

ISLANDERS' SECURE LAND ASSOCIATION (ISLA)

ANNUAL GENERAL MEETING

Sunday, June 21, 2015 at 3.00 pm

at New Horizons

1765 Sollans Road, Hornby Island BC

M I N U T E S

Present: Sonja Goldsmith President
Michael McNamara Vice President/Treasurer
Stan Combs Secretary
Katherine Ronan Director
Masoud Zadeh Director
Sheila Farrington Administrator

Directors Absent: Tony Wilson

There were twenty ISLA members in attendance.

1. ESTABLISHMENT OF QUORUM

Quorum was established (fifteen members required).

2. MEETING CALLED TO ORDER at 3.18 pm.

3. APPROVAL OF AGENDA

MOVED Darren Bond, SECONDED Dan Bruiger to approve the agenda as presented.

CARRIED

4. MINUTES

Minutes of the previous AGM held June 22, 2014 were read.

5. REPORTS

5.1 President's Report - Sonja Goldsmith

President Sonja Goldsmith summarized ISLA's activities over the past year, including an explanation of the approval process for the Hornby Island Official Community Plan, which must take place before Hornby's Land Use Bylaw can be adopted and ISLA's land use zoning be completed. Approval of the OCP has been delayed at the ministerial level. She gave a summary of fundraising projects and events, including production of a short video by Dale Devost of Outer Island Productions, a successful Valentine's Day dinner and dance organized by director Katherine Ronan, and plans for a booth at the summer market. She reported that the road into the ISLA property held up very well under heavy winter rains. She also reported that ISLA's constitution had been renumbered by a resolution of the board in order to comply with Canada Revenue Agency's requirements for charitable status after consulting with BC Corporate Registry and ISLA's non-profit lawyer to determine that such a change is permissible by board resolution rather than a special resolution passed by members. She concluded by encouraging attendees to consider working with one or more ISLA committees.

5.2 Treasurer's Report - Michael McNamara

Treasurer Michael McNamara reviewed ISLA's year-end financial statements, gave an overview of our financial needs, and discussed our two possible solutions for funding: donations or borrowing, with borrowing being considered the more viable source. Also discussed was ISLA's social impact loan from the Hornby Island Economic Enhancement Corporation (HICEEC) for our "Tiny House" demonstration

house. The loan will convert to a grant if the house is on a foundation on the ISLA property and occupied by an ISLA resident by the end of June, 2016. The delay in finalizing our land use zoning is affecting our ability to meet the time requirements of the loan and we are negotiating an extension.

The 2015 year end financial statements are attached to and form part of these minutes.

MOVED Janet LeBlancq, **SECONDED** Ann Newdigate to accept the Treasurer's report as presented.

CARRIED

6. SITE PLANNING AND SUBDIVISION UPDATE - Michael McNamara

Michael McNamara reported on the board's decision to change our subdivision plan to a bare land strata with ISLA retaining ownership of all the land and explained that the previous model we had been pursuing, leasing without subdividing, was not feasible as it would not allow long term leases and residents would not have been able to use obtain mortgages. A bare land strata subdivision with ISLA as the sole owner will have more clearly delineated lots that we will be free to lease, and will be acceptable to financial institutions for mortgages. We will be able to subdivide in phases and adjust boundaries with each phase. The one obstacle to this subdivision type is that ISLA's zoning in the Land Use Bylaw prohibits subdivision, so the board is working with the Islands Trust to amend the zoning to allow subdivision. Bernhard and Christa Weiss, who donated the land to ISLA, have been consulted and support the change of zoning. He commented that working with the Islands Trust local trustees and the planner for Hornby Island on this project has been a very good experience and that they have been very supportive and helpful.

MOVED Robert Rensing, **SECONDED** Holly Morgan to accept the idea of subdividing the ISLA land as a bare land strata with ISLA as sole owner.

DISCUSSION OF MOTION: Islands Trust Local Trustee Tony Law commented that it may be possible to open up the Land Use Bylaw to make the zoning change.

Michael McNamara discussed the Phase 1 site plan for up to six home sites, explaining that the property has numerous riparian set backs that leave sufficient area to develop and to allow for generous green areas. A number of the proposed lots bound on green areas and three are bounded on two sides by green areas.

MOTION PUT TO VOTE

CARRIED

7. FINANCIAL LIMITS & COSTS TO RESIDENTS UPDATE - Stan Combs

Stan Combs presented an update of maximum household income and costs to residents. The household maximums are based on BC Housing figures for the Sunshine Coast, which is the most demographically similar area to Hornby, and the formula is based on number of bedrooms, which is the national occupancy standard. Income/asset limits have been lowered from previous ISLA levels as the value of the house is now excluded. The cost of a lease is projected to be close to \$250 to \$350 per month, with any mortgage costs added to this figure.

Not everyone will be financing their home. For those who do, for a small house costing \$70,000 or so mortgage payments plus lease would be around \$680 per month, plus insurance, etc. This is comparable to the cost of renting, around \$800 per month.

Details of financial limits and costs to residents are attached.

Discussion:

- Sharon Rogalsky: There has been talk of a buy-in up front.
- this had been considered in the past, but is no longer a part of ISLA's plan
- Dan Bruiger: There is third scenario for funding: get a loan, then reduce monthly payments in ratio to donations. Discussion followed about whether donors would be willing to pay down a loan and the need to make an equitable arrangement so the first residents would not be paying more than later residents.
- Janet Leblancq: It is necessary to think outside the box to find if there is any way to gather money early and not carry a debt load.
- Kathi Sauve: The Vancouver Island Health Authority are about to change their requirements regarding composting toilets and it would be significant saving not to have septic system. There have also been advances in batteries that could power a house.
- we need to comply with VIHA not only for septic but also for grey water; even with composting toilet a septic system would be required for grey water
- Helen Grond: Have we compiled a list of people interested and the amount they can spend as it would be useful to know where to aim the project.
- we are not aiming at the very bottom strata of housing, more the middle
- Why can't we go all the way down to the bottom level of need, if you had very small, very inexpensive houses that people could own?
- the land was donated on an ownership model
- Seems financing infrastructure could be met if some residents were on the land; could we come up with a system to put people there?
- we have no problem with that. We are letting people decide what they want to build, with plans subject to approval; we just require a foundation.
 - if someone can build a good house for \$25,000 they would be welcome to.
 - our standards are basically for safety and health; whatever residents want to do beyond that is their decision
 - our Tiny House demonstration house has cost \$12,000 so far and someone could finish it for another \$12,000
 - Stan Combs has talked to Nickel Brothers home movers: \$50,000 to \$60,000 seems realistic for a little house, but someone building a home for \$25,000 that meets ISLA standards would be welcomed
 - we are prepared to be very liberal with housing types; we envision a mixture of housing styles and a mixed neighbourhood
- Dale Devost: If people will be building themselves, Stan's figures could be lowered. ISLA might think about buying a sawmill
- Holly Morgan: Do we have a minimum household income?
- we have provision for different types and sizes of dwellings; e.g., pods where expenses can be shared
- Ann Newdigate: What happens when people move on?
- we will write into the lease agreement a maximum resale price so we are not offering an investment opportunity
- Would ISLA buy the place from them when they move on?
- we have not worked that out yet; the next owner would have to meet our criteria

and sale price would include cost of living increases

Tony Law: Suggest ISLA contact the San Juan Island housing group as they have been through these processes

- we have been in contact with them over the years; most community housing models are quite complex and we are keeping it simpler

Dan Bruiger: San Juan could have information on re-sales as they have done this.

Community capacity

Michael McNamara: There is no one solution, no one problem to housing issues; we are constantly aware that Hornby is a small community and one reason this project is hard to get off the ground is that we do not have capacity because of the small size of the community.

Janet Leblancq: What the community would look like if we don't get this project done became very apparent this past winter when there were few people on the island.

Tony Law: Echoed Michael McNamara's comments. We have the same range of housing needs as any community but not the same capacity. The key thing is ISLA is offering secure, stable housing, allowing people to establish in the community.

Sharon Rogalsky: There have been huge advances since she was on board; many questions have been worked out.

Housing taxation service

Stan Combs reported on ISLA's talks with Comox Valley Regional District Area A Director Bruce Jolliffe regarding a housing tax for Hornby, based on the overwhelming positive response to the homelessness relief

polling question on the municipal ballot in November, 2014. ISLA is hoping for a regular amount to pay loan interest until there are residents on the ground. This could possibly be done without a referendum.

Suggested HICEEC involvement

Darren Bond: ISLA is one of the spokes of the housing solutions vision of the Hornby Island Economic Enhancement Corporation (HICEEC) housing committee. Suggest a source of funding for housing through HICEEC's mandate. Could ISLA possibly investigate with HICEEC building a building together, a multi unit?

- other solutions are a philanthropic person building a house and renting it to a resident, or renting to own

Tony Law: Regional District money is for different services and functions; there is a history of HICEEC with the Regional District being touchy about funding for housing through economic development funds.

8. CHARITABLE STATUS APPLICATION UPDATE - Stan Combs

Stan Combs reported that the progress of ISLA's charitable status application to the Canada Revenue Agency has been more complicated than expected and that we have been working with our non-profit lawyer on the application. It will take six months to a year to receive a decision from CRA. Charitable status is advantageous for getting funding from foundations. If we are not granted charitable status and borrow money, the process could go faster; we need to balance the two approaches.

9. FUNDRAISING VIDEO - Dale Devost

Dale Devost spoke about ISLA's new fundraising video which is he is producing. The point of the video is to simplify and personalize the issue of ISLA's community housing project. He strongly suggests a pamphlet for the information as well as the video. Information is enormous, video is simple. When completed, the video will

be compatible with the movie system at the community hall, so can be run before movies.

President Sonja Goldsmith thanked director Masoud Zadeh, who proposed this project.

10. INVITATION TO JOIN COMMITTEES - Katherine Ronan

Director Katherine Ronan invited attendees to join ISLA committees or to attend board meetings and become involved with projects that interest them, an example being Anne Ngan, who designed and organized production of the new ISLA T-shirts.

11. ELECTION OF DIRECTORS - Sonja Goldsmith

Sonja Goldsmith conducted the election of directors. ISLA bylaws stipulate our number of directors as not less than five. Directors are elected for staggered three year terms.

2014-2015 directors and their terms:

Sonja Goldsmith	2017	Stan Combs	2015	standing for re-election
Katherine Ronan	2016	Michael McNamara	2015	standing for re-election
		Tony Wilson	2015	standing for re-election
		Masoud Zadeh	2015	standing for re-election

Directors resigned in 2015: Charmaine Logan (2017), Tim McCarty (2017)

Katherine Ronan nominated Helen Grond and Phyllis Victory.

MOVED Tony Law, **SECONDED** Janet Leblancq that all candidates be elected by acclamation.

CARRIED

12. ADJOURNMENT

After comments from attendees regarding the value of discussions with members and expressions of support for the board's work over the past year, the meeting adjourned at 4.35 pm.

Minutes recorded by Sheila Farrington

Sonja Goldsmith
President

Sheila Farrington
Administrator