

**VIA EMAIL**

December 20, 2021

Mr. Rob Conway  
Director of Planning and Building  
Municipality of North Cowichan  
730 Trans-Canada Highway, PO Box 278  
Duncan BC, V9L 3X4

Mr. Robert Barrs  
Principal  
MODUS Planning, Design & Engagement  
#207 – 55 East Cordova Street  
Vancouver, BC V6A 0A5

Dear Mr. Rob Conway and Mr. Robert Barrs:

**RE: North Cowichan’s Official Community Plan Update**

**INTRODUCTION**

On behalf of District Development Corp., we provide this letter as our detailed formal response to North Cowichan’s draft Official Community Plan (OCP) published on Monday, November 8, 2021. We have been observers of the OCP review process to date and we have reviewed the draft material in detail. Accordingly, we have a number of constructive comments and potential concerns about how the OCP process impacts the North Cowichan community as a whole.

**PROCESS AND TRANSPARENCY**

Our goal is to provide meaningful constructive feedback as we understand the complexity of an OCP review process and its associated public engagement. Over the past 20 years we have been involved in numerous Official Community Plan processes throughout British Columbia, hosted many public forums, open houses and conducted countless surveys. Our specific comments and concerns with respect to process and transparency are as follows:

- The surveys during this OCP process didn’t require names or a completeness test. For transparency, raw results need to be available to the public.
- We are concerned that we have not been formally engaged by either of yourselves nor planning staff throughout this process. We believe this is significant as we have a major rezoning application within the Bell McKinnon Area Plan that is severely

impacted by the draft OCP policy (Urban Containment Boundary and future versus current land use). In every other similar instance, we have been involved in, and there has been many, this would be obvious reason for early engagement by the professional team putting together the revised planning policy.

- Notwithstanding the above, we were also denied the right to speak as a delegation at the September 6, 2021 Committee of the Whole Council meeting where Council had a workshop of the Bell McKinnon area, effectively undermining the democratic process by denying our right to speak as concerned members of the public, who are greatly impacted by the results of the Council recommendation.
- This process deserves to inform the public, City Council, and others that may be impacted why decisions are being made to potentially eliminate a current application for 800 homes and other significant supporting uses for the new hospital particularly in the context of there being no other applications within the planning area.

## **SURVEY RESULTS AND OCP DIRECTION**

The nature in which the survey was set-up yielded results that can tell a widely varying story depending on how you want to parse the data. Our thoughts are as follows:

- The interpretation appears to fit a curve rather than determine one. However, we don't necessarily feel that the planning results have been pre-determined.
- We do believe that the data analysis results taken from the Bell McKinnon neighbourhood could be interpreted differently and in a manner that should be strongly considered in order to meet overall OCP goals with respect to the concentration and accommodation of growth.
- The Bell McKinnon neighbourhood had the highest response rate (by percentage of population) at 16%, which indicates both awareness and interest in the OCP. This likely stems from the fact that the development of the Bell McKinnon Local Area plan was both rigorous and recent.
- In addition to the highest response rate, the Bell McKinnon neighbourhood significantly preferred Option 1 'Business-as-usual' over the other two growth scenario options.
- Given that North Cowichan and its unique neighbourhoods are spread out over a large geographical area, our feeling is that the opportunity is that the Bell McKinnon Area Plan should accommodate a disproportionately higher amount of the anticipated growth. This is not reflected in the current planning direction and should be considered.

## **NEED A FORWARD-THINKING PLANNING APPROACH**

Good planning requires a forward-thinking holistic approach – the ability to look at the ‘big picture’. In order to move the community forward, it requires to incorporate public feedback while balancing the long-term economic, social and environmental elements. Public opinion is only one aspect of putting together what we would consider professional grade planning recommendations.

As a keen observer of this whole process, a lot of attention has been given to the survey results and the associated growth scenarios. We are hopeful that the growth scenario recommendations have also included a lot of professional debate between yourselves and Municipal planning staff; however, the nature of the communication hasn’t suggested that. We believe the OCP review process would benefit from additional narrative with respect to the decisions you have made as planning professionals versus simply as collators of public opinion.

## **COWICHAN DISTRICT HOSPITAL REPLACEMENT PROJECT**

As you are aware, the Cowichan District Hospital Replacement Project is a \$887.4M project with a capacity of 204 hospital beds. Upon completion it will employ 780 additional hospital staff over and above staff employed at the current hospital. In addition to this, a significant construction workforce will be required over the next five years.

Irrespective of whether the Bell McKinnon Local Area Plan was specifically put in place to support the hospital, or not, the ability for the hospital to be constructed or operate long-term requires supportive uses in close proximity to it (housing, professional office space, hotels, food services, other commercial services) and certainty with respect to the planning, delivery, and cost sharing of the civil infrastructure. If you draw a circle around any significant hospital in this province you will find a variety of land uses surrounding it.

We are in the construction business and have a deep understanding of the complexities of a project of this nature. We could make a strong argument that simply presenting uncertainty in the recently approved Bell McKinnon Local Area Plan creates substantial risk for the delivery and operation of the new hospital. It is not just the uncertainty presented to the health authority itself but also to the development community who would be the ones who would develop and construct the adjacent and supportive uses.

Given the proposed amendments to the Bell McKinnon Local Area Plan and Urban Containment Boundary we would like to see the following:

- A detailed understanding of the consultation process between yourselves, Municipal planning staff and the health authority on these proposed changes.

- A detailed explanation of how you feel you've mitigated these risks.

## **REALISTICALLY SOLVING YOUR CURRENT HOUSING CRISIS**

Given the historically low inventory for rental and for-sale product there is a substantial and potentially unquantifiable demand for housing. Rental vacancies as reported by CMHC in the Fall of 2020 were reported at 1.8% (with low data reliability). We believe the data for Fall of 2021 will be at or near 0%. In our experience, this actually suggests a potentially high negative vacancy rate (i.e. people looking for housing that doesn't exist).

There are only 77 properties for sale in all of North Cowichan for all types as of November 23, 2021 as viewed on Realtor.ca based on a population of approximately 32,000 people.

The low inventory for rental and for-sale product is a national issue. A June 17, 2021 joint report by the federal and provincial government titled 'Canada-British Columbia Expert Panel on the Future of Housing Supply and Affordability' specifically calls for a planning framework that proactively encourages housing and states "local governments must better estimate and anticipate how many homes are needed to house a growing population with diverse needs." This framework is intended to allow municipalities to more freely approve housing projects.

There is significant risk to any community that has such a low availability of housing which is only exacerbated when every other community also has a low availability of housing. The OCP should absolutely take no chances with respect to the supply of housing— especially after what British Columbia has experienced with floods and fires. There is simply nowhere for people to go in the Municipality of North Cowichan if there were a natural disaster of any size. There is no rental accommodation, there is no hotel capacity and there are no new homes. This is not a circumstance that any modern community should be in.

In addition to the comments above, current residents of North Cowichan cannot design a life around their changing needs for real estate. These residents desperately need more housing options— especially rental, seniors looking for age-appropriate accommodation, and young families desperately seeking alternatives to the traditional single-family home. There is simply no upward or downward mobility for current residents. People can't find a place to start their families and they can't downsize which we believe is a massive problem.

Given these realities, our comments and suggestions are as follows:

- An aggressive approach to growth should be taken not only in Bell McKinnon Area Plan but in all areas of North Cowichan.

- Where there is significant demand, there needs to be a plan for an even greater supply to try and meet the diverse needs of the community.
- There is no real risk of over-supply. The pace of development that will naturally occur is more limited by the nature of the land that needs to be consolidated and repositioned, the pricing required to motivate the development patterns, and the overall supply chain of the development and construction process. The key is having a significant amount of land area available for housing development.
- We believe the assumed population of 20,000 new residents that can be accommodated in the growth areas have been overstated. Our experience is that once road dedications, parks and greenspace, environmental features, desired building typology, setbacks, and parking requirements are accounted for the yield will be roughly 65% of the gross land area. Further, our experience suggests that approximately 20 units per acre is achieved with a reasonable mix of building typology. We have completed a comprehensive analysis of every parcel within the Bell McKinnon Area Plan and we would be happy to share our data.

#### **OTHER SUBSTANTIAL COMMUNITY RISKS**

North Cowichan needs to promote a healthy supply of all types and price-points of housing. We are starting to see in many communities in British Columbia, North Cowichan included, that is missing an element of housing that is essential for key community service providers. This includes policemen, paramedics, teachers, and firemen.

There have been recent instances where the reliability of these services have been impacted as a result of not being able to attract these essential service workers due to housing shortages. We believe this represents another significant community risk and why the supply of housing shouldn't be left to chance.

Finally, Municipalities that have low growth are forced to increase property tax mill rates in order to meet rapidly rising budgets, driven by inflation and the replacement of aging infrastructure. If an approach to higher growth is taken, it will provide the municipality a higher property tax base without having to increase the costs to existing homes. A failure to do so will result in the displacement of long-term residents of the Municipality of North Cowichan. A disproportionate amount of such residents will be the most vulnerable, such as elderly residents relying upon fixed income.

## **OTHER INFRASTRUCTURE PROJECTS EXACERBATE THE SITUATION**

In addition to the hospital project, there are other major infrastructure projects in the area including:

- The new RCMP detachment,
- The new elementary school in Bell McKinnon;
- Cowichan Secondary School Replacement Project, and
- Crofton ferry terminal expansion project.

This will only exacerbate the demand for housing in North Cowichan.

With this and our other comments above in mind, more information as to how the proposed OCP policies intend to address these issues would be appreciated.

## **GREEN BUILDING**

Environmental sustainability is a priority for everyone. While there are some environmental benefits to building in infill areas, developing in greenfield areas can also provide the same or greater net benefit for the community. By implementing higher building standards within the draft OCP's green building policy, greenfield areas can achieve greater energy efficiency in new buildings. In the Bell McKinnon Local Area Plan, there are requirements for tree canopy cover, water management and green building. Requiring BC Energy Step Code, LEED or Passive House in the draft OCP is a tool for municipalities to adopt that provide clear and measurable targets for energy use reduction.

## **AFFORDABLE HOUSING**

As a general comment both market and affordable housing providers typically compete for the same development opportunities. Our experience has been that those working to provide affordable housing (not-for-profit housing societies, BC housing, others) can achieve more, and more quickly, when working with a private sector partner. If the OCP is abundantly supportive of housing and makes a significant amount of land available throughout the municipality, the better the chances are that the private sector can assist with the provision of affordable housing. Specifically, this potential is higher as market and affordable housing components can be planned together, infrastructure can be planned, constructed and cost shared more readily, expertise can be levered and construction efficiencies can be exploited.

Perhaps better said – if the private sector struggles to provide market housing, the provision of affordable housing is much harder, if not impossible. The draft OCP policies need to address this with more than just language.

### **GRANDFATHERING EXISTING APPLICATIONS**

When development applications are submitted to a Municipality, a great deal of time, effort, and expense goes into the planning of an application to meet the current goals of the community outlined in the Municipality’s planning documents. We understand that Council’s recent direction is to make changes to the Bell McKinnon Local Area Plan; however, we ask that a grandfathering provision be considered for applications currently in-stream that relied on the Bell McKinnon Local Area Plan at the time of submission.

### **BELL MCKINNON LOCAL AREA PLAN**

Our thoughts on the Bell McKinnon Local Area Plan are as follows:

- Keep the Bell McKinnon Local Area plan as originally contemplated and approved.
- Focus on areas of higher density first.
- Focus on Bell McKinnon Road as a corridor.
- Focus development along the proposed roundabout intersection of Herd and Bell McKinnon Road.
- Focus on developing in an infrastructure efficient manner. Particularly to include a stretch of Bell McKinnon north of Herd Road, given that infrastructure upgrades related to the hospital are necessary for that portion of Bell McKinnon Road.
- Maintain the Urban Containment Boundary consistent with the current Bell McKinnon Local Area Plan and existing OCP, and keep the future development areas within the Urban Containment Boundary.
- Allow for immediate development opportunities that are not physically adjacent to the hospital site. This will allow for coincident construction of complementary uses (rental residential, professional medical office space) without interfering with the hospital construction.

The decisions today will impact the North Cowichan community for over a decade. We ask that our concerns and considerations be thoroughly reviewed and assessed – with meaningful participation. We would like to sit down with you to discuss collaboratively and solicit feedback at your earliest opportunity.

Sincerely,

A handwritten signature in black ink, appearing to be 'M. Nygren', with a long horizontal flourish extending to the right.

Michael Nygren  
President & CEO  
District Developments Corp.