



**REPORT TO THE  
PLANNING, TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE  
MEETING OF WEDNESDAY, JULY 25, 2012**

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**SUBJECT:     PROPERTY ACQUISITION AT 163 DRAKE RD., SALT SPRING ISLAND**

**ISSUE:**

To report on the transfer of Phoenix Elementary School site on Salt Spring Island (SSI) from School District #64 (Gulf Islands) and the Memorandum of Understanding (MOU) to enable the joint development of affordable housing on this site.

**BACKGROUND:**

On November 15, 2011 the CRD and School District #64 entered into a MOU (Appendix 1) to consider the joint development of an approximate five acre site for affordable housing purposes (see Appendix 2). The School District approached the CRD to assume ownership and leadership of the housing development activities because of Provincial regulatory requirements for use and disposition of education property and existing CRD housing development expertise. The transfer of the land to the CRD was completed on June 11, 2012 on terms and conditions as agreed upon in the MOU.

As part of the MOU, the CRD and School District agreed to form a joint Steering Committee to oversee and guide the design and development of affordable housing projects on the site. The committee is comprised of: Jeff Hopkins Superintendent School District #64, Rod Scotvold Secretary-Treasurer School District #64, Wayne McIntyre CRD Director SSI and Henry Kamphof CRD Housing Secretariat. The Steering Committee will establish a six-person Community Liaison Committee to engage with the SSI community and provide advice and recommendations regarding the proposed project/site development. This approach is consistent with Provincial guidelines on disposition of any public school lands.

Under the Steering Committee's Terms of Reference, consideration of any affordable housing project proposals at this site must consider funding availability from senior governments. As such, any affordable housing proposed for this site will require a detailed project viability analysis (pro forma) to ensure proposed projects can operate sustainably without any form of ongoing operating funding assistance from the CRD while accommodating the targeted households and those in certain income brackets.

Within the next several months a rezoning process will be launched for the overall site with the Islands Trust and is anticipated to be completed in 12 to 14 months. In the meantime, the School District #64 has hired JG Consulting Services Ltd. of SSI to act as the overall project development coordinator, using \$95,000 from the Canada Mortgage and Housing Corporation and the BC Real Estate Foundation. Additional project development funding may be available from BC Housing to complete preliminary architectural design and project viability analysis. Under the terms of the MOU, the CRD has sole discretion on final decisions regarding development of the site.

**NEXT STEPS**

The following activities will be the focus of the Joint Steering Committee with the assistance of the Community Liaison Committee and the services of JG Consulting Services Ltd.:

- Undertake a community consultation plan
- Make rezoning application for the designated site
- Prepare a proposed project design, development and operational plan
- Undertake a proposed project feasibility and financial viability analysis
- Complete final design and project tendering/selection process
- Secure final project development authorizations from CRD and School District #64

**SUMMARY**

The transfer of the School Districts #64 Phoenix School site to the CRD is the culmination of many years of work in consultation with the community on priorities for this site. The lack of affordable housing has been deemed the number one priority for SSI community action in a number of surveys conducted over the past several years. School District #64 also views the lack of affordable housing as the prime contributor of the loss of student enrollment. The prospect of a new affordable housing project is seen as a positive action for the community to stem the exodus of young families leaving their island community.


**RECOMMENDATION**

That the Planning, Transportation and Protective Services Committee receive report PPS/HS 2012-08 titled Property Acquisition at 163 Drake Road, Salt Spring Island for information.



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Henry Kamphof  
Senior Manager, Housing Secretariat



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Robert Lapham, MCIP  
General Manager Planning & Protective Services  
Concurrence

Attachment: 2