

toward a more resilient Salt Spring



2014 Report & 2015 Action Plan
SSI Community Economic Development Commission

introductory message

On behalf of the Community Economic Development Commission (CEDC), a heartfelt thank you to the many individuals and organizations on Salt Spring and beyond who partnered with the CEDC in our endeavours over the last two years. Our appreciation also to those who contributed to our planning process by taking time to attend meetings and offer suggestions and criticisms.

The 2015 Action Plan is built on our experience and the valuable information we have received from many different sources. While it focuses on actions in 2015, the Plan also identifies longer term goals. The actions we believe are practical and realistic; the scope is ambitious given the limited resources of the Commission.

The strong support the Commission has received makes me optimistic that by working together Salt Springers will achieve the goals in the Plan and open doors to many more opportunities.

My two years as CEDC chair have been challenging and rewarding. I am grateful to the Commissioners, the CRD staff and the community for their support, encouragement and willingness to consider new approaches to old problems.



John Tylee
Chair, SSI Community Economic Development Commission
December, 2014

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2014 report & 2015 action plan

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introduction

Salt Spring Island is a unique place and a unique community. A 70-square-mile island with one of the mildest climates in Canada, its stunning seascapes back onto rural fields and forests that give way in turn to rugged mountains. Its unspoiled natural environment has always attracted the adventurous – from First Nations to Hawaiian and Japanese explorers in centuries past, to escaped slaves in the 19th century and draft dodgers in the 20th. For the past half century, the natural environment has been protected by unique provincial legislation that limits development.

Salt Spring's beauty and history appeal to a wide variety talented people, from self employed farmers and construction workers to digital entrepreneurs, from artists, artisans and communicators of many disciplines to practitioners of alternative health systems; from educators, naturalists and scientists committed to environmental protection to retired senior public servants and CEOs. Together, these migrants have created an exceptional community with an enviable, safe, art-enhanced lifestyle.

Like many rural areas, Salt Spring has lower than average incomes and an increasingly older population as young adults gravitate to urban centres. Unlike many rural communities, it has opportunities to address these issues and build a more resilient community. This will require strong community support for an economic development plan focused on raising workers' incomes while protecting the foundation on which the community has been built - its natural environment.

the commission

The Capital Region District (CRD) created the Community Economic Development Commission (CEDC) to support the local economy and businesses and to create Salt Spring's first economic development plan. The Commission comprises up to eight volunteer commissioners plus the CRD director; an Islands Trust Local Trust Committee (LTC) member serves as a liaison. The CEDC's annual budget is a maximum of \$35,000, of which some \$10,000 is retained by the CRD for overhead. The Commission is always looking for committed volunteers to assist its work.

The CEDC hired a consultant in 2012 whose research revealed three challenges. First, relatively little data is available on the Salt Spring economy. Second, while many island organizations are involved in economic issues, there is little ongoing collaboration among them. Third, there is a major difference of opinion in the community between those who believe economic development will undermine the island's rural ambience and those who believe economic development will strengthen the community and thereby increase its ability to safeguard its rural ambience.

With this information and its limited resources, the CEDC moved carefully in developing its plan. It recognized that the plan would have to take into account the social and environmental aspirations of the community, and emphasize the many synergies between economic development and environmental protection.

Over the last two years, the CEDC has worked to build more economic data, to increase its understanding of different organizations and their aspirations, and to find opportunities to build collaboration among organizations. It has avoided duplicating the work of other organizations and tried different approaches to creating partnerships and leveraging economic activities. Some approaches have been successful, others less so.

In June 2014, the CEDC presented a draft Plan to an invited audience of more than 60 representatives of 50 organizations involved or interested in economic development. The plan attracted support and many suggestions for improvement. In October 2014, the CEDC presented a second draft to a public meeting. More than 50 attendees provided strong support for the Plan and further suggestions. The CEDC then held follow-up meetings with stakeholders to produce this 2015 Action Plan.

The Plan focuses on 2015 actions and identifies longer term goals. It is envisaged as an evergreen document, to be amended as circumstances change and, especially, as new opportunities to achieve its goals emerge.



a vision for our economy

Planning Salt Spring's future is complicated. Seasonal residents and those who limit their time as island residents have little interest in plans and investments for the community's future; residents interested in the community's future have widely divergent views on what that future should be.

Unlike many communities, Salt Spring lacks a comprehensive long-term plan. There are, however, plenty of uncoordinated plans of more limited scope. The Local Trust Committee's (LTC) Official Community Plan (OCP) provides guidance on land use. A Climate Action Plan, currently being updated, outlines measures to combat climate change. The Agricultural Alliance has a strong area farm plan. Forward-looking documents, including recent ones by the SSI Foundation and the SSI Health Advancement Coalition, address health and social issues. Some CRD commissions, notably PARC, have strategic plans, as do improvement districts and other entities independent of the CRD. CRD regional plans, such as for transportation, include details on Salt Spring.



The CEDC's vision for the Salt Spring economy is:

Salt Spring has a diversified year-round economy that:

- ***Delivers earnings levels comparable to BC averages,***
- ***Retains and attracts all age groups, and***
- ***Advances long-term resilience by strengthening the community and its rural ambience***

The 2015 Action Plan identifies six priorities:

1. Tourism – developing the *Experience the Gulf Islands* project as a framework for long term tourism development, and supporting off-season events
2. Agriculture and food – supporting the Area Farm Plan and encouraging linkages with other sectors
3. Diversifying the economy - researching and advancing opportunities to create new year-round jobs
4. Business efficiency – supporting training and off-island marketing
5. Ganges and Fulford – fostering grassroots improvements and supporting planning and infrastructure initiatives
6. Communication and advocacy - building support for economic development through on-island communications and off-island advocacy

The Plan is an ambitious one, given the resources available. Appendix A details the 14 projects in the Plan and, for each, the 2015 activities anticipated and their outcomes, potential partners and 2018 goals.

The following sections explain how CEDC actions, past and planned, impact the Salt Spring economy and work toward the CEDC's vision. Background information on the Salt Spring economy is provided in Appendix B. Further documentation of Salt Spring's economy can be found on the CEDC's website:

www.crd.bc.ca/about-the-region/salt-spring-island/ssi-economic-dev/resources.



demography and income

The island's permanent population is just over 10,000, but the number of people on the island doubles between February and August each year. About 15% of the island's residences are seasonally occupied.

The population is projected to grow slowly, reaching 12,000 by 2036. Growth, driven by retiring baby boomers, will be confined to over 65 year olds. The numbers of children and working age people are projected to fall, raising the possibility that Salt Spring could come to resemble a retirement venue rather than today's vibrant community. The median age on the island, 53 years, is already a decade older than the BC average.

The neighbouring southern gulf islands (SGI) - Galiano, Mayne, North and South Pender and Saturna - share many attributes with Salt Spring, but their demography points to a future Salt Springers want to avoid: falling population, median age a decade older than Salt Spring's and about half of all residences seasonal.

Seniors on Salt Spring are relatively well off: only about 4% have low incomes, compared to a BC average of 15%. Many have considerable wealth and retiree income from investments, pensions and other sources accounts for about half of the total income of the island. Retirees also add immensely to the economy through their volunteer efforts and charitable contributions, and through the business experience and off-island contacts they bring to island enterprises. As the working age population falls, active retirees can be an important source of employees.

In contrast to retirees, most working age families on the island are not well off. When all household incomes, retiree and other, are considered, Salt Spring's median income is 13% below the BC average.

The island has few large private sector employers and almost two-thirds of all jobs are either part time or seasonal. For those with full time, full year jobs, average earnings are 12% below the BC average. The workers who fare best have public sector jobs or the ability to sell products or services off-island.



Islanders adapt. The community is highly entrepreneurial: a third of workers are self-employed (BC average 14%) and more than a quarter work from home (BC average 9%). Many work multiple jobs, hence the somewhat exaggerated title of a recent publication “You’re not really a Salt Springer until you have held four jobs simultaneously.”

Families with children at home find it hard to juggle several jobs and the median income for couples with children at home is 27% below the BC median. Considering the higher costs on ferry-dependent islands, it is clear why young families cannot afford to live on Salt Spring.

In keeping with a history of dauntless in-migrants, a significant number of individuals, with minimal or no income or jobs, live mainly in more remote parts of the island with no permanent addresses. Many have mental health or other challenges. Their numbers are driven by the mild climate, the all-are-welcome spirit of the community and the rugged landscape, which allows those so inclined to live without intrusion from housing inspectors, census-takers and the like.

A recent *Driftwood* article noted that Salt Spring, with one quarter of one percent of the population of BC, accounted for nine percent of the occupancy of cold weather shelters in the province. This illustrates both the scale of poverty on the island and the generosity of the community, since local philanthropy covers all shelter costs beyond the limited government funding available.

The island boasts a robust volunteer sector that provides a diversity of community services. There are some 250 not-for-profit organizations – or one for every 40 residents; about 70 are federally registered charities.

Like many communities, Salt Spring has an affordable housing challenge. The 18% of households that do not own homes, particularly those with families, struggle to find decent affordable rentals. Salt Springers adapt. In the off-season, there are possibilities to house-sit vacant homes or live in accommodation that will be rented out in summer. When summer arrives, vulnerable renters do the “Salt Spring shuffle” into poorer quality homes or trailers; some choose tents.

In sum, Salt Spring is a slowly growing community, with an increasing number of seniors and a declining younger population. Seniors are well off relative to provincial averages, but working age households are not, making it difficult for some to remain on the island. While some islanders have considerable wealth, many must adapt to find reasonable homes and make ends meet.

creating higher income jobs

Raising working families' incomes is critical not just to retain younger families on the island. Higher incomes allow the community to address its infrastructure needs, the needs of less well-off residents and protection of the natural environment. Higher incomes also help protect realty values, an important consideration for those who have invested a major part of their savings in Salt Spring properties.

To bring more income to the island, the CEDC Plan focuses on sectors that serve off-island clients or reduce imports to the island. It has three broad strategies:

- Increasing incomes in the two well established sectors serving off-islanders – tourism and agriculture (Plan priorities #1 & #2)
- Advancing opportunities to diversify the economy and attract year round jobs with a light environmental footprint (Plan priority #3)
- Increasing the productivity of businesses, especially those that sell off-island (Plan priority #4)





Tourism

Tourism is a key component of the island economy – about half the island’s businesses depend on revenues from tourism or from the settling-in purchases of tourists who later choose to become full or part time residents.

Salt Spring has many appealing tourist assets, but coordination among them has been weak, diminishing the island’s profile in an increasingly competitive global market. While Salt Spring’s brand is well recognized across Canada and beyond, CEDC research in conjunction with the BC Institute of Technology indicates much less awareness of Salt Spring among younger generations.

Tourist-related entities include suppliers of accommodation; restaurants and other food providers; retailers and market vendors; artists, artisans, musicians and their organizations; wellness practitioners; recreation, hiking, biking and ocean adventure suppliers; sports, festival and event organizers; marinas and airlines; history-focused organizations and farms. Other sectors that market off-island, notably realtors, also impact the island’s brand. Development of integrated packages of services and attractions for visitors has lagged other communities.

The CEDC made a sustained effort to improve coordination through a tourism coordinating committee. The committee initiated a number of small projects, some successful and others not. It invited sectors such as ocean activities and historical associations, previously not represented in coordination efforts, to participate. It also helped form an association of wellness providers to assist their marketing.

The Salt Spring Chamber of Commerce, which runs the Visitors Information Centre, recently agreed to assume the tourism coordination function; the CEDC will support the Chamber's work. The Chamber has strengthened its tourist-related analytic and marketing capacity by becoming a member of Tourism Victoria.

The CEDC will focus its 2015 tourist-related activities on strengthening the *Experience the Gulf Islands (ETGI)* program. ETGI is a long-term joint enterprise with SGI neighbours that aims to create an inter-island network of bike and hiking trails linked to regional trails and the Trans-Canada Trail. The idea is to provide a unique attraction for short and long haul travelers from all over the world, based on the natural beauty of the islands, on First Nations' achievements and on showcasing residents' efforts to increase sustainability. The project can become a core asset around which all tourist activities on the islands could be organized.

The CEDC will also provide support for community initiatives that increase off-season visitation, such as festivals and sporting events, thereby increasing the potential for year-round jobs. The CEDC is providing funding to the Salt Spring National Art Prize (SSNAP) for marketing that will increase visitation in the autumn 2015 shoulder season.



Agriculture and food

Early in the 20th century, Salt Spring was a major supplier of fruit and other food to communities throughout BC; the development of the Okanagan and the creation of continent-wide food distribution systems severely curtailed these exports. But the astonishing growth in interest in local and organic foods over the past decade provides a major opportunity to rapidly increase off-island sales.

The small farm sector is unique on the island for having a clear development strategy that is being successfully implemented. Salt Spring farm-related products are primarily foods, including lamb, cheese, wine, jam, beer, cider and honey; the markets for these boutique local products continue to grow. Some entrepreneurs are increasingly successful in penetrating off-island markets with specialty plants and seeds; marijuana for medical purposes has potential. Aquaculture is also an important employer and income earner, with two major plants on the island.

The CEDC has assisted the farm sector with marketing and other initiatives, including increased linkages to other parts of the economy and support for training of abattoir employees. It will continue this work, emphasizing linkages to other islands through ETGI, linkages to the resources of post-secondary institutions and increased off-island marketing of products.



Diversifying the economy

Tourism and agriculture are important income earners, but neither provides many well-paid, year-round full-time jobs. For earnings levels to move closer to BC averages, it is imperative that the economy be diversified. The CEDC has identified five areas with strong potential for creating new, year-round jobs with minimal impact on the environment.



First, with the development of the internet and the decreasing cost of long distance communication, many jobs that previously had to be located in cities can be carried out remotely. This provides an opportunity for rural areas with attractive lifestyles to recruit new residents.

Salt Spring has a large number of digital media professionals serving mainly off-island clients, with their own association, Salt Spring Digital. Discussions with Salt Spring Digital have identified two approaches to attracting more digital workers: providing a shared incubator-like space where digital entrepreneurs can work together, and mounting a focused recruiting campaign. The first alternative has proved very effective in building digital communities in urban centres, but is beyond the CEDC's current resources. The second is included in the Plan. Many communities coordinate tourism and resident attraction campaigns; the CEDC will take a similar approach.

Second, there is strong local interest and expertise in "green" businesses and products, such as the installation of solar panels and wind-energy systems and servicing of electric vehicles. These would be logical extensions of the strong construction/mechanical sector on the island. But the market on the island is small and it will take time to develop the expertise necessary to compete successfully off-island. The CRD and LTC could give a strong boost to green industries by encouraging or mandating use of green technologies, as other communities have done.



Transition Salt Spring, a community group with funding to help launch green businesses, is currently looking for businesses in which to invest. The CEDC will continue to seek opportunities for collaboration with Transition Salt Spring and other entities focused on “green” job creation.

Third, the fast growing senior population provides an opportunity to develop businesses that specialize in services to seniors and that can compete successfully with off-island suppliers. The challenge is to identify services currently being provided by off-island businesses in sufficient quantity to warrant development of local providers. Possibilities range from financial services to home delivery of hot meals and services to seniors living alone.

One possible approach would be to develop and execute a survey of seniors’ relevant spending patterns, ideally in conjunction with a post-secondary business school. The CEDC would welcome partnerships with others to carry out this research.

Fourth, many Salt Springers believe that some publically-funded services might be more effectively supplied by locating more employees on-island. Detailed research would be required to convince any agency to create more local staff positions. As a small self-contained community, Salt Spring could be an ideal site for piloting different methods of delivering services, such as health and social services to frail seniors in isolated homes. Research in this area is included in the 2015 Plan.

Fifth, Salt Spring's multi-talented population suggests the island could become an educational centre, thereby creating year-round jobs. Different proposals to create new institutions have been developed over the years, but none has advanced beyond a concept. Islanders already provide many short educational courses to off-islanders. Targeted primarily at lifelong learners, courses are available in arts and crafts, wellness and farming, among other topics; many are included in an Arts Council annual publication *Workshops on the Rock*. In addition, the Gulf Island Secondary School has an excellent reputation, notably in the arts and environment studies, and attracts many international students.



The most realistic opportunities to develop Salt Spring as an educational centre focus on expanding the island's existing educational assets. Marketing all the island's educational offerings in an integrated campaign could attract more visitors, particularly in off-season. Developing packages that bring together educational, leisure and accommodation offerings could also be effective. Building relationships with post-secondary institutions is another opportunity; the CEDC is currently working with Vancouver Island University to bring a week-long course on Island Sustainability to Salt Spring in 2016.

Business efficiency

Improving the productivity of businesses can raise local incomes. There are more than 600 small businesses on Salt Spring. Many have been started by residents unable to find jobs; others provide new outlets for the undiminished energy of the newly retired. Business start-ups often lack many of the skills necessary for high productivity. In addition, marketing products off-island is a significant expense for small and starting businesses.

Because Salt Spring is part of the CRD, it is designated by senior governments as “urban” and is ineligible for grants to help small businesses in rural areas, an issue the CEDC has taken up with the BC government.

The CEDC does not support individual businesses, but will continue to provide assistance to groups of businesses or not-for-profits seeking to improve productivity by joint training and off-island marketing. Past training initiatives included social media mentoring in conjunction with the Chamber, creation of a mentoring group with the Women’s Enterprise Centre and providing training assistance to abattoir employees. The CEDC assisted *Salt Spring in the City’s* marketing in Vancouver; increasing collaboration with SGI creates potential for more trading among the islands.



infrastructure and land use

On small islands with limited land, a high functioning economy requires forward-looking planning to guide land use. Similarly, economic progress requires up-to-date infrastructure and an infrastructure investment plan, because private sector investments depend critically on public sector investments. The CEDC's influence on land use and infrastructure decisions is limited to information sharing and advocacy to local officials.

Infrastructure

Like many communities, Salt Spring faces a major physical infrastructure deficit. Water supplies and waste services need immediate attention, transportation and other areas also require major investments. On the other hand, social infrastructure is well developed for the community's size. The school system is attractive to families and Lady Minto hospital encourages many with health concerns to stay on the island. Residents are justifiably proud of the library and the swimming pool. All these amenities have been supported by grants from senior governments and made possible by strong community support through financial contributions and volunteer work.

The CRD provides local government services and infrastructure through separate entities for each service; some services, notably water supply in the north of the island and island-wide fire services, are delivered through separately elected entities with no connection to the CRD. The result is little coordination among different service providers, no ability to assign priorities and no data on total levels of expenditure, taxation and outstanding debt. Most important from a long run resilience perspective, there is no capacity to develop a community investment strategy to address climate change adaptation.

Salt Springers currently face piecemeal announcements (perhaps half a dozen in 2013-14) of infrastructure needs requiring significant tax increases; frequently, expensive stand-alone referenda are required to approve the spending. A number of important housing projects, including social housing projects, are currently in abeyance due to uncertainty about the capacity of water and sewer facilities.



Transportation

Unlike other forms of local infrastructure, transportation facilities - notably roads - on Salt Spring are provided primarily by the province. The short-term goal is excellent connections to on- and off-island locations; the longer term goal is reduced dependence on fossil-fueled cars.

Services by BC Ferries (BCF) present a number of challenges. Ongoing escalation of fares over the last decade, combined with service cutbacks, is harming residents and businesses alike. Minimal connections to other southern gulf islands curtail inter-island collaboration in trade, tourism development and public services delivery. The lack of passenger-only service reinforces dependence on cars.

Measures to reduce car dependence on Salt Spring are advancing. In the last two years, the community voted to provide incremental budget funding to support transit service expansion as well as an additional \$250,000 per annum for four years for transportation network projects to assist in the construction of bike and pedestrian trails around Ganges.

BCF has announced it is investigating opportunities to enhance efficiencies in the southern gulf islands, including "rationalizing the number of terminals on Salt Spring Island." Any changes would likely take place after April 2020. Given the importance of ferry services, this could constitute a significant challenge to the island's economy. Equally, it could provide a unique opportunity to engage BCF in addressing the issues identified above. Advocacy on ferry and related issues is an ongoing CEDC priority.



Land Use

Much of the land use zoning on Salt Spring is out of date, but significant updating has been completed in recent years, particularly for farms and home-based businesses. A plan to modernize industrial zoning and make more land available for businesses was recently approved in principle.

The LTC's "preserve and protect" mandate has focused on restricting subdivision of large lots and widely dispersing residential development. Limited planning for villages has had the same effect – unattractive villages encourage residential and commercial development to disperse into rural areas. This approach has been broadly successful in meeting the goal of protecting the natural environment, but has created significant obstacles to the resilience of the community.

From an economic viewpoint, dispersed economic activity is more costly to business and reduces the essential collaboration and innovation among businesses that drives urbanization across the globe. In addition, infrastructure costs fall as densities increase, so dispersed development further increases business costs, reducing competitiveness, income and job creation capability.

From a health viewpoint, BC's aging-in-place strategy will be extremely difficult to implement on Salt Spring because of the number of older people, many living alone with no relatives nearby and who are highly dispersed in single-family homes. From a climate change viewpoint, dispersed activity adds to transportation-related greenhouse gases (GHGs).

Officials elected in 2014 have committed to developing a long run, integrated sustainability plan for Salt Spring. This essential project will strike a balance among the economic, social and environmental dimensions of resilience. At the same time, it will consolidate, integrate and elaborate the existing patchwork of plans for the island's future. When complete, it will substantially improve the island's business and investment climate while also increasing overall sustainability.



Ganges and Fulford

Salt Spring's planning and infrastructure challenges are most evident in its villages, particularly in Ganges. The condition of Ganges has important consequences for the economy: visitors judge communities by the health and vibrancy of their major centres.

Much of Salt Spring's entire economy, like those of rural areas centuries ago and unlike most modern communities, pivots around a Saturday market. Farmers and artisans bring their products to the Ganges market, attracting patrons from near and far. Patrons from afar who like what they experience keep coming back and may later move to the island; vendors who are successful in the market build the means to establish permanent shops near the market and to sell their products off-island.

The CEDC's role in improving villages is necessarily modest, but not inconsequential. Key decisions on land use and infrastructure are Trust and CRD responsibilities respectively, but appearance and vitality also depend on grassroots activities and volunteer efforts, where Plan priority #5 is focused.

Ganges' challenges are legion. Its overall appearance is dated; it is largely cut off from the sea, its main asset; its layout is not intuitive and it lacks wayfinding signage; there are boarded-up properties in key locations; baby carriages, wheelchairs and the frail find its sidewalks challenging; the only north-south connector on the island passes busily through its heart; with very few residents, it is mostly dead after 6pm.

There is no single definition of village boundaries and lack of sewer and water infrastructure jeopardizes new development. Densities are low, raising energy usage and there is no plan to address climate change, despite much of the centre of the village being low-lying land reclaimed from the sea.

Ganges has not suffered from any lack of planning activity. Over the last two decades, there have been two major OCP reviews for the village, and one community-organized multi-day charette. Each attracted substantial community input and each delivered a cornucopia of recommendations. But with one major exception – the creation of an island bus service – it appears that none of the important recommendations have been acted upon.



Development of the village boardwalk – the crucial link between the village and the sea - is an appropriate metaphor for development of the village as a whole. Started through community effort in the mid-1980s, it remains unfinished, somewhat worse for wear, with major gaps and an abrupt, premature end.

Over the last year, there has been increasing community interest in both finishing the boardwalk and addressing Ganges' other challenges. A CEDC event led the LTC to add a new OCP review of the village to its priority list; the LTC is starting this work by addressing the truncated end of boardwalk.

The CEDC has initiated, or participated in, many community events and discussions on Ganges. It worked (unsuccessfully) with the LTC to seek planning assistance from graduate students at UBC's School of Architecture and Landscape Architecture. It is developing a concept for a boardwalk from Moby's to Island Escapades and is leading an effort to maximize views to the sea along part of the existing boardwalk.

The CEDC has also sponsored several grassroots volunteer efforts to improve the appearance of the village, including addressing market capacity, promoting buy-local efforts, encouraging beautification efforts and building an internet presence to discuss retail and other issues. These initiatives have had little sustained impact, demonstrating the limitations of a purely volunteer approach.

The main challenge in Fulford is accommodating car and bike traffic on and off the ferry to Swartz Bay and Victoria. Plans to deal with traffic backups have been developed, but construction of improvements has yet to begin. Even with improvements, the volume of traffic is likely to continue to detract from the village's charm.

Like Ganges, Fulford suffers from environmentally compromised properties in key locations. The closing of the Fulford Inn, an important community gathering spot, has reduced the vitality of the village.

The 2015 Plan includes a new approach to leveraging volunteer-led beautification in Ganges and Fulford. In addition, the CEDC will continue to collaborate with other stakeholders in developing the boardwalk and other projects that strengthen downtown Ganges.



communication and advocacy

A strong communication program is essential to build understanding and support for economic development and the 2015 Plan. And with ongoing economic uncertainty, continuing urbanization and atrophying government support, every small rural community needs to advocate hard for the future it wants. So Plan priority #6 is communication and advocacy.

Communication

There is currently no forum for regular community discussion of local CRD issues. Social media compensates to a degree, but many people lack the time and expertise to participate in online dialogue. The CEDC has increased discussion of economic development through *Driftwood* articles, community meetings and an improved online presence. But a stronger effort is needed to build dialogue, trust and collaboration between those favouring development and those opposed.

The CRD director's plan to hold regular community meetings on CRD activities will improve communications substantially. To the extent necessary, the CEDC will supplement these meetings with focused community dialogue on economic development. In addition, it will increase its on-line presence.

Attendees at the October 2014 public meeting suggested the CEDC could make an important contribution to the community by convening dialogue among groups interested in different aspects of Salt Spring's future. The CEDC has initiated discussions with some environmental and social advocacy groups; it will continue this work and reach out to other organizations interested in discussing the island's future.

Advocacy

The CEDC has initiated off-island advocacy in three areas, working in collaboration with the Southern Gulf Islands (SGI). It has presented economic development issues, particularly the ETGI program, to both CRD headquarters in Victoria and the Islands Trust Council. It also addressed BC government ministers on SSI and SGI's ineligibility for grants available to other rural communities. An executive of the BC Ministry of Jobs, Tourism and Skills Training will come to Salt Spring in early 2015 to discuss this and other possibilities for collaboration.

Most importantly, the CEDC created the SSI Ferry Action Alliance (SSIFAA) to address ferry fares and services. The SSIFAA was one of a very few organizations that advocated directly to the Minister of Transportation and Infrastructure on ferry service cutbacks; the Minister recently agreed to meet again with the SSIFAA in early 2015.

The CEDC will intensify its advocacy efforts in each of these areas in 2015. In addition, the Commission will reach out to potential funders and others interested in its work to assess opportunities to access resources – financial or other – from new sources.

toward a more resilient Salt Spring

Like many rural communities, Salt Spring's economic performance lags provincial averages, challenging the community's long run vitality. Unlike many other rural communities, Salt Spring has the opportunity to improve its economic future without compromising its natural environment.

Building a more resilient economic trajectory cannot be done by a modestly resourced CEDC alone. Securing Salt Spring's economic future requires three things:

- Urgent Islands Trust and CRD actions to address land use and infrastructure planning challenges and infrastructure bottlenecks
- More public and private resourcing of economic development activities, and
- Strong community support for economic development as an essential component of protecting the natural environment

The CEDC has produced this report as a contribution to the community dialogue on Salt Spring's future. It looks forward to working with community partners in implementing the 2015 Action Plan.



APPENDIX A: 2015 action plan projects

The following table lists 14 projects, each with one or more activities, in the CEDC's six priority areas. Of these projects:

- Seven are projects that will be initiated and led by the CEDC and its members.
- Six projects offer support to community-initiated activities aligned with the CEDC's goals. The CEDC recognizes that many excellent ideas for economic development can come from the community. In these cases, the role of the CEDC is to apply its resources – financial and technical – to advance worthwhile projects that are brought to its attention.
- Two are research projects to consider the potential for job creation by developing new sectors of the island's economy



Priority 1: Tourism					
	Project	2015 Actions	2015 Planned Outcomes	Potential Partners	2018 Goal
1.	<i>Experience the Gulf Islands</i> program	<ul style="list-style-type: none"> Community meeting with CRD Regional Parks to map core trails Build community awareness & support Advocate for regional/provincial funding Meetings with SGI 	<ul style="list-style-type: none"> Approval of biking & hiking core trail network Development of more detailed project description materials More funds from region/province 	<ul style="list-style-type: none"> PARC & Transportation Commissions SGI counterparts CRD Regional Parks Tourism, trail, ocean adventure & biking groups First Nations 	<ul style="list-style-type: none"> Trail network well-established Strong community support Marketing program underway Expansion/funding model established
2.	Shoulder and winter visitation.	<ul style="list-style-type: none"> Support new initiatives with long term potential and community support 	<ul style="list-style-type: none"> More off-season visits 	<ul style="list-style-type: none"> Initiative proponents Chamber Tourism committee 	<ul style="list-style-type: none"> More year-round jobs
3	Co-ordination of tourism-related activities	<ul style="list-style-type: none"> Co-ordinate activities with Chamber and other groups Build more SSI-specific data 	<ul style="list-style-type: none"> More effective marketing of SSI 	<ul style="list-style-type: none"> Sectors include arts, wellness, accommodation, agriculture/food, ocean activities, trails/nature, restaurants/retail, heritage 	<ul style="list-style-type: none"> Create funded tourism promotion agency
Priority 2: Agriculture & Food					
4.	Area Farm Plan	<ul style="list-style-type: none"> Support development of community facilities and farm-based industry 	<ul style="list-style-type: none"> Higher farm incomes 	<ul style="list-style-type: none"> Agricultural Alliance, CRD, LTC. 	<ul style="list-style-type: none"> Growth in farms, incomes, agricultural production.
5	Inter-sector collaboration	<ul style="list-style-type: none"> Support new initiatives that build inter-sector synergy 	<ul style="list-style-type: none"> New opportunities for farmers and other sectors 	<ul style="list-style-type: none"> Agricultural Alliance, Farmers Institute, Chamber, SGI, ETGI 	<ul style="list-style-type: none"> More synergy between agriculture & all other sectors

Priority 3: Diversifying the economy					
	Project	2015 Actions	2015 Planned Outcomes	Potential Partners	2018 Goal
6	Campaign to attract entrepreneurs	<ul style="list-style-type: none"> Develop materials and implement campaign 	<ul style="list-style-type: none"> Campaign underway, co-ordinated with tourism marketing 	<ul style="list-style-type: none"> Chamber, SSI Digital 	<ul style="list-style-type: none"> Ongoing program attracting digital and other entrepreneurs
7	Public sector employment	<ul style="list-style-type: none"> Research case for providing more services from SSI 	<ul style="list-style-type: none"> One or more proposals presented to local or provincial agencies 	<ul style="list-style-type: none"> CRD, LTC, local & provincial agencies, Chamber 	<ul style="list-style-type: none"> Increase in on-island public sector jobs
8	Researching new opportunities	<ul style="list-style-type: none"> Seek partners to research <ul style="list-style-type: none"> Education Services to seniors "green" industry (water, waste, energy, recycling) 	<ul style="list-style-type: none"> One or more research projects underway 	<ul style="list-style-type: none"> Transitions, Social Services, SS Foundation, community groups and individuals, universities, Island Health 	<ul style="list-style-type: none"> More year-round jobs in identified sectors
Priority 4: Business Support					
9	Training & mentoring employees & entrepreneurs	<ul style="list-style-type: none"> Support new initiatives for joint programs 	<ul style="list-style-type: none"> Businesses & NGOs more productive 	<ul style="list-style-type: none"> Chamber, volunteer mentors, universities. 	<ul style="list-style-type: none"> Ongoing program of training & mentoring in place
10	Off-island marketing	<ul style="list-style-type: none"> Support new initiatives with community support 	<ul style="list-style-type: none"> More off-island marketing 	<ul style="list-style-type: none"> Chamber, ad hoc groups of entrepreneurs and farmers 	<ul style="list-style-type: none"> Well-established, regular off-island marketing of all SSI products

Priority 5: Ganges and Fulford					
	Project	2015 Actions	2015 Planned Outcomes	Potential Partners	2018 Goal
11.	Village beautification	<ul style="list-style-type: none"> Hold competition to award grants to best community beautification proposals 	<ul style="list-style-type: none"> Beautification projects launched in Ganges and Fulford 	<ul style="list-style-type: none"> Community and grassroots groups interested in village beautification 	<ul style="list-style-type: none"> Organized annual programs to beautify each village.
12	Village enhancement	<ul style="list-style-type: none"> Support boardwalk and other CRD, LTC and grassroots projects to strengthen villages 	<ul style="list-style-type: none"> More progress in improving villages 	<ul style="list-style-type: none"> CRD, LTC, Chamber, MOTI, Harbour Authority, Island Pathways 	<ul style="list-style-type: none"> Permanent organizations to address issues & opportunities in each village
Priority 6: Communication and Advocacy					
13	Community dialogue	<ul style="list-style-type: none"> Host regular forums on economic development Improve web, social media communications Convene dialogue among groups interested in resilience 	<ul style="list-style-type: none"> More understanding of development issues & opportunities More dialogue on community's future 	<ul style="list-style-type: none"> CRD, LTC, Chamber, universities, Driftwood, Exchange, SS Foundation, Transition SSI, other groups 	<ul style="list-style-type: none"> More community consensus on future Sustainability plan & infrastructure strategy complete New OCP village guidelines approved
14	Advocacy	<ul style="list-style-type: none"> Priorities: <ul style="list-style-type: none"> Ferry strategy Rural designation Collaboration with SGI Funding for economic development 	<ul style="list-style-type: none"> Long & short term ferry strategies in place Trust area achieves rural designation One new SGI project One new funding source identified 	<ul style="list-style-type: none"> CRD, LTC, SGI, Ferry Advisory Committee, SSI Ferry Action Alliance, grant makers, funders, universities, philanthropists 	<ul style="list-style-type: none"> BC Ferries policies reflect SSI/SGI needs SSI & SGI qualify for rural programs Strong SSI/SGI partnership 25% CEDC funds from non-CRD sources

APPENDIX B: background information

1. Economic Context

The global economy has featured uncertainty and limited growth for some years; the outlook is for more of the same. The North American economy is doing better with recent signs of sustained growth, more so in the U.S. than in Canada. Economic growth in Canada and BC is likely to remain around 2-2.5% per annum; job growth will be modest and unemployment rates are not expected to go much below 6% in both Canada and BC. A \$Can around \$US 0.85 will help bring more US tourists to Salt Spring, but the local property market may weaken as interest rates gradually rise from current historically low levels.

Ongoing urbanization, and ever increasing consumer spending via the internet rather than in local shops, continue to weaken rural communities across Canada and beyond. In addition, federal and provincial programs to assist rural communities are in decline. On the other hand, the continuing retirement of the baby boom generation over the next decade provides, for attractive rural communities like Salt Spring, a potential ongoing source of well-funded, still-active in-migrants.

The economic and environmental impacts of climate change and adaptation are an increasingly pressing issue; with national and provincial governments making little headway, the locus of action is passing by default to local communities. Similarly, growing disparity in income levels is an economic and social issue that senior governments need to address, but one that has important ramifications at the community level.

2. Population

According to the 2011 census, the total population of Salt Spring Island was 10,200, reflecting an increase in residents of 900 since 2001 and an annual growth rate of about 0.8% over the decade. The growth was not uniform – the number of children (14 years and under) fell 13%, while working age population increased 9%, and the population 65 and over increased 30%.

Year	Population 0-14 years	Population 15-64 years	Population 65+ years	Total Population
2001	1425	5880	1995	9300
2011	1245	6385	2590	10200
2021	1063	5832	3900	10795

Source: Urbanics Consultants, 2013

Over the current decade (2011-21), Salt Spring's population is expected to increase, but the number of children will continue to fall and the working age population will decline below the level of 2001. Meanwhile, the population 65 and over will increase to almost twice the level of 2001.

By 2021, children will account for 10% of Salt Spring's population, while the working age population accounts for 54%. Seniors will account for the remaining 36%. By comparison, in BC in 2021, children will account for 15% of total population, while the working age population will account for 66% and seniors will account for 19%. In other words, relative to a "typical" community in BC, Salt Spring will have a third fewer children, almost twice as many seniors, and about 20% fewer working age people.

These projections have serious implications for Salt Spring's economy. The decline in workforce numbers presents a challenge in maintaining the economy, and especially in finding seasonal workers. The decline in children, and by implication in young families, points in the same direction. It also has negative implications for

the school system.

The projected rapid increase in senior citizens has economic advantages. Many seniors are highly skilled and community-minded; their volunteer activities add a great deal to the island's not-for-profit and social sectors, and to the community's quality of life. Some may continue working and help offset the decline in working age population. In addition, the spending power of seniors provides an important, relatively secure, source of income to the island, and could provide the basis for launching new island businesses.

The number of people on the island varies tremendously over the year because:

- Arrivals of tourists and owners of second residences are concentrated in the months of July and August and to a lesser extent, in the "shoulder" months of May, June and September
- Three of Salt Spring's top industries – tourism, agriculture and construction – are busiest in the summer months and attract significant numbers of casual workers
- Many residents, especially the self employed and the retired, choose to spend significant periods off-island during the winter months of January, February and March
- During the off-season, many workers, especially in construction trades, seek temporary employment off island.

Sales patterns suggest the number of people on the island during August, the busiest month, is approximately double the number present during January and February, the least busy months.

Seasonal variations in population and business activity represent several challenges to local businesses, including hiring workers for summer, providing year round work, and making sufficient money during the summer months to justify renting premises on a year round basis.

3. Employment (data from the 2006 census)

Consistent with Salt Spring's age profile, fewer residents aged over 15 years work (61%) compared to the province (66%). In addition, 63% of those working work only part-time or seasonally, compared to 53% for BC.

There are few businesses on the island which employ the equivalent of fifty or more full-time, full-year employees. 33% of Islanders are self-employed, compared to 14% in BC – a strong potential advantage in building the economy. About 26% of Islanders work from home, compared to 9% for BC. About 10% of employed Islanders work off-island, while 9% of the island labour force comes from off-island.

Total employment on the island in 2006 was 5,065. The sectors defined by Statistics Canada with most employees were: construction (660); retail trade (530); accommodation and food (480); and health care and social assistance (460). Tourism is not a defined sector, but impacts many sectors, including accommodation and food, the arts, agriculture, wellness, ocean and trails, retail and restaurants; and, with a lag, real estate, construction and other professional services.

4. Incomes (data from the 2006 census)

Unsurprisingly given the lack of full time, full year jobs, income levels on Salt Spring are relatively low. The 2005 median household income, \$45,700, was about 13% lower than the provincial average; for couple households with children, the median income was 27% below the provincial average.

2005 median earnings for full time, full year workers was about 12% below the BC average. Because of the large seniors population with pension and investment income, earnings account for only 59% of total income on Salt Spring, compared to a provincial average of 75%.

5. Housing (data from the 2006 census)

The 2006 census identified 5130 houses on Salt Spring, 810 of which were unoccupied. Some of these properties were vacant, but the overwhelming majority were seasonal dwellings unoccupied at the time of the census, suggesting about 15% of houses are used seasonally. The 4320 occupied households had an average of 2.2 occupants, compared to a BC average of 2.5%.

Owner occupied houses accounted for 82% of dwellings, compared to a 70% average in BC. Owners' median monthly payments (mortgages, taxes, some utilities) were 32% below the BC average, suggesting a high proportion of owners' houses have small or no mortgages. On the other hand, median renter monthly payments (rents, some utilities) on Salt Spring were 6% above the BC average. This underlines the disparity in incomes on the island, between owners (often retirees) and those who cannot afford their own properties.

The average value of owner-occupied housing on Salt Spring was nearly 40% higher than the provincial average in 2006. A 2009 Salt Spring study reported a "crisis of affordability", and that rental housing it was "in very short supply, often in poor condition, ...expensive...(and) available only seasonally."

Since these studies were done, the housing market has changed significantly. Housing prices have fallen 20% or more and the supply of rental housing has improved thanks to legalization of secondary suites. No current data exist, but it seems likely that the lack of affordable housing reported previously has not changed a great deal. The CRD and several community organizations are developing plans to provide more social housing, but these plans are currently in abeyance due to concerns about water and sewer capacity.

Lack of affordable housing is a major disincentive to attracting and retaining young families, though families in urban areas like Vancouver might see Salt Spring prices as surprisingly affordable. Employers looking for staff with specific qualifications, notably the hospital and the school board, frequently recruit staff who commute from off-island because they cannot afford to live in the community.

6. Health and Wellness

According to Island Health, the Salt Spring population is, on average, healthier than the Vancouver Island population. One exception to this is the number of people with mental health diseases. A significant population with mental or other conditions that make ongoing participation in the workforce difficult, combined with a limited labour market, has resulted in some poverty on the island.

Most social services are provided through the Salt Spring Community Services Society, which manages, or coordinates with other service providers, 38 different programs. Its programs include mental health services (334 adults treated in 2012-13), alcohol/drug outpatient services, seniors wellness services short term assessment and treatment, community housing, emergency shelter, volunteer services, food bank/food security services and early childhood/family services. Some services are provided to other southern gulf islands as well as Salt Spring.

Lady Minto hospital, which is served by 14 local doctors, provides primary care to the community; surgeries, many diagnostic processes and other specialist services are provided off-island by Island Health. Home care services for those who need help with meals, cleaning, bathing, transportation and shopping, but do not need 24-hour care, is provided mainly through Beacon Community Services in Victoria. There are 148 residential care beds on the island, 81 at Lady Minto and Greenwoods providing full care and 67 assisted living beds at Braehaven and Meadowbrook, including 27 private beds at Meadowbrook. Island Health's benchmark suggests that Salt Spring requires 110 residential care beds. Many health professionals and wellness practitioners provide services in the community.

A 2014 report by the Salt Spring Island Health Advancement Coalition on health and well-being priorities focused on mental health and services to seniors, as well as eight other challenges. It noted that available resources are constrained and called for increased collaboration among service providers, as well as a community consultation process.

7. Economic Sectors

Tourism

Tourism is the island's leading generator of off-island income. According to Tourism Vancouver Island, the outlook for the industry is for continuing modest growth, with strengthening competition among destinations within the region. Tourism is more important to Salt Spring's economy than it is to the economies of other parts of the CRD; a recent consultant report suggested that employment in the sector is anticipated to grow faster than in most other sectors.

Salt Spring's tourism sector is highly diverse. Underpinned by the island's physical beauty and rural ambience, it offers a range of accommodation and restaurants, as well as a wide variety of attractions including marinas, retail shops and markets, arts and crafts, heritage sites, ocean and lake based activities, agricultural and food-related activities, trails and wellness services. Like other gulf islands, it is among the top 10 most artistic small communities in Canada; it is equally well known for its many food products, notably lamb and cheese, and for a wide variety of wellness services. Many visitors come for the impressive calendar of sports, arts and farm-related festivals and events, as well as for the excellent recreation facilities.

The sector is not well coordinated; as a result Salt Spring has not been as competitively marketed as other destinations. There has been limited data and analysis available to support development of a targeted marketing strategy and, until recently, very limited collaboration with possible partners, such as the Southern Gulf Islands and Tourism Victoria.

Tourist visits are highly seasonal, peaking during the months of June, July and August. Visits peak over weekends, with almost half of all visitors being day trippers. The highly successful Ganges Saturday market is the leading tourist attraction, but creates heavy traffic and congestion in the village.

There is interest in increasing off- and shoulder-season visits through developing conference or educational programs, or high profile events. Salt Spring already offers various types of short-term education, particularly in the arts and in wellness, predominantly in the summer months.

Agriculture and food

The agricultural sector is small but growing fast. 2011 data show 192 farms (up from 167 in 2006), with 295 farm operators (up from 245), covering 8,050 acres (up from 6,180) and with gross receipts of almost \$4 million. Two-thirds of all farms have gross receipts of less than \$10,000.

Salt Spring Island agricultural and food products are highly regarded across BC and beyond. Nursery products are shipped all over North America. The sector is poised for significant growth, thanks to increasing public interest in local, organic and gourmet foods, as well as in specialty plant and seed products. Food products, including aquaculture products, also have growth potential.

The agriculture sector is building infrastructure to further its growth through implementation of the Agricultural Alliance's SSI Area Farm Plan. An abattoir is already operational; land has been secured for a products storage facility and a community composting site is planned. There is increasing interest in agricultural accommodation, education and events.

Construction

The construction sector was the largest employer in 2006, accounting for more than 9% of jobs on the island, compared to fewer than 4% of jobs in the CRD as a whole. Job numbers have fallen significantly since then, with many construction workers leaving the island, but the sector remains an important provider of mainly seasonal jobs and has its own association.

Private sector construction and renovation depends heavily on incoming retirees and vacation property buyers. The public sector provides other opportunities, and addressing infrastructure deficiencies could provide a major boost to the sector. Local businesses are often too small to compete effectively on major projects. Past public sector projects have been split into several smaller projects to allow local construction companies to compete successfully for part of the work.

There is tremendous interest in the community in “green” construction techniques and products, including solar and wind power, geothermal heating and rainwater catchment. There is considerable expertise in many of these products on the island, but companies are typically small and have limited ability to sell their “green” expertise to off-island clients.

Industry and manufacturing

There is no heavy industry on Salt Spring, apart from the cement plant on Rainbow Road. Large factories on the island would make little economic sense, and would be opposed by islanders. A locally created business was recently unable to get permission to build a plant to accommodate 40 full time workers. Light industry on the island includes agriculture-, art-, landscape- and marine-based industries, waste management and recycling, construction-related activities and vehicle and equipment repair.

In 2006 manufacturing accounted for 5.9% of jobs on Salt Spring, significantly higher than the CRD average of 4.3%. Most manufacturers are small and home based. The main manufacturing industries are in food, arts and crafts, health and beauty products, and clothing. Increasing demand for industrial land suggests some home-based businesses are developing the potential to grow into bigger premises with more employees.

Internet-based businesses

More than 100 internet-based businesses operate on the island, enabled by technology advances that allow global businesses to operate from anywhere. In addition to generating off-island income, these businesses have the potential to help increase the productivity and competitiveness of island businesses. Salt Spring Digital is an association of digital media professionals who serve mainly off-island clients. There is considerable growth potential in the sector, provided telecommunications providers ensure that the service levels they maintain on the island remain comparable with service levels in urban areas.

Not-for-Profit sector

The in-migration of many energetic, relatively affluent retirees has resulted in a strong volunteer corps and the creation of many not-for-profit organizations, particularly in health and social services, recreation and cultural activities. The SSI Foundation and Volunteer and Community Resources SSI are working to strengthen the not-for-profit sector through encouraging collaboration, improving governance and helping match volunteers with organizations seeking volunteer help. Shared Space Salt Spring is working to increase not-for-profits’ effectiveness by developing premises where not-for-profits can co-locate, sharing costs and collaborating on projects. The Salt Spring Island Health Advancement Coalition is collaborating with other health and wellness providers to identify priorities and ways to address them.

Public Administration

With no municipality on Salt Spring, and a strong volunteer corps that helps provide many services that might otherwise be provided by a municipality, the public administration sector is unusually small. In 2006, it accounted for less than 2% of employment on the island, compared to an average for the CRD of more than 14%. Many people believe that some publically provided services on the island could be delivered more effectively if local employees were hired, rather than having service provided from Vancouver Island.

8. Land Use

Since its creation in 1974, the Islands Trust Local Trust Committee (LTC) has made land use decisions in the context of its “preserve and protect” mandate, resulting in low density development on large lots throughout the island. Lots of 25 acres or more account for almost 60% of the island; lots of 125 acres or more account for 27%. Much of today’s zoning is still based on the uses of individual properties at the time zoning was introduced in the 1970s.

From an eco-system perspective, 29% of the island is high biodiversity composition land, and 27% is sensitive woodlands and mature forests. Close to 20% of the island (9000 acres) is protected through covenants, reserves and parks; another 9800 acres of marine eco-systems is similarly protected.

Residential development

Zoning requirements have dispersed housing throughout the island, with minimal higher density development. In the two villages, Ganges and Fulford, residential uses on commercial properties are strictly limited, though a loosening of restrictions is currently being considered by the LTC. A third village recognized in the OCP, in Channel Ridge, has yet to be built.

The LTC does not support major developments but two, Bullock Lake and Channel Ridge, received approvals decades ago. Each has faced financial difficulties and challenges in providing sewer and water services; the future of each is unclear. Channel Ridge is low density and partly completed; a remaining 800+ acre parcel was recently sold out of bankruptcy proceedings. Bullock Lake has approval for about 100 residences at significantly higher density, of which 50 have been built and have stood unoccupied for years. A proposal to modify zoning and occupy these residences was denied in 2014.

In part because of height restrictions, 86% of homes are single family houses (2006), compared to a BC average of 49%. Likely because of the high median age of the population, there are also more people living alone on the island (31%) than on average in BC (28%).

Having a highly dispersed, older population provides protection of the natural environment, but has important consequences for community resilience. From an economic perspective, it is far harder and more expensive to provide infrastructure and services to a dispersed population. Salt Spring has more road miles per capita than almost all BC communities. Fortunately, road services are currently provided by the province, but the cost of many other services, from fire protection to hydro, are not.

From a climate change perspective, a highly dispersed community with many people living alone will generate far more greenhouse gases (GHGs) than a more compact community. In addition, the province’s health care strategy for the elderly is increasingly focused on “aging-in-place”; implementing this strategy with a highly dispersed older population, a high proportion of which may have no family on the island, will be difficult and expensive. Some seniors may choose to leave the island as or before their health deteriorates, but many will not.

Villages

The villages of Ganges, the centre of the island's economy and Fulford, site of the ferry to Swartz Bay, lack vitality and face many challenges. Ganges and its immediate surroundings, with a population of about 1,000, has been the focus of three major studies over the last 20 years, but little has changed; another review is scheduled to start in 2015. A recent LTC report advocated changes to allow more people to live in villages.

Fulford's main challenge is accommodating ferry traffic; opportunities for its development may emerge once the promised road project to accommodate ferry traffic is complete. Ganges, Fulford and also the Vesuvius area suffer from derelict properties in key locations; facilitating new uses for these properties could help reinvigorate the communities.

Unattractive villages encourage commercial and residential development to move into rural areas. This reduces community resilience by destroying the natural environment, reducing business productivity and therefore incomes, and increasing GHG emissions.

Home-based businesses

Most new jobs on Salt Spring will come from existing businesses or new businesses started by islanders. A recent report by Urbanics consultancy estimated that there were over 600 businesses on the island, the vast majority of them home-based.

Typically, businesses start at home, which offers substantial savings in costs and property taxes. Recent LTC decisions have expanded the capacity of home-based businesses. Residential properties of up to 1.2 hectares can employ up to three people and have premises of up to 70 square metres; larger properties can have five employees and premises of up to 150 square metres.

One type of home-based business, short term vacation rental (STVR), is not allowed, though owners of STVR properties are only prosecuted if neighbours complain.

Agricultural Land

About 16% of the island's land mass, or about 7,220 acres, falls within the provincially created Agricultural Land Reserve (ALR). Farms on the island account for about 8,050 acres, but much of this land is outside the ALR, while much of the land within the ALR is not used for farming and, in many cases, is not suitable for farming. Lands within the ALR cannot be used for non-farming purposes even if farming is not the most appropriate use of the land. In addition, these lands cannot be used for some farm-related purposes that provide revenue for farmers – e.g. providing education and training on agricultural subjects.

To date, provincial authorities have generally been unwilling to release individual properties from the ALR. The LTC has asked the province to consider some island-wide approach whereby some lands unsuitable for agriculture are released from the ALR in return for other agricultural lands being included in the ALR.

Industrial land

A recent LTC study estimated that 133 acres of Salt Spring (about one-third of one percent of the island) is currently used for industrial, waste management or similar activities. The study recommended that the current complicated zoning system for industrial properties be replaced by one with only five categories:

- General employment 1 – in villages, with minimal impact on surrounding properties
- General employment 2 – on the outskirts of villages or in more rural locations, with larger lots able to mitigate impacts on surrounding properties

- Marine employment – industries that need to be located on shorelines
- Waste management
- General employment 3 – industries that require significant mitigation efforts and/or separation from other types of businesses

The study also recommended that, in the future, the same five categories be applied to all commercially zoned property as well.

The study estimated the additional amount of land needed for industrial-type activities over the next 25 years, as well as identifying where this land might be found and how the LTC could change its zoning system to adopt the study's recommendations. A total of 70-80 additional acres will be needed, primarily for Waste management and General employment 2 activities.

Land for civic purposes

The CRD faces an increased demand for land for its own purposes, such as offices, work yards and water and waste facilities. One immediate challenge is finding land suitable for school and community playing fields. Playing fields are a valuable economic development asset: they increase the island's attractiveness to young families, and they bring visitors to the island for competitions. Another challenge is finding appropriate office space. Existing CRD offices are spread over a number of sites, some inappropriate for office use; consolidation could increase productivity.

The CRD owns a significant number of properties, some acquired as part of development agreements. A study is currently being done on potential uses of these properties; many of them are small, isolated holdings of limited use for civic purposes.

9. Infrastructure

On any island, transportation (especially ferry services), water supply and waste disposal (both liquid and solid) are all of paramount importance. Salt Spring faces major challenges in all three areas; unless these challenges are addressed, the island's economic potential will be seriously curtailed.

Infrastructure improvements are equally vital for combating, and adapting to, climate change. GHG reduction is a particular challenge because of the LTC focus on low density development. Transportation accounts for well over half of Salt Spring's GHGs emissions, far more than the BC average. Water, sewerage, waste and recycling facilities impact both the environment and production of GHGs. Where there are no communal sewer and water systems and property owners provide their own septic systems and well water, development has to be low density to ensure sufficient separation of septic fields and wells.

Transportation

Salt Spring faces major challenges in both its connections to off-island destinations and travel around the island. Ferry connections are most critical from an economic perspective: fares have a significant impact on businesses costs and tourist visitation, and frequency of service has a major impact on businesses with off-island sales.

BC Ferries' current business model is such that ferry-dependent communities face a damaging diet of regular fare increases and service cutbacks. In 2014, the Premier acknowledged that fare levels are now at the point of negatively impacting ridership, but another round of fare increases takes place in 2015. Minimal inter-island ferry service is another problem, cutting off commerce between islands and reducing potential for inter-island collaboration to attract tourists. Poor ferry-airport connections deter businesses with clients outside the immediate region and unnecessarily increase vehicle traffic to Swartz Bay.

On-island transportation services are especially important because the low density development pattern creates strong demand for transit and for safe walking and biking routes. The award-winning Salt Spring transit system has been remarkably successful, carrying over 110,000 passengers in 2014, but as transit demand escalates it will require additional funding.

The road system provided by the BC government is fairly basic. Few roads are safe for pedestrians and cyclists, though a number of valuable off-street pathways around Ganges have been created by the not-for-profit Island Pathways organization. Village sidewalks are unsuitable for the elderly, baby carriages and wheelchairs; there is limited wayfinding signage and lack of an alternative route leaves in all north-south traffic funnelling through the centre of Ganges.

Water

Salt Spring faces challenges in both having enough water, particularly in the dry summer months, and in the quality of its water. Surface water from four lakes accounts for 80% of total water supply; the remainder comes from groundwater accessed by some 2200 wells. Almost all wells serve individual property owners, a few feed small community water systems. Up to half of all residents rely on groundwater.

The bulk of water delivery is through the North Salt Spring Waterworks District (2000+ connections), five much smaller CRD water commissions (total 600 connections), and a few small private sector water districts. There is increasing concern about the capacity of water supply to meet anticipated future demand from residents, businesses and agriculture.

The recently formed SSI Watershed Protection Authority is studying water quality in St Mary Lake as well as the broader questions of the supply and demand for water across the island; only when studies are complete will it be possible to develop a comprehensive water strategy. A number of housing developments are in abeyance pending determination that there is sufficient water supply.

A report based on 2007 data indicates that Salt Spring water usage per person per day is less than the target suggested by Island Health, and less than half the average usage of BC residents. There have been modest attempts to encourage water conservation by rainwater collection, recycling of waste water for non-potable uses and more efficiency in water use. No regulatory action has been taken.

Liquid and Solid Waste

Ganges Village has a CRD secondary treatment sewer plant that serves about 580 homes, as well as commercial and institutional properties that account for between a third and a half of its flow. The system operates very near to capacity; it also requires major investments to replace existing equipment without increasing capacity. The only other communal sewer facility is a CRD primary treatment plant serving about 100 residents in Maliview. The rest of the island relies on septic systems.

Sludge from the treatment plants and from septic system pump-outs is collected at a CRD facility at Burgoyne Bay and shipped off-island. This approach is not sustainable, and plans for more efficient treatment of sewerage on-island are being developed. Many communities now treat liquid waste as an asset that can be processed into a variety of useful products; in the longer term, Salt Spring will need to adopt a similar approach and invest appropriately.

All solid wastes are also shipped off-island. The CRD and private sector businesses have recycling depots which ship the materials they collect off-island; non-recyclables are shipped to an off-island CRD landfill. A community composting facility has yet to be developed. Significant community investments in solid waste recycling and disposal are likely to be necessary in the future.

10. Business Climate

Business costs

Salt Spring is not regarded as business-friendly. Excessive regulation and lengthy planning processes, combined with a lack of available property for business development, are seen as significant impediments. The LTC has recently strived to improve the business environment, notably by providing more flexibility for home-based businesses and agriculture-based industry and by investigating opportunities to make more land available for industrial purposes.

Business owners believe that many of their operating costs are higher than elsewhere. Commercial rents are seen as high, particularly for businesses that are heavily dependent on the short tourist season. Commercial property taxes and transportation costs are also seen as competitive disadvantages. Businesses in commercial properties feel at a disadvantage to home-based businesses, which pay property taxes at the residential rate, rather than at the significantly higher commercial rate. Unduly restrictive zoning can limit availability of commercial premises, resulting in higher costs to buy or lease property.

To date, there have been no studies to assess how far business costs on Salt Spring differ from competing communities, such as Duncan, Cowichan and Sidney.

Inter-island collaboration

Closer collaboration with the adjoining southern gulf islands (SGI) that are also part of the CRD offers many economic advantages. These include increased inter-island commerce, more leverage with the CRD and the Islands Trust, greater credibility in advocacy to senior governments, and the opportunity to develop joint projects. Salt Spring and SGI are already working on a number of joint activities, including the *Experience the Gulf Islands* (ETGI) initiative, advocacy, and discussions on possible collaboration with Vancouver Island University.

Entrepreneur and employee training

Many of Salt Spring's entrepreneurs lack strong business training and experience, limiting their capacity for success and job creation. In addition, some employees in tourist-related activities lack training in how to treat visitors, which reduces the number of repeat visitors to the island.

The Chamber of Commerce's annual Small Business Week provides some training, and the Accommodations Group has sponsored a visitor service training event. The CEDC has piloted a small business peer group and several groups have facilitated volunteer-led one-off training programs in social media.

The business community, and island incomes, would benefit tremendously from a robust, ongoing training program for businesses. This will become more possible if Salt Spring is successful in being reclassified as "rural" by senior governments, thereby qualifying for government assistance for training programs.

Buy local

More buying from local suppliers by businesses, residents and government agencies provides a significant boost to local economies. A number of "buy local" initiatives, including the Residents Card and Salt Spring Dollars, have had limited success. The Chamber recently launched an new campaign focused on consumer buying. Other communities have found success with campaigns focused on the buying of governments and businesses.



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