifically for this project by the Islands Trust, along with the accompanying amendment to the Denman Island Official Community Plan. The Islands Trust is expected to adopt the bylaw and plan at its meeting later this month.
- Provincial approval of these amendments paved the way for the DCLTA to proceed with plans to buy the land from island resident Bev Severn. A lawyer has been engaged to coordinate all the requirements from the regulatory bodies, which include the Agricultural Land Commission (ALC), Islands Trust, BC Hydro, and the Ministry of Transportation and Infrastructure (MOTI)
- Pledges from Island residents to support the land acquisition were called in in September, 2021. All pledges were honoured, bringing in just over \$26,000 to the Acquisition Fund, which had already accumulated \$77,000. The DCLTA was also fortunate to receive two anonymous donations - of \$35,000 and \$20,000 respectively - and these allowed our organization to renegotiate the purchase price with the landowner, increasing it to \$130,000 in recognition of increased land values since the first purchase agreement of \$100,000 was negotiated in 2014.
- In October we received a \$1,000 grant from Denman Works which will be used to help build some of the required fencing.
- In March of this year the DCLTA joined the BC Non-Profit Housing Association.

- In February we signed contracts with Herold Engineering and RB Engineering in preparation for meeting civil engineering and electrical consulting needs.
- The current four-acre property needs to be subdivided to create two strata lots and a shared lane. On Feb. 8, 2021 the Ministry of Transportation and Infrastructure gave approval to this subdivision subject to a number of conditions. All of these conditions have now been met, including:
 - Design of a septic treatment system by an approved designer
 - Negotiation and approval of a registrable covenant requiring that there be no occupancy until the septic system is installed
 - Installation of a drilled well that meets the level required for water consumption
 - Confirmation that access for emergency vehicles is adequate as required by the Denman Island Fire Department
 - Completion of the Strata Plan, Covenant Plan, and Topographic survey
 - Design of a Stormwater Management plan
- Conditions from other agencies have also been met, including fencing and planting of trees, shrubs and ferns, as required by the ALC and with the support of \$10,000 raised from the community. More of this work is required and will be carried out before and after building construction
- DCLTA convened two community focus groups – prospective residents and island health professionals – to inform housing design/strategies.
- We have drafted a design concept, which is required in order to apply for funding.
- In January, we were advised that our exemption from paying annual property taxes for our land at Chickadee Place was to be revoked. The DCLTA and other similarly-affected non-profit organizations protested to their MLAs and in March the Authority restored the exemption for those organizations that had previously received it. What isn't clear is how Pepper Lane will be treated once we become owners of the site. There is apparently a review of the tax legislation and we are optimistic it will be amended to make certain that affordable housing projects like ours will be free from this tax.
- There has been ongoing liaison with political representatives, including Islands Trust trustees Laura Busheikin and David Critchley, CVRD Area A director Daniel Arbour, MLA Josie Osborne, and MP Gord Johns.
- DCLTA has 112 current members as of Sept. 6, 2022 (membership is by an annual fee of \$10).

Construction Funding

At the 2021 AGM, we reported that the board had had discussions with both BC Housing (BCH) and the Canada Mortgage and Housing Commission (CMHC) and both agencies were highly supportive, offering the prospect of a combination of grants and low-interest loans. In fact, CMHC gave the DCLTA \$40,000 in seed funding (half in the form of a grant, half as a loan).

At the time, our board was buoyed by the encouragement from our BC Housing representative, who was confident the agency would be able to contribute to construction funding (anticipated to be \$2.5 to \$3 million) without waiting to go through the formal funding application process that occurs approximately every three years and is generally geared toward much larger projects.

However, BC Housing underwent a review of its programs and the result is that we are informed we will need to apply to its Community Housing Fund when BCH next calls for proposals – probably in 2023.

This was discouraging news; however, our board remains committed to building these much-needed homes and we decided to proceed with the land purchase in order to further demonstrate that commitment.

Our next steps are to proceed with pre-construction work as far as our existing funding allows. We are also pursuing pre-development funding from BC Housing and continuing to work with them and CMHC and other potential funders and lenders to explore every possible funding option. This will include asking the Denman Island community for continuing financial support to seed a construction fund (stay tuned!).

Conclusion

We wish to acknowledge the board of directors of the DCLTA. They are a group of dedicated, capable and experienced people who are a pleasure to work with. We also wish to thank volunteer bookkeeper Virginia MacCuspig and former board member John Mather, who undertook a significant fencing project on a volunteer basis.

We are also grateful to our members, donors and others for your past support. We hope that you will continue to help us champion this very necessary addition to the Denman Island community.

Thank you,

Doug Olstead, Stephanie Slater
DCLTA Co-Chairs

For more information, see: <https://www.pepperlane.org>