

March 14<sup>th</sup>, 2025

**Attn: Mayor McEwen**

CC: Duane Lawrence, CAO

Bruce Greig, Planner

District of Ucluelet

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**RE: 221 MINATO ROAD – HOUSING AGREEMENT AND NEXT STEPS**

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Dear Mayor McEwen and Mr Lawrence

I am writing to seek resolution on the items in the Housing Agreements and to seek progress on the other pending applications. Thank you for your email of February 21<sup>st</sup>, which is in Appendix A, and your subsequent email on March 5<sup>th</sup> regarding the Housing Agreements. We are pleased you agree we are close to agreement. This email responds to each of the items you have raised and proposes a resolution for each.

The Housing Agreement is an important next step, but the ability to provide the essential homes the District seeks in the Housing Agreement depends entirely on the expedient approval of:

- the complete Development Permit (including all buildings),
- issuance of the Subdivision PLA and
- settling the related requests in lieu of waiver of the Developer Cost Charges.

ERIF want to work with you in good faith to finalise these applications concurrently with the adoption of the Housing Agreements. We ask that the **Housing Agreements be finalised at the Council meeting of March 25<sup>th</sup>**, so the **complete Development Permit** (including buildings) and **Adoption of the OCP, Rezoning and Housing Agreement By Laws, and concurrent issuance of the Subdivision PLA** can be considered by Council at their **meeting of April 15<sup>th</sup>**.

**FINALISING THE HOUSING AGREEMENTS**

In your email of March 5<sup>th</sup> you advised the following 5 items are outstanding. We respond to these in brief and then give detail below to work together to finalise the Housing Agreement. The final Housing Agreement is linked here:

<https://docs.google.com/document/d/1CeaLxCZGgul3oNodQIQcAlwBmUzAstSt/edit?usp=sharing&oid=112799033585077686990&rtpof=true&sd=true>

**Attainable Home Ownership Agreement.**

1. **S. 1 (a) Definition** – request from the District to include this in an appendix rather than in the definitions. –  
*Agreed to include as Appendix and clause updated.*
2. **Part III – S. 3 – how homes are made available for onselling and associated timeline.**  
*ERIF's response: Agreed to enforce that owners only sell to eligible persons. Agree to recommend cap of sale price to purchase price + CPI from year 1-5 from first occupation. Concerned about adding restriction to eligible owners ability to increase value in their asset*

*beyond 5 years as this will undermine buyers ability to get finance and leave needed homes sitting empty.*

**3. S. 4 – use of the definition vs CPI and BCPI.**

*Adjusters to be as per definition formula in Appendix. To keep this simple it is as per the OCP definition of Attainable Housing (“120% of the median gross household income as determined by the latest census, spending no more than 30% of their household income on housing costs”) plus the greater of CPI or BCPI.*

**Rental Housing Agreement**

1. **S. 1 (a) Definition** – request from the District to include this in an appendices rather than in the definitions.

*Agreed to include as Appendix and clause updated. Note that only 1- and 2-bedroom units will be available for rental, with dual lease arrangement of two adjoined units available for larger families.*

2. **S. 1 Definition – Daily amount for enforcement penalty.**

*Duane requests \$500/unit/day. ERIF suggested \$50/unit/day. Suggested compromise sum suggested of \$100/unit/per day which is a significant penalty to place on a not-for-profit housing association.*

**ATTAINABLE HOME OWNERSHIP HOUSING AGREEMENT**

**1. RESOLUTION OF ISSUE 1 HOMEOWNERSHIP: Adding Definition/ Formula as Appendix**

**ISSUE:** In December you advised that the formula could be deleted, and a simple cap sale price/rent price stated. It is important that this sale/rent price be clearly defined including the adjustors over time and for that reason we have asked for the definition/formula to be included. The reasons for this are set out below.

**PROPOSED SOLUTION:** On February 21<sup>st</sup>, 2025, the Municipal Solicitors first suggested for the definition to be included in an Appendix. This is an agreeable solution if the clause is correctly worded in the main Agreement. We have noted the proposed changes in the document attached.

**REASONS FOR THIS:** We explained that we really wanted this to be transparent and articulated in the agreement. The reasons for this are:

- ✓ Clear link to the OCP definition of Attainable Housing in the Official Community Plan.
- ✓ We want to be accountable to the community to the commitments being made in this Agreement, so they need to be clearly stated.
- ✓ The definition is important to the local eligible homeowners who purchase Attainable Homes in Lot 1 as this definition will limit them upon the re-sale of their properties, it caps their ability for their home to grow in resale value so needs to be clearly explained to them.
- ✓ Clarifies the adjustors for future rent as this level needs to adjust with external factors like BCPI and household income determined by the census data (as per OCP definition) over the life of the agreement for 10 years. Without this, the rent caps of 2025 would remain until 2035 and not reflect economic shifts over time, which can put a not-for-profit Housing Association at risk financially.
- ✓ Full explanation of why this formula is important for clarity was provided by ERIF in the public meeting December 19<sup>th</sup>, 2024.

#### **RESOLUTION OF ISSUE 2 HOMEOWNERSHIP: S. 4 – use of the definition vs CPI and BCPI**

The OCP definition of 'Attainable' is clearly defined based on the household income in the census. The definition proposed (to be placed in the appendix) allows for the census household income to be updated when released by Government as per the OCP definition.

ERIF has agreed to the definition being included in the Appendix to record this, as the Municipal Solicitor suggested. Other than the suggestion to move the definition detail to the Appendix we cannot see any further comment made by the Solicitor on this matter. As discussed above, we believe the clear definition is important for clarity and transparency.

#### **RESOLUTION OF ISSUE 3: Part III – S. 3 – how homes are made available for onselling and associated timeline (restricting future homeowners from resale).**

**ISSUE:** It is noted that the Municipal Solicitor asked for the termination date to be clearly defined which was agreed by ERIF on February 8<sup>th</sup>. Since that time, the Planning Staff have asked for mechanisms to enforce that ERIF enforce that future homeowners are unable to gain from growth in their homes on resale. The only power ERIF has to bind future homeowners is through the restrictions placed on the sales contract or land title.

Planning staff requested a way to bind ERIF remain to enforce that homeowners are restricted for ten years. The only way this could be done is if ERIF has ownership of the units, so ERIF suggested first right of refusal to buy back the homes keeping them in the Housing Association. The Municipal Solicitors and Staff expressed uncertainty about the enforceability of this, and proposed limitations to only on sell to qualified homeowners.

ERIF supports the Planning Staff's proposal that the attainable homeowners should be required to sell to another *qualified* person at sale price plus CPI. This seems reasonable for the first 5 years of ownership, binding the first purchaser and anyone they onsell to within the 5-year period. However, ERIF are concerned that enforcement of the price cap beyond 5 years for these reasons:

- If the purchaser is restricted that they cannot sell the homes at market longer than 5 years it will undermine their ability to finance the purchase with a bank and preclude all but cash purchaser. The homes risk sitting empty. This undermines the intent of the attainable homeownership as those most needing these homes will be unable to purchase these much-needed homes.
- forces local eligible families to be unable to appreciate a growth in value of their family home and would be a substantial disincentive to purchasing the homes. The idea of attainable homes is that eligible local families can get into the housing market and grow their family wealth over time, so we are concerned that excessive restriction on these homeowners will undermine this.

**PROPOSED SOLUTION:** ERIF accept the Staff suggestions and extend them with this suggestion that the homeowners are restricted in two ways for 5 years from the original purchasers first date of purchase.

- a) Homeowners are restricted to only onselling to an eligible person
- b) The resale price is capped at purchase price plus CPI if they sell within 5 years of purchase.

All subsequent owners would be restricted for the same 5-year term from the first owners purchase date.

Mr Lawrence's email of February 21<sup>st</sup> said, "*We are not asking ERIF to extend the duration of the agreement at this time, rather want Council's consideration.*". To our knowledge, Council has not

been given opportunity to consider the impact an extension beyond this period could have on the homeowners ability to finance the purchase, or app and welcome Council's review of this matter.

## **AFFORDABLE AND ATTAINABLE RENTALS**

### **RESOLUTION OF ISSUE 4 RENTALS: Rental Housing Agreement - S. 1 (a) Definition – request from the District to include this in an appendices rather than in the definitions.**

As noted above: It is important that this rent price be clearly defined including the adjustors over time and for that reason we have asked for the definition/formula to be included. The reasons for this are set out above. It should also be noted that ERIF Housing Association will offer the 1-bedroom and 2-bedroom attainable rentals under leases to make the maximum number of dwellings available. If larger families request to rent the 2-bedroom and 1-bedroom condo adjoining this will be offered as a dual lease arrangement.

**PROPOSED SOLUTION:** On February 1st the Municipal Solicitors first suggested for the definition to be included in an Appendix. ERIF agrees to the definition being placed in the appendix. We have noted the amendment of words in the main Agreement.

### **RESOLUTION OF ISSUE 5 RENTALS: S. 1 Definition – Daily amount for enforcement penalty.**

The enforcement sum of \$500/day/unit is excessive as a penalty against a not-for-profit housing association.

**PROPOSED SOLUTION:** As noted above, while the issuance of penalties against a not-for-profit housing provider is a policy matter for greater consideration, in good faith ERIF has offered a compromise of \$100/day/unit.

## **NOTES ON DURATION OF AGREEMENT – RENTALS**

While not raised by the Municipal Solicitors, planning staff have raised the duration of the Rental Housing Agreement. This was raised in the public hearing on January 21<sup>st</sup>, 2025, so is a matter ERIF wanted absolute transparency for the community. To that end, we immediately provided a clarification on this in Q&As on January 22<sup>nd</sup> the next day and asked that these be provided to the community. In the 7 weeks since then, as far as we have seen, the Staff have not supplied these Q&As to the community as requested. The response is linked here again:

<https://drive.google.com/file/d/1cSrO-yiomeiOW9i8W4Ca8Z8HiLE0-LJG/view?usp=sharing>

It is essential that Council and Community understand the intent of ERIF to provide this housing for the community in perpetuity. The affordable rental units as 30% of Lot 2 are bound under CMHC grant conditions. For the other 70% of rentals at attainable pricing, we have gone to considerable effort and cost to establish a not-for-profit Housing Association to deliver this much needed rental housing for the community. While the Housing Agreement is a term of ten years, the ownership of the rentals will remain in the ownership and care of the not-for-profit Housing Association to be available for the community.

However, ERIF would **encourage the Council to consider establishing a Housing Association and taking ownership of all these 107 affordable and attainable rentals in Lot 2.** This would enable the District to apply for the Deep Subsidy units they want with a shovel-ready project, and to cap rental prices as best responds to community need over time. We would be more than happy to discuss this with the Council with an open book and at cost price option to transfer the rentals to the District's ownership that could be funded with the Affordable Housing Funds and OAP/MRDT funding.

## **RESOLVING FINAL MATTERS TO APPROVE DEVELOPMENT PERMIT**

### **1. Subdivision PLA Feedback – Outdoor Recreation Space**

We thank you for the email of March 7<sup>th</sup> passing on the notes from review of the Subdivision Application submitted January 13<sup>th</sup>, 2025. Mr Greig's email stated there was a new issue not previously mentioned by Staff which he felt could require a Development Variance Permit and public hearing to address the oversight. ERIF have undertaken additional investigation to reassure Council that this will not be required. This will prevent duplication of public hearing processes already completed and ensure no further delay to provision of these homes for Ucluelet.

The blockage to Subdivision raised by Mr Greig was the By Law requirement for 8m<sup>2</sup> of additional recreation / amenity space to be provided per bedroom in Multiple Family Residential Lots (Lot 1 and 2). ERIF's investigation confirms that:

- There appears to have been an incorrect calculation of bedrooms, as the single-family homes (Lot 3) and tourist commercial zone (Lot 5) are specifically excluded from the count by the by Law definition. Therefore, the space required to be provided is 340 rooms on Lots 1 and 2 x 8m<sup>2</sup>/room = 2720m<sup>2</sup> outdoor/recreation space.
- Architectural modelling confirms there is 1703m<sup>2</sup> recreation space between the Lot 1 and 2 homes including a communal kayak and surfboard area as an outdoor space recreation space accessory building. In addition, there is a further 4358m<sup>2</sup> outdoor space between the Lot 2 homes and boundary with trees inviting sensory walks and nature exploration as a recreational activity, enhanced by planting regeneration and connecting to the pedestrian crossing to recreational trail walks.
- In addition to the spaces above, it should be noted that 35% of the total site area (100,612m<sup>2</sup>), has been given to the District, far exceeding the typical 5% required in subdivision. The 35,848m<sup>2</sup> given to the District as dedicated 'Park' which should rightly be seen as contributing to the 'Outdoor recreation' area defined as "where the outdoor setting and landscape is a significant element in the activity including park or open space, playing field, botanical garden, arboretum, and outdoor exhibits", as it has been for Big Beach CD-2 zone.

This is detailed in **Appendix A** along with the revision of Formosis Plan 405 to reflect the 10m setback from boundary to lot 2 as requested by planning staff.

**If Council agree this resolves the concern, as this was the only matter raised in the Subdivision Review, we ask that the Subdivision PLA be issued prior to the April 15<sup>th</sup> meeting.**

### **2. Landscaping Plan**

Following receipt of the 18 page Landscaping Addendum on February 12<sup>th</sup>, Mr Grieg's email of March 7<sup>th</sup> confirmed that *"In order to keep this project moving forward, we can instead insert a condition in the draft DP which would require that the landscape plan and security deposit be provided prior to mobilizing for site clearing, grading and servicing"*. The further Landscaping Plan is being prepared and ERIF will endeavour to provide this prior to 15 April Council meeting when we ask for Development Permit be considered. Nonetheless, we are reassured that this will not delay DP and thank the planning team for this solution of adding the clause if there is delay to this report. We will ensure the report includes the requested location, number, type and size of plant material and cost estimate.

Mr Greig also proposed a landscape security deposit of 125% of the estimated costs. As you can imagine, as the not-for-profit Housing Association is providing the Lot1 and 2 affordable and attainable housing without developer margin, bonds like this would significantly impact on cashflow

for the project. We also note that seeking a security deposit is at the discretion of Council and not required under the Local Government Act. We propose a compromise would be that the plant number, type and cost estimate for the *park regeneration* areas, already provided in Table 1 of page 33 of the QEP's Environmental Report be the bond sum in the Development Permit.

### **3. Infrastructure Upgrades**

We thank Mr Lawrence and Mr Macintosh for meeting with ERIF on March 7<sup>th</sup> to discuss servicing the site. We appreciate the commitment made by Council to prioritise the upgrade of Hemlock Pump Station as the first of the fifteen upgrade projects to enable sewage capacity. As requested, ERIF has provided an indicative timeline for construction of the phased development, based on the complete DP being approved on April 15<sup>th</sup>. We thank Mr Macintosh and Koer's for working collaboratively with Herold Engineering on solutions if there is a shortfall in upgrade capacity. We appreciate the practical suggestions of the Planning Staff seeking Council's approval to order the required pump in advance given the long supply timelines and expediting the plans for Hemlock upgrade rather than waiting until all 15 projects have designs back for rollout in the next decade. Herold will work on interim servicing solutions with Koers as required. The servicing plan and grading will be updated for submission with the Build Permit application.

### **4. MoTI Referral and Roads**

At the meeting on March 7<sup>th</sup>, we also reviewed road plans with the District Staff. We discussed the common design of road used in recent Ucluelet developments, which varies from the 1969 kerb and gutter sketch. As requested, ERIF have supplied typical road designs like the preferred road setout on Rainforest Drive as staff suggested. We ask for confirmation of this typical road format for the upgrade of Minato Road.

As you know, ERIF has been in communication with MoTI since mid 2024 to ensure there would be no delay on the road approvals. We received confirmation of the design from MoTI and have prepared additional surveys to inform review of sightlines and throat depth on Minato Road to ensure smooth traffic egress from Minato Road, and provision of a dead end/ turnaround bay. As requested, ERIF is obtaining early indicative costs for these road upgrades so the Council can consider if in kind support can be provided for the not-for-profit portion of the road upgrade costs in lieu of waiver of DCCs. We aim to have these back to you in the coming week.

Please refer to **Appendix A** for details.

### **5. Lot 5 Use**

On September 30<sup>th</sup>, ERIF submitted the Temporary Use Permit for Lot 5. On March 7<sup>th</sup> we received the feedback on this application from Mr Grieg indicating that approval of the Temporary Use Permit (TUP) would require return to a further public hearing to amend the draft Zoning By Law. Mr Grieg also requested a quotation for the cost of complete removal of the manufacturing facility and associated slab, so the District can take security of 125% of this sum from ERIF. We note, again, that requesting security is not required under the Local Government Act and as we understand s496 of the Local Government Act and whether to require a deposit is at the discretion of Council.

The impact of this approach to the TUP would block progression to the complete Development Permit, and cause delay and cost to the project so it is not feasible. If a solution cannot be found by Council, ERIF will withdraw the Temporary Use Permit. We ask that Council permit 5 of the proposed 10 Eagle buildings on Lot 5 to be constructed in Phase A so we can accommodate construction staff on site without burdening the already limited rental housing in Ucluelet.

By withdrawing the TUP, it will enable all focus on Council being able to consider approval of the Development Permit as submitted at the meeting of April 15<sup>th</sup> to enable construction to commence without further delay.

## **6. Development Cost Charges (DCCs)**

On February 17<sup>th</sup> ERIF provided a detailed response to the proposal to waive DCCs for the not-for-profit Housing Association construction of the affordable homes, as these DCCs are typically waived under s563 of the Local Government Act. ERIF expressed our intention to pay the DCCs to help fund the significant infrastructure upgrades the community needs without increasing the concerning burden of increased property taxes on Ucluelet residents.

ERIF put forward 9 ideas for collaborative options Council could choose to support the not-for-profit affordable and attainable housing component of the project, for which there is no conflict under the Community Charter. Many of these options are in-kind contributions with little or no cost to the District. In Mr Lawrence's response of February 25<sup>th</sup>, planning staff indicated they were investigating:

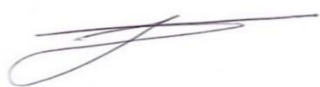
- **Request 1: correction of the calculation of DCCs** as each studio was calculated separately to it's adjoined condo, and should be included a 3-bedroom condo.
- **Request 3: proportionate contribution to the road upgrade** and underlying services below the road for the Lot1-2 homes being constructed by the not-for-profit entity. Indicative road costs will be supplied by ERIF for consideration.
- **Request 5:** ERIF requested that the Council consider entering a **Subdivision Servicing Agreement** that will permit the Subdivision titles to be issued ahead of infrastructure construction, with clear commitments for works required prior to occupation. This ensures finance required to commence the home construction, and transfer of the Lots 1-2 to the not-for-profit Housing Association to expedite construction of the affordable and attainable homes. As requested, additional information on this Servicing Agreement is set out in the Appendix C.

ERIF has requested that the Build Permit process be managed by contracted planners to ensure this can be expedited without delay to the projects demanding the attention of the planning staff. We would value the contracted planner being able to work collaboratively with Frankie Victor (GHL) being appointed as a contract building inspector for the District as she has strong experience in pre-fabricated construction and projects of this size.

Thank you for the preparation you are undertaking to ensure the complete Development Permit (including all buildings), and Subdivision PLA can be approved concurrently with the adoption of the OCP, Zoning and Housing Agreement By Laws with the target date of April 15<sup>th</sup>. We ask that copies of the final documents and agenda be provided to ERIF prior to publication so any final items can be reviewed and addressed.

Please let us know if there are any aspects in these final items to discuss together. We look forward to progressing this in the coming month to achieve the best outcome for Ucluelet.

Best regards,



Joshua Hunt

ERIF Housing Association

## APPENDIX A – ADDITIONAL DOCUMENTS

### 1. Outdoor Recreation Space

In Mr Greig's email of March 7<sup>th</sup> identified a new issue not previously mentioned by Staff which he indicates may require a Development Variance Permit. This was the only feedback items on the Subdivision Plans. Troublingly, the letter indicates this could require a further public hearing to address this oversight which would result in these much-needed homes being delayed by a duplication of process already followed by ERIF.

The email states:

*"Preliminary review of the subdivision plans has highlighted another area that may require a variance. The definition of Multiple Family Residential in the Zoning Bylaw is as follows:*

*"Multiple Family Residential" (or "MFR") means a building, or group of buildings on the same lot, each containing three or more dwelling units, for residential use only and specifically excluding commercial tourist accommodation, on a lot which includes a minimum useable outdoor recreation/ amenity space of:*

- (a) 16 m2 per bedroom when in the R-2 Zone;*
- (b) 20 m2 per bedroom when in the R-3 Zone;*
- (c) 8 m2 per bedroom when in all other Zones (including the residential component of the mixed residential/commercial and mixed residential/industrial uses);"*

*The proposed development shows a total of 440 bedrooms of multiple family residential, which at 8m<sup>2</sup> per would require 3,520m<sup>2</sup> useable outdoor recreation / amenity space on site. The park area on Lot 1 is approximately 1,200m<sup>2</sup> in area.*

*Staff do not see other areas in the site plan which could provide the required additional recreation / amenity space without reducing the number of units. The requirement could be varied by Council (from 8m<sup>2</sup> to approximately 2.5m<sup>2</sup>) by DVP. Please provide a plan showing the accurate area proposed for useable outdoor recreation / amenity space in the park on Lot 1, so that the DVP can be prepared to match your proposal.*

*Notification and public input on the DVP could be done in parallel with the public hearing, discussed above."*

As requested, we have prepared mapping of the site and available recreation/amenity areas and advise:

#### **Number of Rooms and m2**

Based on this definition Lot 5 zoned 'Tourist Commercial' and Lot 3 as 'Single Family' should be excluded from the calculations. The definition states "*excluding commercial tourist accommodation*" (Lot 5) and the Lot 3 homes do not meet the MFR definition of "building... containing three or more dwelling units".

Therefore, the number of bedrooms to be considered in the calculation of recreational space are (Lot 1: 66 + 1-8 + 6 = 180 rooms) and (Lot 2: 32 + 22 + 106 = 160 rooms) = 340 rooms x 8m<sup>2</sup>/room = 2720m<sup>2</sup> outdoor/recreation space.

#### **Confirmation of Available Space:**

Architectural modelling confirms there is 1703m<sup>2</sup> recreation space between the Lot 1 and 2 homes including a communal kayak and surfboard area as an outdoor space recreation space accessory building. In addition, there is a further 4358m<sup>2</sup> outdoor space between the Lot 2 homes and boundary with trees inviting sensory walks and nature exploration as a recreational



activity, enhanced by planting regeneration and connecting to the pedestrian crossing to recreational trail walks.



#### LINK TO FORMOSIS OUTDOOR AREAS:

<https://drive.google.com/file/d/1kWYkpA0YWljIXdA5BmqzB4xXVjXjmU2N/view?usp=sharing>

**Park Area:** In addition to the spaces above, it should be noted that 35% of the total site area (100,612m<sup>2</sup>), has been given to the District, far exceeding the typical 5% required in subdivision. The 35,848m<sup>2</sup> given to the District as dedicated 'Park' which should rightly be seen as contributing to the 'Outdoor recreation' area defined as "where the outdoor setting and landscape is a significant element in the activity including park or open space, playing field, botanical garden, arboretum, and outdoor exhibits". The example below of the CD-2 Zone for Big Beach indicates precedent for **both** Parkland dedication and **green buffer** being used as amenity contribution for density bonusing.

#### CD-2 Zone - BIG BEACH

*In this Comprehensive Development Zone, the density bonusing framework is based on a 15-20% parkland dedication/ amenity contribution, which is to be in the form of*

1. public recreational amenities, open space and green space;
2. new swimming pool and fitness facility, which will be privately owned and maintained;
3. 10 metre vegetation buffer abutting all existing residential lots in abutting Zones in order to provide a buffer between existing homes and the development in this zone.

#### Formosis Updates of Plan 405

As Mr Grieg requested in his email of March 7<sup>th</sup>, Formosis has updated drawing A450. Sections 2 and 3 show the updated tsunami level of 10.7m as per the final KWL report. On the Peninsula Road side, drawing sections 2 and 3 have been updated to reflect the building setback of 10m matched to the site plan. Additional survey data will confirm the natural grading of that area of the site and if amendment is required to the existing covenant EV124432 on title to accommodate the affordable rental housing with the slope there and appropriate replanting if any disturbance is required.

Updated drawings for A450 are linked here and will be provided in Stamped Form ready for Development Permit.

**LINK TO A405 SITE SECTIONS:** <https://drive.google.com/file/d/1vRHNI-D1lvPv6qHhaqlqLRPEcQXk2QfO/view?usp=sharing>

## 2. TYPICAL ROAD SECTIONS AND MoTI FEEDBACK

### Typical Road Form

At the meeting on March 7<sup>th</sup>, we also reviewed road plans with the District Staff. We discussed the common design of road used in recent Ucluelet developments, which varies from the 1969 kerb and gutter sketch. As requested, ERIF have supplied typical road designs like the preferred road setout on Rainforest Drive as staff suggested. We ask for confirmation of this typical road format for the upgrade of Minato Road.

The link below contains examples of typical road forms for 5 local examples that can guide design of Minato Road:

[https://drive.google.com/drive/folders/1KxBanr7omCR4QK-pJ3YiKZWWyAoe96MD?usp=drive\\_link](https://drive.google.com/drive/folders/1KxBanr7omCR4QK-pJ3YiKZWWyAoe96MD?usp=drive_link)

The examples are Lot 281-282 Marine Drive, Rainforest Drive and Wayerhauser Developments.

### MoTI Feedback

ERIF has been in communication with MoTI since mid-2024 to ensure there would be no delay on the road approvals. District Staff indicated they had not yet had confirmation from MoTI.

We received confirmation of the design from MoTI and have prepared additional surveys to inform review of sightlines and throat depth on Minato Road to ensure smooth traffic egress from Minato Road, and provision of a dead end/ turnaround bay. As requested, ERIF is obtaining early indicative costs for these road upgrades so the Council can consider if in kind support can be provided for the not-for-profit portion of the road upgrade costs in lieu of waiver of DCCs. We aim to have these back to you in the coming week.

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**From:** Juliette Green <juliette.g@erif.ca>

**Sent:** Tuesday, February 18, 2025 10:48 PM

**To:** Atchison, Derek MOTI:EX <Derek.Atchison@gov.bc.ca>

**Cc:** Nadine King <NKing@wattconsultinggroup.com>; Patrick Ryan <PRyan@heroldengineering.com>; Joshua Hunt <joshua.h@erif.ca>; Sarah H <sarah.h@erif.ca>; Jodie Thompson <jodie.t@erif.ca>

**Subject:** Re: MOTI File 2024-04965 - 221 Minato Road - Peninsula Rd Access Approvals MOTI

Hello Derek

Hope you had a great bonus day in your weekend.  
Thank you for your email and the helpful feedback.

Based on District Engineer's comments we wanted to run our go forward plan by you:

- a typical intersection, rural collector standard EB left turn and WB right turn lanes will be required. Our traffic consultant has guided this could be a stop-controlled intersection with a 15m eastbound left turn lane and a right turn direct taper on the Highway with stop control on the driveway. Unfortunately, a roundabout at Hwy 4/ Minato is not feasible for development of affordable and attainable homes in this location, but the support for this option is noted for future.
- We are coordinating with the District to obtain additional field measurements/ survey data for Hwy4 the sightlines confirmation. If required we will have further survey work prepared in the week of 24 February working on 125 meters each direction on Hwy 4 and 10 meters + along Minato noting highway profile with

edge of asphalt, shoulder/fog lines). We will have this information available for detailed civil designs with Build Permit.

- Minato Road will be upgraded to District standard with a cul de sac at the end. We will ensure a minimum 15 meter throat length (Hwy 4 to first driveway) with no parking signs along that area noting that the road design exceeds that substantially.
- We will ensure the 2<sup>nd</sup> access to Hwy 4 is secured with gates or bollards and marked for emergency use only.
- We will also work with the District and the Ministry to be guided on the pedestrian crossing type.
- The District is best placed to work with the Ministry on the 50kph reduction for 1km west as you work through your review process in the Ministry.

Thanks for confirming the plan above is suitable.

We look forward to your response to the District's referral.

We are close to Development Permit and excited to get these much-needed affordable homes underway for the community.

Thank you again for your prompt and helpful response.

With thanks

Juliette Green

**Juliette Green | Strategic Impact Director**

✉ [juliette.g@erif.ca](mailto:juliette.g@erif.ca) | 🌐 [www.erif.ca](http://www.erif.ca)



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**From:** Atchison, Derek MOTI:EX <Derek.Atchison@gov.bc.ca>

**Sent:** Thursday, February 13, 2025 6:10 AM

**To:** Juliette Green <juliette.g@erif.ca>

**Subject:** RE: MOTI File 2024-04965 - 221 Minato Road - Peninsula Rd Access Approvals MOTI

Hello Juliette,

Please see below comments regarding district engineer review for subject file:

1. District Engineering supports the roundabout option at Hwy 4 & Minato Rd. The roundabout will have to be built per MoTT Geometric Design Guide.
2. In case of a typical intersection, rural collector standard EB left turn and WB right turn lanes will be required.
3. 2<sup>nd</sup> access off Hwy 4 is not supported. If it is an emergency only access (with gates or bollards), no issues.

4. Pedestrian crossing across Hwy 14 is supported. The type of crossing needs further reviews/discussions.
5. The proposed extension of 50 km/hr speed zone about 1 km west on Hwy 4 will need further reviews within the Ministry.
6. The adequacy of intersection sightlines should be confirmed by field measurements or topographical survey data.
7. The clear throat length of Minato Rd (without traffic turning, parking etc) is not obvious. All the dead-end roads should be provided with proper cul-de-sacs.

Any further questions, please let me know.

Thank you,

**Derek Atchison**

Development Services Officer  
Vancouver Island District- Service Area 02  
Ministry of Transportation and Transit  
Derek.Atchison@gov.bc.ca



[APPLY FOR PERMIT](#)

[APPLY FOR BCeID](#)

[SUBDIVISION INFORMATION](#)

**From:** Juliette Green <[juliette.g@erif.ca](mailto:juliette.g@erif.ca)>

**Sent:** Wednesday, October 2, 2024 8:13 AM

**To:** Miskulin, James MOTI:EX <[James.Miskulin@gov.bc.ca](mailto:James.Miskulin@gov.bc.ca)>

**Cc:** Joshua Hunt <[joshua.h@erif.ca](mailto:joshua.h@erif.ca)>; [akading@wattconsultinggroup.com](mailto:akading@wattconsultinggroup.com) <[akading@wattconsultinggroup.com](mailto:akading@wattconsultinggroup.com)>; Patrick Ryan <[PRyan@heroldengineering.com](mailto:PRyan@heroldengineering.com)>; Evan Pearce <[EPearce@heroldengineering.com](mailto:EPearce@heroldengineering.com)>; Scott Proudfoot <[sproudfoot@formosis.ca](mailto:sproudfoot@formosis.ca)>; Jodie Thompson <[jodie.t@erif.ca](mailto:jodie.t@erif.ca)>; Learn, Jessica MOTI:EX <[Jessica.Learn@gov.bc.ca](mailto:Jessica.Learn@gov.bc.ca)>; Schneider, Nikki MOTI:EX <[Nikki.Schneider@gov.bc.ca](mailto:Nikki.Schneider@gov.bc.ca)>

**Subject:** Re: MOTI File 2024-04965 - 221 Minato Road - Peninsula Rd Access Approvals MOTI

Hi James

Thank you for your response on this, very helpful guidance. Sounds like we are best to wait to hear from you when your engineering team has reviewed TIA to then discuss the Minato Rd / Peninsula Rd intersection. We will continue to work with the Municipality regarding all access from Minato Rd, and the gated emergency access to Peninsula.

We will pass on your comments on the speed increase to the Municipality to take further with the MOTI as they see fit. If you can give a sense of the required documentation for them to make this application that would be a great help.

Thanks again for your assistance with this. We look forward to hearing from you with a time to discuss further when the engineers have reviewed the TIA.

With thanks,

Juliette Green

**From:** Miskulin, James MOTI:EX <[James.Miskulin@gov.bc.ca](mailto:James.Miskulin@gov.bc.ca)>  
**Sent:** Wednesday, October 2, 2024 7:42:17 AM  
**To:** Juliette Green <[juliette.g@erif.ca](mailto:juliette.g@erif.ca)>  
**Cc:** Joshua Hunt <[joshua.h@erif.ca](mailto:joshua.h@erif.ca)>; [akading@wattconsultinggroup.com](mailto:akading@wattconsultinggroup.com) <[akading@wattconsultinggroup.com](mailto:akading@wattconsultinggroup.com)>; Patrick Ryan <[PRyan@heroldengineering.com](mailto:PRyan@heroldengineering.com)>; Evan Pearce <[EPearce@heroldengineering.com](mailto:EPearce@heroldengineering.com)>; Scott Proudfoot <[sproudfoot@formosis.ca](mailto:sproudfoot@formosis.ca)>; Jodie Thompson <[jodie.t@erif.ca](mailto:jodie.t@erif.ca)>; Learn, Jessica MOTI:EX <[Jessica.Learn@gov.bc.ca](mailto:Jessica.Learn@gov.bc.ca)>; Schneider, Nikki MOTI:EX <[Nikki.Schneider@gov.bc.ca](mailto:Nikki.Schneider@gov.bc.ca)>  
**Subject:** RE: MOTI File 2024-04965 - 221 Minato Road - Peninsula Rd Access Approvals MOTI

Hi Juliette,

Thank you for the update. I've created a Municipal Referral file to assist with record keeping on the Ministry's end. **The assigned file number is 2024-04965 – please include this file number in the subject of all future correspondence.** This way, if you encounter a different staff member at some time in the future they will be able to review previous correspondence, submitted plans, etc.

The Ministry is in support of a residential access onto Minato Road; however, it is within the municipal boundary so permitting would fall under the District of Ucluelet. The Ministry would however be responsible for issuing a permit onto Peninsula Road for the proposed emergency access, which the Ministry is open to in concept. This access would need to be gated, and would be restricted to emergency use only. The Ministry does not support right in/out construction access onto Peninsula Road. All access should be via Minato Road.

I will forward the submitted TIA to our engineers for review. The Ministry will need to accept the report prior to proceeding in discussions related to impacts to the Peninsula Rd / Minato Rd intersection, and any potential upgrades.

With regards to the proposed speed limit reduction. The applicant may make this request, but Chief Engineer approval is required as you have noted. Timelines for this review are unpredictable, but it's probably safe to assume that review times are extended. We can certainly begin exploring this at your request; although, I admit that I have no sense of whether or not this proposal would be supported. Once you're ready please let me know and I'll reach out to our engineer to see what documentation is required in order to initiate this process.

Please let me know if you have any further questions or if you would like to discuss this further.

Thank you,

**James Miskulin, BBA, MCPM**

He/Him

Senior Development Services Officer

Ministry of Transportation and Infrastructure

Vancouver Island District

P: 250-734-4821 | [james.miskulin@gov.bc.ca](mailto:james.miskulin@gov.bc.ca)

### 3. SUBDIVISION SERVICING AGREEMENT

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**From:** Tyler Hansen - Williamson & Associates <tyler@vibcls.ca>  
**Sent:** Thursday, January 23, 2025 3:15 AM  
**To:** Juliette Green <juliette.g@erif.ca>  
**Cc:** Joshua Hunt <joshua.h@erif.ca>; Sarah H <sarah.h@erif.ca>  
**Subject:** RE: Separate titles soon after PLA issued?

Hello Juliette,

To answer your question below, the answer is yes – you can do a construction agreement with DoU acceptance instead of constructing the subdivision. This defers the construction phase or allows you to register the subdivision prior to construction completion. It is typically more complicated and in the long run I understand it to be more expensive (the surveying is definitely more expensive), but gets the titles created prior to having the subdivision constructed.

For this option, the steps are generally:

1. design the engineering and other construction works required for the subdivision (DSA stage below) as set out in the PLA and other agreements (servicing, fencing, etc),
2. estimate the construction costs for that work,
3. provide security/bonding for that amount as the municipality's discretion,
4. submit the final approval package with the finalized subdivision plan (this will require the field survey work completed and the boundaries of the 5 lots locked in),
5. payment of all municipal fees (DCCs, property taxes, etc.),
6. satisfaction of all legal agreements for the Rezoning and DP or deferral of those conditions, and
7. prepare and execute all legal documents required by the PLA such as blanket SRWs and blanket Easements to be reduced after construction, No Build/No Transfer Covenant, and potentially others

If you want to proceed with subdivision registration prior to completion of construction, I think you need to have a discussion of the technical details with Bob Wylie and DoU staff as soon as the PLA is issued so that the process is fully understood.

**Regards**

**Tyler Hansen, BCLS**



**WILLIAMSON & ASSOCIATES  
PROFESSIONAL SURVEYORS**



**3088 Barons Road, Nanaimo B.C., V9T 4B5**

**Phone: 250-756-7723 Cell: 250-816-8785**

**Email: [tyler@vibcls.ca](mailto:tyler@vibcls.ca)**

## **APPENDIX B – HOUSING AGREEMENT FINAL VERSION**

ERIF has responded to all items raised by Mr Guy Paterson, Municipal Solicitor. He initially raised three items querying if they created uncertainty for the District. ERIF deleted/amended those clauses as requested in February.

In response to the further comments, the Definition of Attainable Housing and Attainable rent have been included as an Appendix as requested.

ERIF has added the Definition of Attainable Rent to the Attainable Home Ownership Agreement in 1(a)(iii) as requested by Guy and also in Appendix A definition. The definition of 'Attainable Rent' is as per the Attainable Rental Housing Agreement.

The final Housing Agreement document is linked here:

<https://docs.google.com/document/d/1CeaLxCZGgul3oNodQIQcAlwBmUzAstSt/edit?usp=sharing&oid=112799033585077686990&rtpof=true&sd=true>



## APPENDIX D - Letters regarding DCCs

ERIF's letter regarding DCC's is linked here:



February 17<sup>th</sup>, 2025

**Attn:** Duane Lawrence, CAO  
Bruce Greig, Director of Community Planning  
John Towgood, Municipal Planner  
District of Ucluelet

**RE: 221 MINATO ROAD – DCC PAYMENTS and IN-KIND SUPPORTS FOR CONSIDERATION**

Dear Duane, Bruce and John,

This letter follows Council's motion to explore the potential waiver of Development Cost Charges (DCCs) for ERIF's development of affordable and attainable housing at 221 Minato Road. In response to staff's request for clarification, ERIF acknowledges the importance of determining the amount of DCC relief being sought.

While DCC waivers are commonly expected by non-profit housing organizations to enhance project feasibility, ERIF is committed to paying these DCC charges to maximize our financial contribution to essential infrastructure upgrades. This approach helps mitigate the financial burden on the community and reduces the impact on local taxpayers.

That said, we recognize the need for collaborative and innovative solutions to ensure that the 221 Minato Road project can meet its financial obligations while continuing to deliver much-needed affordable housing. To facilitate this, we have outlined several low-cost or no-cost measures through which Council can support the project, helping to make these homes as affordable as possible for the community.

**Eligibility for waiver of DCCs for not-for-profit organizations delivering affordable and attainable homes.**

ERIF understands that under the Local Government Act s563 the Council can offer waivers of DCC's to not-for-profit organizations. ERIF Housing Association is a not-for-profit organization registered in BC with the Constitutional purpose: *"To provide quality, comparable below market housing which is crucial to the sustained prosperity and growth of a community by supplying, new home construction, home ownership and home rental programs"*. The Association documents have been submitted with our Application for Development Permit.

In addition, s564(3) provides that the *"Development Cost Charges should give consideration to whether the charges will (f)(ii) discourage the construction of reasonably priced housing or the provision of reasonably priced serviced land"*.

We have crafted the plans for Lot 1 (75 attainable homes for homeowners) and Lot 2 (75 condos, with a possible 32 additional studios at affordable and attainable rents) with the driving intention to create affordable homes for Ucluelet. The expectation from non-profit housing providers would be that DCC's (which in this case exceed \$1.5m) would be waived for projects like this.

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#### Decision to pay DCCs to contribute to the community

However, ERIF are deeply conscious of the burden of responsibility that Council carries to balance the financial needs of the District, particularly with costly infrastructure upgrades against the impact of rate increases on our community.

ERIF would like to do all we can to pay the DCC's levied for 221 Minato so we can contribute to upgrading the community while also providing below cost housing that is so urgently needed.

This letter sets out alternative ways that ERIF would like to ask the District to support these attainable homes, most without any financial contribution required, while ERIF pay the Developer Cost Charges to contribute to capital funds for the District. We believe this approach reflects the partnership in a shared mission between ERIF and Council to meet the needs of the community.

#### DCC Estimate

The District provided an estimate of the \$2,541,084 DCCs on November 26<sup>th</sup>, 2024 (Addendum A). This was based on:

- **For Lot 1 Attainable Homeownership DCCs were estimated as:** Part 1 as 7 multiplex buildings with 39 units and Part 2 as 11 multiplex buildings with 46 units. This is a total of 75 attainable home sales.
- **For Lot 2 Affordable and Attainable Rentals were estimated as:** Part 1 as 6 multiplex buildings with 29 units and Part 2 as 10 multiplex buildings with 68 units. This is a total of 107 units for attainable and affordable rental.

However, it should be noted that this includes 32 studios which can be leased combined as 3-bedroom unit rather than standalone. These 32 studios increase the DCC estimate by \$9,720 per unit x 32 studios = \$311,040 additional DCCs.

The DCC component represented by the Lot 1 and Lot 2 affordable and attainable housing is \$1,769,040. However, the suites share space with the 2-bedroom units to create a 3-bedroom unit and we ask that the suites not be charged the DCCs as a separate unit, as this adds considerable cost to the affordable homes.

#### IN KIND SUPPORT REQUESTS in lieu of DCC Waiver for Affordable and Attainable Homes

ERIF is committed to providing the above **182 home units** (including suites) to the community at the affordable and attainable prices agreed with the District. To achieve this in partnership, including selling 75 homes at comparable below-market pricing without any Federal or Provincial funding available to offer this. Nonetheless, we want to pay the DCCs and in lieu of the DCC waiver we ask the District to consider supporting the project in the following ways:

1. **Request 1: Correction of DCC Estimate – Not Charging DCCs Separately to Co-joined Suites**  
ERIF ask that the DCC estimate be updated to reflect that the mortgage-helper suites are not charged the \$9,720/suite for DCCs but incorporated into their 3-bedroom unit they form part of. This corrects the DCC amount for Lot 1 and 2 from **\$1,769,040** reducing the estimated DCCs by \$311,040 to the corrected Lot 1 & Lot 2 total DCCs of **\$1,458,000**.

The remainder of DCCs for the balance of the development are estimated to be \$784,926. This is based on \$79,464 for Lot 4 commercial, \$141,702 for 11 single homes on Lot 3 and \$563,760 for Lot 5 based on full build out of 58 units. **The total DCCs estimated on 221 Minato are therefore \$2,242,926 that would be payable.**

2. **Request 2: Phased DCC Payment Delayed to Prior to Occupation**

ERIF needs to keep finance and interest costs low to keep the attainable homes as far below market as possible. Therefore, we ask that the DCCs for each lot be paid progressively. This is a critical request to keep the interest expenses for this project, and the end price of attainable homes as low as possible.

For example, Covenant Restriction on Lot 5 will prevent construction of all but the 3 initial multiplex buildings until after Lot 1 and 2 are fully built out. Therefore, we ask that Lot 5 DCCs can be issued building by building (starting with the 3 multiplexes at attainable pricing for construction workers. In this example, 15 units x \$9,720 DCCs per unit in the first 3 multiplex = \$145,800 DCCs invoice payable for Lot 5 Phase A.

We ask that the District delay DCCs being invoiced as long as possible, ideally being invoiced after issuance of the Build Permit for each Building and payable progressively prior to issuance of Occupation Certificate.

3. **Request 3: Road Upgrades, Parking and Connecting Services to Lots**

ERIF requests that the Municipality delivers the off-site road upgrades required by MoTI and District standards. This would involve surfacing Minato Rd to district standards including the intersection of Minato and Peninsula Road and pedestrian crossing at Peninsula Road. ERIF will provide the private roads within the property but seek the Districts support for all off-site roadworks. ERIF will collaborate with the District to apply for grants to offset costs of road works if this in-kind support for the project is supported by Council. While doing this road work and with services exposed, we ask that the District extend the District services (sewer and water) under Minato Road to the street frontage of each lot at Minato Rd. We also ask that the area dedicated back to Council along Minato Rd intended for parking be asphalted at the same time as adjoining Minato Road so that the parking is prepared concurrently ready for future use.

The following requests are in-kind support that not impact District Income:

1. **Request 4: MoTI Speed Limit Reduction to Peninsula Road**

Council identified that extending the reduction in speed to 50km/hour would significantly benefit the area by slowing traffic on the entry of town for the safety of resident walkers and cyclists, users of the Health Clinic and Ancient Cedars Loop. MoTI has confirmed this is something they can work with the District on and are poised to review this further with their Engineers. ERIF requests that the District works with the MoTI toward speed reduction for Peninsula Rd.

2. **Request 5: Construction Agreement for Early Titling of Subdivided Lots**

That Council approve a Construction Agreement for the Subdivision approval, deferring the construction phase so that the subdivision approval can be registered and titles for the land parcels created prior to completion of all subdivision construction works.

The works will be completed prior to occupation and the Construction Agreement will be a covenant restriction on each title, noting the completion of works as a condition of issuing the occupation certificate. ERIF's surveyor can assist in preparing this Agreement if needed.

By entering the Construction Agreement, Council will assist ERIF to expedite creation of the new land titles required for financing and settlement of the land, enabling faster delivery of the homes without delay for rollout of DoU infrastructure rollout and keeping the cost base low to achieve the most affordable sales.

3. **Request 6: Expedited Approval of DP and BP to Keep Cost Base Low**

That Council and Staff continue to make every effort to expedite the approval of a complete Development Permit for the entire site. We ask that at the scheduled Council meeting of 11 March 2025 considers approval of the collective group of:

- Adoption of the OCP/Zoning/Housing By Laws,
- approval of Development Permit including all buildings for all lots,
- and Temporary Use Permit for Lot 5 including approval for construction of the all-weather construction facility ready for Build Permit application for this facility.

ERIF urgently needs confirmation of acceptance of the Subdivision PLA Design from the Approving Officer so we can progress with detailed designs for Servicing and Build Permits.

4. **Request 7: Grant Collaboration**

ERIF seeks approval to collaborate with the District of Ucluelet in applying for the Green Municipal Fund. If successful, this would fund the rooftop solar project for 221 Minato Road, which will be the largest rooftop solar undertaking in BC and a great news story for the community, District and the Province.

In addition, where ERIF can source additional funds to offset costs, these savings will be used to offer low-deposit assistance to buyers so they can become homeowners sooner, passing on the win to the community who needs it most.

5. **Request 8: Infrastructure Upgrade Schedule**

That Council prioritise the sewage and services upgrades that will enable timely roll out of the phased development of 221 Minato Rd and communicate timelines and any delays encountered with ERIF so the on-site retention and timed release back up plan can be provided for and not delay construction works.

6. **Request 9: Planning Officer and Building Inspector to Support Expedited Approvals**

Understanding the resource restraints of the DoU's Planning Department as discussed at the Council meeting of February 12<sup>th</sup>, ERIF ask that Council consider using the District's Affordable Housing fund to appoint a dedicated Planning Officer (external consultant) to progress the non-profit housing project as the Build Permit will need to be expedited for all buildings which will enable financing and minimize increased interest and expenses caused by delays that adds to the cost base of the attainable homes.

ERIF also asks that the AHF be used for Council to appoint a dedicated Building Inspector who can efficiently certify the buildings throughout the construction of all lots at 221 Minato. ERIF will work with Council to find the most suitable dedicated Inspector to appoint.

**Reduction in Sale Price for Attainable Homes Made Possible by the Above Supports**

With the approval of the above support, ERIF will be able to deliver high quality homes well below comparable market value, at or below the attainable pricing definition in the Official Community Plan (OCP).

The appraised value of the homes, if sold at market pricing, is determined on comparable sales which are weighed based on location, dwelling size, inclusions and features.

We have attached the market appraisal from Judy Gray from RE/MAX Mid-Island Realty and example comparable sales in Addendum B. This documentation supports the market pricing as follows:

Unit Size	Comparable Sales Range	Realtor Market Sale Appraisal	Target sale price from	Attainable Sale Cap Maximum Sale
<b>1-Bedroom</b> 1-Bathroom	\$555,000-724,500	\$724,000*	\$369,000* (\$355,000 below market, save 49%)	\$567,000 (\$157,000 below market, save 22%)
<b>2-Bedroom</b> 2-Bathroom	\$655,000-980,000	\$980,000*	\$535,000* (\$445,000 below market, save 46%)	\$567,000 (\$413,000 below market, save 42%)
<b>3-Bedroom</b> 3-Bathroom	\$875,000-1,375,000	\$1,375,000*	\$748,000* (\$627,000 below market, save 46%)	\$865,000 (\$510,000 below market, save 37%)

Note: All prices exclude GST

\*subject to change with delays, additional consulting reports and on/off site costs.

ERIF is working to reduce the cost base of the project to keep the home sales as low and possible, below the 'Attainable' pricing as defined in the OCP and Housing Agreement. Our current target prices are as follows:

- **One-Bedroom Target Sale Price:**  
*Start from \$369,000 (excl GST) offering savings of \$355,000 below market price (49% reduction)*
- **Two-Bedroom Target Sale Price:**  
*Start from \$535,000 (excl GST) offering savings of \$535,000 below market price (46% reduction)*
- **Three-Bedroom Target Sale Price:**  
*Start from \$748,000 (excl GST) offering savings of \$627,000 below market price (46% reduction)*

Achieving as close as possible to this target price relies on the agreement of Council to the requests for in-kind support being agreed by Council. However, it is critical to note that these costs can rise with any delays, additional consulting reports and site rollout complications.

If ERIF can win additional grants to offset out development costs, and can support the District to win grants that can offset the DCCs payable by ERIF, we will dedicate these funds to bringing down the bottom-line cost price of the attainable homes, recognising that Council's partnership has made it possible for these eligible homeowners to save even more on their below-market home purchase.

#### **Reduction in Rental Rate for Attainable Homes Made Possible by the Above Support**

The comparable rentals in the Ucluelet and neighbouring areas inform the market rental price for units. There is variance on the age, quality and inclusions for the homes, with newly built, high-quality homes with better features usually exceeding these rental rates. The appraised rent rates for 'market rentals' are set out below. This is compared to the maximum rental rate under the 'Attainable' definition in the OCP and Housing Agreement.

The table also shows the current estimates for 'Affordable' rentals noting this is subject to the direction of CMHC under terms of the grant.

Unit Size	Comparable Rental Range	Realtor Appraised Rent	Target Attainable Rent	Attainable Rent Cap – Maximum Rent (\$/month)	Affordable Rental Rate – Subject to CMHC (\$/month)
1-Bedroom	\$1,500-2,200	\$1900	\$1,500* (save \$400/month 21%)	\$2,483	\$788/month (save \$1112/month 59%)
2-Bedroom	\$2,000-2,800	\$2500	\$2,200* (save \$300/month 12%)	\$2,483	\$1,036.80/month (save 1463/month 59%)
3-Bedroom	\$2,800-3,600	\$3100	Only 1-bedroom and 2-bedroom condos offered, with option for dual tenancy agreements on adjoining condos		

\*subject to change with delays, additional consulting reports and on/off site costs.

To make the maximum number of condos available for rent we will offer all condos as one-bedroom and two-bedroom, with the option for dual tenancy agreement arrangement on adjoining condos.

We have attached the rental market appraisal from Judy Gray and example comparable rentals in Addendum B. The approval of the requests for in-kind supports above will enable the lowest possible cost base so the pool of rentals can be made available to eligible Ucluelet residents. These homes will be built and managed by the not-for-profit ERIF Housing Association with the support of the appointed local housing committee as an ongoing community asset to address the rental housing shortage that is so significantly impacting Ucluelet.

**Grant Support Opportunities to Offset DCC Reduction:**

ERIF is very conscious of the need for rates and DCCs to contribute to the income and capital base of the District, particularly the infrastructure upgrade requirements. Therefore, we want to do all we can to support the District in identifying and applying for grant funds that can add to the available funds to meet Ucluelet's needs.

To achieve this, ERIF offer to leverage the expertise of our in-house funding specialists, ensuring a strategic and efficient approach to grant applications. Our goal is to maximize funding success while minimizing any additional strain on the District's resources, fostering a collaborative and sustainable funding strategy for critical infrastructure improvements.

We ask that Council consider where ERIF assists with grant applications to win funds that the equivalent amount could then be waived from the DCCs charged to ERIF for the attainable rentals to keep the costs as low as possible for the financial sustainability of the non-profit housing provider. ERIF's funding specialists have a shortlist of grants identified to explore with the District if you would like our support to secure additional funding to offset the DCC's payable.

We would welcome the opportunity to speak further about grant funding opportunities and how we can assist Council in applying for these funds for the benefit of the community.

We thank you for your consideration of the in-kind supports we have set out above. Please let us know if any additional information is required as you review this.

In partnership,



**Joshua Hunt**

CEO – ERIF Sustainable Solutions

**Mr Lawrence's Response is below:**

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From: Duane Lawrence <dlawrence@ucluelet.ca>  
Sent: Tuesday, February 25, 2025 6:17 AM  
To: Juliette Green <juliette.g@erif.ca>; joshua.h@erif.ca <joshua.h@erif.ca>; jodie.t@erif.ca <jodie.t@erif.ca>  
Cc: Marilyn McEwen (Ucluelet Mayor) <mmcewen@ucluelet.ca>  
Subject: FW: Development Assistance

Hello Juliette,

Thank you for providing the detailed letter regarding potential support requests for the 221 Minato Bay development. Below is some clarifying information, updates and request for additional information.

Request #1 - We will get back to you on the DCC calculations. There may be provisions under S. 933 of the local government act that will permit a possible recalculation although we are uncertain at this time. The DCC bylaw is approved by the municipal inspector and then adopted by Council. It is one of the few bylaws that is overseen by provincial regulations and amending the bylaw is a much more complex matter. At this time any DCC calculations must follow the bylaw. If there is a change in the number of doors then the DCC calculation will change accordingly. In our current bylaw Council does not have the ability to consider a reduction in DCC's related to affordable housing nor change how the number of doors are counted. That being said we will investigate and advise if there is an option that we can explore.

Request #2 - With respect to the collection of DCC's, this is regulated by the province under S. 933 (5) of the Local Government act. We can collect them at subdivision or at building permit per the current DCC bylaw. The 11 single-family lots would pay DCC's at the time of subdivision, but the majority of the development would pay DCC's at the building permit stage.

Offsite Services – As I believe you are aware, municipalities are prohibited from providing assistance to a business. For Lots 3, 4 and 5, based on your current development proposal, it is clear that there is no ability for the District to provide financial (cash or in-kind) support. For Lots 1 & 2 we will need to do additional research. Although we understand that the ERIF Housing Association will be managing lots 1 & 2 once constructed, ERIF, the business, will be constructing them. As such it is our understanding that we would be prohibited from providing financial assistance. By taking on the construction of, and upgrades to Minato Rd/Hwy 4 upgrades and infrastructure connections for the development the District would be providing assistance to ERIF which we are not permitted to do under the Community Charter. There may be options to address the business/non-profit linkage related to lots 1 & 2 that we can look at. We need to investigate this to see what is permissible. I would note that prior to Council being able to contemplate an ask in support of lots 1 & 2 we would need to know and fully understand the financial implications for the works. The DoU undertaking the road and hwy improvements in their entirety is not permissible although with the road and intersection supporting lots 1 & 2 there may be an option to support this portion of the project.

Request #3 – Provision of financial or in-kind supports to Lots 3, 4 and 5 would be prohibited under the CC. District staff will investigate if providing some form of support for Lots 1 & 2 related to the development of Minato Rd and the Hwy 4 intersection is permissible under the CC. If permissible, we would need ERIF to provide costing for the requested support. Staff would then calculate the portion of the construction costs that may be supportable. Note that affordable housing funds can only be utilized to support affordable housing, this does not extend to attainable housing. Affordable housing support would only be able to be allocated towards the attainable housing portion of Lot 2, any additional funding would need to be funded through property taxes. Once we have confirmed this request is permissible under the CC and ERIF has provided the project costing, staff could present this to Council for their consideration.

Request #4 – A speed reduction request has already been made by District staff to MOTI and they are reviewing it. We will continue to advocate for the speed reduction.

Request #5 – We are uncertain exactly what you are asking here. Can you provide some additional clarity. Are you looking for a servicing agreement to allow you to register the subdivision ahead of infrastructure construction?

Request #6 – Staff continue to expedite all aspects of the development and will continue to do so. The DP will be issued at the earliest opportunity once all of the agreements are in place. This continues to hinge on the District and ERIF coming to an agreement with respect to the covenant and housing agreements. Once these are approved and registered Council will be in a position to adopt the OCP amendment and zoning amendment bylaws. Once the bylaws are adopted Council will be in a position to issue the environmental DP to enable subdivision and site works and off-site infrastructure works. Our approving officer is reviewing the PLA and will provide comments as soon as he has completed his review.

We are reviewing the updated TUP and lot 5 requests and will move this along as quickly as possible.

Request #7 – Grant collaboration. As grants are identified we would be happy to work with ERIF and appreciate the offer of support. Note that due to the significant allocation of funding to the sanitary system upgrades that we are working on we have limited budget capacity to fund the District's portion of new grants, unless they are part of a planned and funded project. This will limit our ability to undertake new projects in the coming years. We continue to review all grant opportunities as they come up to see if we can access them but our current financial commitments will limit what we can do.

Request #8 – Council has already prioritized the sanitary service upgrades needed to support new development in Ucluelet. We are fast tracking these and have an anticipated completion date of 12 – 18 months. Engineering design, materials procurement and construction are the limiting factors that we are working to shorten as much as possible.

Request #9 – Council supported staff's request to hire additional planning staff in 2024 through funding provided by the province and we are now working with a full complement of staff. Additional staffing is not required to advance your development.

As previously advised, with respect to the building permit and inspections, anything being built in a factory should be CSA certified. If we understand your intentions for a portion of each build being constructed in a factory setting and then the remainder on site, it may complicate the inspection process, and we would encourage you to investigate this

now to ensure you do not run into unintended delays. Once you have the building process determined please share this with us so that we can review and ensure it meets building code and inspection requirements. If you are planning on engaging a coordinating registered professional, this may expedite the building inspection process and resolve the factory inspections if your temporary factory is not CSA certified.

Once we have received the requested additional information and clarifications, we can then prepare a report to Council for their consideration.

Regards,



**Duane Lawrence**  
**Chief Administrative Officer**

**Box 999, 200 Main Street**  
**Ucluelet, B.C., V0R 3A0**  
**Phone: 778-748-8477**

**Mr Lawrence also requested confirmation of CSA:**

**CSA Facility Certification**

In Mr Lawrence's email of February 24<sup>th</sup> planning staff requested information on the CSA process for accelerated housing manufacture. ERIF advises that all facility built products will follow this process:

1. The CSA facility process ensures high-quality, code-compliant construction through a structured and rigorous approach.
2. All buildings are designed to exceed BC Building Code standards, providing superior durability and performance.
3. Shop drawings for each assembly are produced by the same engineers who stamp the final drawing set, maintaining consistency and precision.
4. Each assembly is then integrated into specialized software, preparing it for seamless production on the facility assembly line.
5. Facility operations are optimized by process engineers who develop specific Standard Operating Procedures (SOPs) and quality control measures prior to fabrication for each unit type.
6. A rigorous quality control system is in place, requiring sign-off at each station before the assembly moves to the next stage.
7. Stamped engineered drawings are submitted as part of the permit process, ensuring regulatory compliance.
8. A third-party inspector, Intertek, reviews the stamped drawings, quality control procedures, and factory SOPs before applying CSA labels, verifying compliance prior to shipping.
9. Additionally, ERIF will engage a Coordinating Registered Professional (CRP) to oversee the entire project, ensuring adherence to all necessary standards and regulations.
10. Every unit supplied from the factory and installed as part of this project will have a CSA approval.