



The Corporation of the City of Courtenay

Public Hearing Agenda

Date: April 30, 2025
Time: 4:00 p.m.
Location: CVRD Civic Room, 770 Harmston Ave, Courtenay

We respectfully acknowledge that the land we gather on is Unceded territory of the K'ómoks First Nation, the traditional keepers of this land.

Pages

1. HOW TO PARTICIPATE

This public hearing will be conducted in a hybrid electronic/in-person format and livestreamed on the City of Courtenay YouTube channel. The public may participate:

- By submitting written comments to planning@courtenay.ca
- By submitting written comments to Development Services, 830 Cliffe Avenue, Courtenay BC, V9N 2J7
- Via Zoom webinar - see courtenay.ca/publichearings for details
- Via Zoom phone conferencing - Toll Free 1-855-703-8985, Meeting ID: 468 602 3692#
- In person at the CVRD Civic Room at 770 Harmston Avenue, Courtenay
- By watching the live webcast on the City of Courtenay YouTube channel

Submission details:

- All written submissions must be received by 1 pm. on Wednesday, April 30.
- Anyone who believes they are affected by a proposed bylaw will have a reasonable opportunity to be heard
- All submissions must contain the writer or speaker's name and address. This information will be published as part of the public record.
- No new information will be received by Council after the conclusion of the public hearing.

2. BYLAWS

- 2.1 Official Community Plan - Amendment Bylaw No. 3177, 2025 (form & character development permit area, SSMUH)

On April 2, 2025, Council approved first and second reading of "Official Community Plan - Amendment Bylaw No. 3177, 2025 (form & character development permit area, SSMUH)" to amend Courtenay's Official Community Plan.

In general terms, the purpose is to:

- Exempt single dwellings, accessory dwellings and duplexes.
- Change DPA-1 to apply to five or more dwelling units.
- Change DPA-2 to apply to three to four dwelling units and correct applicable sections regarding purpose and density to comply with sections 457.1 and 488 of the *Local Government Act*.

2.2 Zoning - Amendment Bylaw No. 3176, 2025 (form & character development permit area, SSMUH) 19

On April 2, 2025, Council approved first and second reading of "Zoning - Amendment Bylaw No. 3176, 2025 (form & character development permit area, SSMUH)" to amend Courtenay's Zoning Bylaw.

In general terms, the purpose is to:

- Incorporate the changes in "Official Community Plan - Amendment Bylaw No. 3177, 2025 (form & character development permit area, SSMUH)".
- Update sections on site planning, public realm, streetscape, building design, landscaping and identified neighbourhoods, and remove requirements for bareland stratas to provide more flexibility in building design.

2.3 Zoning - Amendment Bylaw No. 3134, 2025 (short-term rental accommodation) 38

On April 2, 2025, Council approved first and second reading of "Zoning Amendment Bylaw No. 3134, 2025" to amend Courtenay's Zoning Bylaw.

In general terms, the proposed changes would:

- Permit short-term rental accommodation in single residential dwellings, accessory dwelling units and secondary suites.
- Limit short-term rentals to one per parcel, operated by the owner whose principal residence is on the parcel.
- Allow a maximum of three bedrooms and up to six guests per short-term rental.
- Require one off-street parking stall and a business licence.
- Prohibit operation in combination with bed and breakfast accommodation or day care uses.

The bylaw also introduces definitions for bed and breakfast accommodation, principal residence and short-term rental accommodation. It includes a business licence requirement for bed and breakfast accommodation.

3. ADJOURNMENT



The Corporation of the City of Courtenay

Bylaw No. 3177

A Bylaw to amend Official Community Plan Bylaw No. 3070, 2022

WHEREAS Official Community Plan Bylaw No. 3070, 2022 establishes a policy framework to guide development decision to support the community's long-term goals and objectives in the City of Courtenay and Development Permit Areas are used to implement this broader land use policy context;

AND WHEREAS amendments to Official Community Plan Bylaw No. 3070, 2022 and other bylaws are required for the City to comply with Bill 44 – Housing Statutes Amendment Act, 2023 and subsequent changes to the *Local Government Act*;

NOW THEREFORE the Council of the City of Courtenay, in open meeting assembled, enacts as follows:

Citation

This Bylaw shall be cited as “Official Community Plan - Amendment Bylaw No. 3177, 2025 (form & character development permit area, SSMUH)”.

Amendments

“Official Community Plan Bylaw No. 3070, 2022” is amended as follows:

1. AMENDING under “Part B, Managing Growth”, “SPECIFIC LAND USE DESIGNATION POLICIES” by:
 - a) DELETING from under heading “Urban Residential”, sub-heading “Built Form”, the third bullet point: “One (1) storey residential in the 40 Houses neighbourhood”;
2. AMENDING under “Part B, Managing Growth”, “SPECIFIC LAND USE DESIGNATION POLICIES” by:
 - a) DELETING from under heading “Urban Residential Area-Specific Profiles and Planning Directions”, sub-heading “40 Houses Heritage Neighbourhood”, “Policies” No.2: “Create a new zone in the Zoning Bylaw to reflect the traditional height, massing, and siting.”, and renumber in numerical order;
3. AMENDING under “Part D, Implementation”, section “3. Development Application Tools”, sub-section “C. DEVELOPMENT PERMIT AREA DESIGNATIONS”, “Table D-6 Development Permit Area Categories” by:
 - a) ADDING new text as set out in Schedule 1 attached to and forming part of this bylaw, and formatting the table to the original style.
4. AMENDING under sub-heading “Exemptions for Form & Character Development Permits” by:

- a) DELETING the seventh bullet point: "Single residential dwellings, except when in an Intensive Residential Development Permit Area (e.g. heritage neighbourhoods and as part of a bare land strata development)"

and

REPLACING with new seventh bullet point: "Proposed residential development with a total of one or two dwelling units";
- 5. AMENDING under section "DPA-1 COMMERCIAL, INDUSTRIAL, MIXED-USE & MULTI-RESIDENTIAL FORM AND CHARACTER DEVELOPMENT PERMIT AREA" by:
 - a) DELETING from title "MIXED-USE DEVELOPMENTS & MULTI-FAMILY RESIDENTIAL FORM AND CHARACTER DEVELOPMENT PERMIT AREA"

and

REPLACING with "LARGE-SCALE RESIDENTIAL AND MIXED USE";
 - b) DELETING text under Section, "JUSTIFICATION"

and

REPLACING with new text under Section "JUSTIFICATION" as set out in Schedule 2 attached to and forming part of this bylaw;
 - c) ADDING new text by inserting after new sub-heading and in numerical order:

"14. To ensure new development contributes to the community and preservation of heritage resources and special neighbourhood character of the Old Orchard and Terminal Addition neighbourhoods."

and
 - d) REFORMATTING sub-headings "Justification", "Objectives" and "Guidelines" to align with the current document style for font type, size and colour.
- 6. AMENDING under section "DPA-2 INTENSIVE RESIDENTIAL FORM AND CHARACTER DEVELOPMENT PERMIT AREA FOR DUPLEXES, DETACHED SECONDARY RESIDENCES, HERITAGE NEIGHBOURHOODS AND BARE LAND STRATAS AND MOBILE HOME DEVELOPMENTS" by:
 - a) DELETING section title

and

REPLACING with "DPA-2: SMALL-SCALE MULTI-UNIT RESIDENTIAL";
 - b) DELETING section "JUSTIFICATION"

and

REPLACING with new “JUSTIFICATION” section as set out in Schedule 2 attached to and forming part of this bylaw;

- c) DELETING section “Objectives” except keeping maps

and

REPLACING with new “Objectives” section text as set out in Schedule 3 attached to and forming part of this bylaw;

- d) REFORMATTING sub-headings “JUSTIFICATION”, “Objectives” and “Guidelines” to align with the current document style for font type, size and colour.

Severability

If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed and the remainder of the Bylaw is deemed valid.

Read a first time this 2nd day of April, 2025.

Read a second time this 2nd day of April, 2025.

Read a third time this ____ day of [month], 2025.

Adopted this this ____ day of [month], 2025.

Mayor Bob Wells

Corporate Officer

Schedule 1 to Official Community Plan - Amendment Bylaw No. 3177, 2025

Under heading “C. DEVELOPMENT PERMIT AREA DESIGNATIONS”, sub-heading “DPA Categories”

Table d-6 Development Permit Area Categories

DPA Category	Purpose
1. Commercial, industrial, large-scale residential and mixed-use	Form and character guidelines contained within the Zoning Bylaw communicate urban design expectations, including for the purposes of intensive residential and multi-residential development, commercial revitalization, energy and water conservation, greenhouse gas emissions reductions, and protection of the natural environment. These guidelines support design decisions that are responsive to context and climate and offer the flexibility to respond creatively while ensuring cohesive and thoughtful planning and design of new development.
2. Small-scale multi-residential	
3. Farm Protection	Farm protection guidelines contained within the Zoning Bylaw communicate setback, siting, separation and screening requirements when developing adjacent to agricultural lands in order to minimize the potential for conflicts between agricultural and non-agricultural land uses.
4. Environmental	Environmental and hazardous guidelines contained within the Zoning Bylaw communicate environmental protection and development safety considerations when conducting any form of development near Environmentally Sensitive Areas (ESA) or Steep Slopes.

Schedule 2 to Official Community Plan – Amendment Bylaw No. 3177, 2025

Under section “DPA-1: COMMERCIAL, INDUSTRIAL, LARGE-SCALE RESIDENTIAL & MIXED-USE”

JUSTIFICATION:

This Development Permit Area is intended to achieve attractive, architecturally coordinated and context-appropriate higher density, employment and mixed-use building and landscape designs that consider the relationship between buildings, open areas, and circulation systems, in order to promote walkable, safe, and vibrant developments. It also promotes development that considers protection of the natural environment, energy efficiency, water conservation and the reduction of greenhouse gas emissions

Pursuant to Section 488(1)(a)(d)(f)(h)(i) and (j) of the Local Government Act, this designation applies to all developments that contain commercial, industrial or mixed-uses and residential developments with five or more residential units within the boundaries of the City of Courtenay. Additional guidelines apply for a defined area of the downtown (as shown on enclosed Map 1) as well as in special heritage consideration areas (as shown on enclosed Map 2 - Old Orchard & Terminal Addition).

Schedule 3 to Official Community Plan – Amendment Bylaw No. 3177, 2025

Under section “DPA-2: SMALL-SCALE MULTI-UNIT RESIDENTIAL”

JUSTIFICATION:

This Development Permit Area provides direction for housing and related development that meet the needs of residents while fitting well into the existing community. The intent is to support three to four dwelling unit residential infill development, and redevelopment that demonstrates a high standard of creative building design. It also promotes development that considers protection of the natural environment, energy efficiency, water conservation and the reduction of greenhouse gas emissions.

Pursuant to Section 488(1)(a)(e)(h)(i) and (j) of the *Local Government Act*, this designation applies to all three and four-dwelling-unit residential developments within the boundaries of the City of Courtenay. Additional guidelines apply in special heritage consideration areas (as shown on enclosed Map 2 - Old Orchard & Terminal Addition and Map 3 - 40 Houses Heritage Neighbourhood).

Schedule 4 to Official Community Plan – Amendment Bylaw No. 3177, 2025

Under section “DPA-2: SMALL-SCALE MULTI-UNIT RESIDENTIAL”

OBJECTIVES:

1. Establish guidelines ground orientated, infill development in existing and new neighbourhoods that contribute to the preservation of the neighbourhood character while meeting city goals for housing diversity, gentle density, and access to employment and services.
2. Ensure new development contributes to the continuity and preservation of heritage resources and special neighbourhood character of Old Orchard and Terminal Addition Neighbourhood and 40 Houses Neighbourhood.
3. Promote a high standard of building, site planning and landscape design.
4. Encourage development that supports multi-modal transportation options and neighbourhood connectivity
5. Encourage new development that considers protection of the natural environment, water conservation and energy efficient in site planning and design.
6. Promote net zero emissions in new development, including alterations or additions to existing buildings.

Public Hearing

Wednesday, April 30, 2025, 4 p.m.

Comox Valley Regional District (CVRD) Civic Room, 770 Harmston Avenue, Courtenay

Bylaw to regulate short-term rental accommodations

The City of Courtenay is proposing to amend Zoning Bylaw No. 2500, 2007 to permit the operation of short-term rentals in Courtenay and regulate their use. The proposed amendments apply throughout the City.

Zoning – Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)

On April 2, 2025, Council approved 1st and 2nd reading of Zoning Amendment Bylaw No. 3134, 2025 to amend Courtenay's Zoning bylaw. In general terms: to permit short-term rental accommodation as a permitted use in single residential dwellings, accessory dwelling units or secondary suites; to limit the number of short-term rentals to one per parcel and must be operated by the owner who has their principal residence on the parcel; allow maximum of three bedrooms to accommodate up to six guests per short-term rental; require a parking stall be provided; require a business licence; not permit in combination with bed and breakfast accommodation or day care uses. The bylaw also adds definitions for bed and breakfast accommodation, principal residence and short-term rental accommodation and requirement for a business licence for a bed and breakfast accommodation.

Bylaws to amend development permit areas for small-scale, multi-unit housing

The City of Courtenay is proposing to amend Official Community Plan Bylaw No. 3070, 2022 and Zoning Bylaw No. 2500, 2007 to update the existing form and character development permit areas (DPA-1 and DPA-2) to align with *Bill 44 - Housing Statutes Amendment Act* to support new housing development. The proposed amendments apply throughout the City.

Official Community Plan – Amendment Bylaw No. 3177, 2025 (form and character development permit area, SSMUH)

On April 2, 2025, Council approved 1st and 2nd reading of Official Community Plan – Amendment Bylaw No. 3177, 2025 to amend Courtenay's Official Community Plan. In general terms the purpose is: to exempt single dwelling, accessory dwellings and duplexes; change DPA-1 to apply to five or more dwelling units; change DPA-2 to apply to three to four dwelling units and correct applicable sections regarding purpose and density to comply with s.457.1 and s.488 of the *Local Government Act*.

Zoning – Amendment Bylaw No. 3176, 2025 (form and character development permit area, SSMUH)

On April 2, 2025, Council approved 1st and 2nd reading of Zoning – Amendment Bylaw No. 3176, 2025 to amend Courtenay's Zoning bylaw. In general terms, the purpose is: incorporate the changes in OCP Amendment Bylaw No.3177, 2025; update sections on site planning, public realm, streetscape, building design, landscaping and identified neighbourhoods, and remove requirements for bareland stratas to provide more flexibility in building design.

This notice is pursuant to s. 464, 466 of the Local Government Act
Adriana Proton - Corporate Officer

Participate in person or by commenting in advance



In person

At the CVRD's Civic Room
770 Harmston Avenue, Courtenay



Live by Zoom webinar

For info and instructions, visit
courtenay.ca/publichearings



Live by phone conference

1-855-703-8985 Toll Free
Meeting ID: 468 602 3692#



Watch online

Streamed live on the City of
Courtenay's YouTube channel



Submit written comments

Email: planning@courtenay.ca
Mail: Development Services
830 Cliffe Avenue,
Courtenay, B.C. V9N 2J7

The deadline for written submissions is 1 p.m. on Wednesday, April 30. Submissions should contain the writer's name and address, which will become part of the public record.

Get more information

Bylaws are available for viewing at Courtenay City Hall, 830 Cliffe Avenue, 8:30 a.m. to 4:30 p.m., Monday, April 14, to Wednesday, April 30, (except holidays), or online: courtenay.ca/publichearings



**City of
Courtenay**

250-703-4839 | planning@courtenay.ca



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 6480-20-2403

3360-20-2409

From: Director of Development Services

Date: April 2, 2025

Subject: Amend Development Permit Area 1 and 2 for Small-Scale Multi-Unit Housing

PURPOSE:

For Council to receive the report from the public engagement process and consider giving first and second readings to:

- **Official Community Plan - Amendment Bylaw No. 3177, 2025** to *amend Official Community Plan Bylaw No. 3070, 2022* to amend Development Permit Areas 1 and 2 for small-scale, multi-unit housing; and,
- **Zoning Amendment Bylaw No. 3176, 2025** to *Zoning Bylaw No. 2005, 2007* to amend Development Permit Area 1 and 2 small-scale multi-unit housing, to implement Bill 44-Housing Statutes Amendment Act, 2023 and related policies to streamline development permitting, while continuing to meet community needs.

BACKGROUND:

At the November 13, 2025 regular meeting of Council, Council received the report Development Permit Area Amendments for Small-Scale Multi-Unit Housing Consultation Plan (Attachment 1) and approved the Plan by passing the following resolution:

“THAT Council, receive the report on the Consultation Plan for DPA amendments for Small-scale Multi-unit Housing and endorse the Consultation Plan for the proposed Development Permit Areas: DPA-1 and DPA-2 as outlined in Attachment 1 of the report; AND

THAT pursuant to section 475 and 476 Local Government Act, Council will provide opportunities it considers appropriate for consultation with persons and parties it considers will be affected, including the general public and the local development industry, and pursuant to section 476 Local Government Act, prior to considering amendments to City of Courtenay Official Community Plan Bylaw No 3070, 2022.”

Between February and March 2025, staff implemented the approved Consultation Plan. This included a variety of engagement activities, including interactive project webpage, in-person meetings, public surveys, and social and print media. What follows is a report on the proposed changes to the bylaws informed by the consultation process and the next steps in the approvals process.

Legislative Consideration

Part 14, Division 7 – Development Permits of the *Local Government Act* provides local governments with the authority to designate special areas of interest by bylaw, known as development permit areas. Under 488 (1), there are eleven different purposes; the following inform the justification, objectives and guidelines of DPA 1 and DPA 2:

- (e) establishment of objectives for the form and character of intensive residential development; ONLY for DPA -1;
- (f) establishment of objectives for the form and character of commercial, industrial or multi-family residential development; ONLY for DPA-2;
- (a) protection of the natural environment, its ecosystems and biological diversity;
- (h) establishment of objectives to promote energy conservation;
- (i) establishment of objectives to promote water conservation;
- (j) establishment of objectives to promote the reduction of greenhouse gas emissions;

Section 457.1 states a power under section 488 [designation of development areas] must not be exercised in a manner that unreasonably prohibits or restricts the use or density of use required to be permitted in section 481.3 [zoning bylaws and small-scale multi-family housing].

To assist local governments in the implementation of this legislation, the “Provincial Policy Manual & Site Standards, SSMUH”, was released in 2024. The Provincial Manual generally discourages form and character development permit areas for fewer than six units; however, it continues to acknowledge local governments have discretion over what density of housing qualifies as “intensive residential” under *Local Government Act* s. 488(1)(e). Thus, local governments may choose to retain or adopt a DPA for fewer than six units.

The Provincial Manual highlights DPA requirements that may negatively impact SSMUH viability (neighbourhood character, location of entrances, building height, building massing, parking and waste management, and landscaping) and principles for effective DPA use (clarity and specificity, staff delegation, avoiding design panels/commissions, and permissive requirements that recognize spatial and financial constraints). Considering this direction through the lens of the Official Community Plan (OCP), staff propose a balanced approach; one that meets the legislative requirements and streamlines the permitting process, while continuing to respond to the community goals and objectives expressed in the OCP.

DISCUSSION:

Proposed Changes to Official Community Plan Bylaw No. 3070, 2022 and Zoning Bylaw No. 2500, 2007

DPA-1: Form and Character DPA for Commercial, Industrial, Mixed-use Developments & Multi-family with Three or More Units:

The main change for DPA-1 is moving the threshold for residential development applicability to five or more units from three or more units so that three- and four-unit developments (which are permitted in the R-SSMUH zone) do not require DPA-1 development permits. Developments with three or four units are subject to DPA-2, whose guidelines are amended to provide more flexibility aligned with the provincial policy. Other changes are to provide clarity and consistency in language and administrative in nature, including:

- name is simplified to “DPA-1: Commercial, Industrial, Large-Scale Residential and Mixed Use” throughout the applicable sections of the OCP and zoning bylaws,
- justification and objectives sections are updated to reflect the removal of smaller residential developments, and

- language clarified and formatting fixed and reference added to the Old Orchard & Terminal Addition. Although these neighbourhoods primarily comprise lots zoned R-SSMUH which do not permit more than four dwelling units per lot, there are some lots in Old Orchard with higher-density zoning and there are existing DPA-1 guidelines specifically for the neighbourhood. Any guidelines should work toward meeting stated objectives with justification and this appears to have been an oversight in the existing text.

Through the engagement, there was general support for the proposed changes to DPA-1. See Attachment 2: What We Heard Report.

The proposed Official Community Plan - Amendment Bylaw No. 3177, 2025 and proposed Zoning - Amendment Bylaw No. 3176, 2025 are attached to the report.

DPA-2: Intensive Residential Form and Character DPA for Duplexes, Detached Secondary Residences, Heritage Neighbourhoods, Bare Land Stratas, and Mobile Home Parks:

A more extensive update of DPA-2 was completed to align with the provincial direction to provide more flexibility with updates to the justification and objective sections to clarify language and consistency. The following changes are proposed for DPA-2 and summarized in Table 1:

- The name reflects the changes and is simplified to “DPA-2: Small-Scale Multi-Unit Residential” throughout the applicable sections of the OCP and zoning bylaws.
- Duplexes and accessory dwelling units (ADUs) no longer require form and character development permits for properties with fewer than three dwelling units. This is the case in other communities like Campbell River and areas of Cumberland, and elsewhere in BC in response to provincial direction. Public feedback on this proposed change is mixed; generally, more in favour of requiring development permits for larger developments, see Attachment 2: What We Heard Report.
- Single-detached dwellings in heritage neighbourhoods no longer require form and character development permits, although heritage areas in DPA-1 and DPA-2 continue to be recognized. Public feedback favours requiring development permits for development in these areas rather than elsewhere. However, development permit areas are limited to residential form and character guidelines for “multi-family” or “intensive” residential developments, per the *Local Government Act* s.488 (e, f). There are other planning tools for heritage protection, which are anticipated to be explored through the update of the OCP.
- Guidelines updated to reduce potential spatial or financial constraints (such as garages facing away from the street which likely requires additional driveway area and reduces the buildable area for housing), and to provide more flexibility in design and siting, while retaining safety and sustainability factors.

Table 1: Summary of Proposed Changes for DPA-2 by Sub-heading/Topic Areas:

Site Planning	<ul style="list-style-type: none"> i. Incorporated best practices for gently increasing density into existing neighbourhoods. Support design standards that promote siting and building design that are compatible with existing area, promote connectivity, preserve privacy and incorporate sustainability considerations. ii. Building design that are compatible with existing area, promote connectivity, preserve privacy and incorporate sustainability considerations.
---------------	--

Public Realm and Streetscape	<ul style="list-style-type: none"> i. Section generally unchanged and now allows for more flexibility for location of entrances aligned with provincial policy. ii. Explicit fencing/landscaping for privacy language is added to replace landscape buffer removal from R-SSMUH zone. iii. Added guideline for entrances and exits to parking areas to be located and designed to reduce potential modal conflicts, maintain visual sight lines and limit impact to the transportation network.
Building Design	More permissive language to encourage high quality, creative design and energy efficient buildings
Landscaping	<ul style="list-style-type: none"> i. Some elements added from DPA-1 with more flexible language. ii. Some text amendments to clarify language.
Mobile Home Parks	<ul style="list-style-type: none"> i. Removed special guidelines for bare-land stratas. ii. Some text amendments to clarify language.
Old Orchard and Terminal Addition Neighbourhoods	<ul style="list-style-type: none"> i. Removed “For Primary and Secondary Residences in” from section heading. ii. Removed redundant elements addressed in other sections. iii. Added more flexible language regarding roof slope, architectural interest.
40 Houses Neighbourhood	<ul style="list-style-type: none"> i. Removed “For Primary and Secondary Residences in” from section heading. ii. Removed redundant elements addressed in other sections. iii. More permissive language regarding building height, spatial relationships, massing.

Through the engagement feedback from the respondent groups the proposed changes are considered balanced and were generally supported by both the development industry and residents, who participated via in-person meetings and/or the public survey. (See What We Heard Report attachment 2)

Additional Proposed Change to OCP and Zoning Bylaw:

An important change is exempting one or two dwellings from requiring form and character DPA as follows:

- Section, Exemptions for Form & Character Development Permits: Proposed residential development with a total of one or two dwelling units”.

The following text is removed to align with provincial legislation, Section 457.1 of the *Local Government Act*. Local Governments are unable to limit density via a DPA by restricting the number of storeys where the maximum permitted height is 11 m.

- “One (1) storey residential in the 40 Houses” is removed from the Built Form list, and
- “Create a new zone in the Zoning Bylaw to reflect the traditional height, massing, and siting” is removed from 40 Houses Neighbourhood Policies in Part B, Managing Growth, Specific Land Use of the OCP.

Administrative changes

Table D-6 in the OCP and corresponding Table 1 in the Schedule A to the zoning bylaw are updated to reflect above mentioned changes to DPA names. Also, within the combined DPA-1/2 Purpose summary, language is

added noting intensive residential and multi-residential development form and character, as well as protection of the natural environment, and language is removed about farming for properties adjacent to agricultural lands (which pertains to DPA-3).

The title and contents page of Schedule A to the zoning bylaw is updated to reference the *Zoning Bylaw No. 2500, 2007* it is a schedule rather than the amendment bylaw that brought it into force and DPA-1 and DPA-2 names are updated.

Proposed Bylaw Amendments:

Official Community Plan - Amendment Bylaw No. 3177, 2025 (attachment 4) and *Zoning Amendment Bylaw No. 3176, 2025* (attachment 5) to this report.

POLICY ANALYSIS:

The proposed bylaw amendments for DPA-1 and DPA-2 would continue to support the realization of the following OCP policies:

- Land Use Policy LU 3 - Support and encourage infill housing choices across the city through distribution of new residential growth in existing neighbourhoods outside of – and in support of – primary and secondary growth centres and in accordance with the land use designations contained within this Plan.
- Urban Residential Policy No. 1 - Support gentle infill that encourages greater housing choices and tenure types.
- Streets and Transportation Objective 6 - The amount of land dedicated to parking is minimized.
- Building and Landscape Policy BL 8 - Utilize Development Permit Area guidelines for the purposes of:
 - a. Energy and water conservation by encouraging all new buildings to exceed energy, emissions, and water conservation targets described on page 109.
 - b. Incorporating biodiversity and sensitive rainwater management practices within landscapes; and
 - c. Ensuring that the form and character of new developments complement surrounding neighbourhood and showcase Indigenous designs.
- Affordable Housing Policy AH 22 - Conduct a development process review in order to recommend improvements to the current approval process, including fee structure, customer service, and improve clarity and transparency of OCP requirements and expectations.
- Affordable Housing Policy AH 22 - Conduct a development process review in order to recommend improvements to the current approval process, including fee structure, customer service, and improve clarity and transparency of OCP requirements and expectations.

FINANCIAL IMPLICATIONS:

The approved consultation process aligns with the legislative requirements for the adoption of an OCP bylaw and advances the Planning Division's work program. The associated staff time and budget are included in the Planning Division's work plan and 2025-2029 Financial Plan. There are no other financial implications to the 2025 - 2029 financial plan associated with the adoption of these bylaws. Grant funding received from UBCM is being utilized for consultants required to assist in staff capacity requirements to align Bill 44 with the OCP and Zoning Bylaw.

Section 477 (3) in the *Local Government Act* requires local government to consider its financial plan and any applicable municipal or regional district waste management plan after first reading and before public hearing. Following first reading, the OCP and Zoning Bylaw amendments will be referred to the City's Financial Services and the CVRD Liquid Waste Services. Given the comments already received from the CVRD, it is anticipated the amendments will not conflict (See Correspondance from CVRD Attachment 3).

ADMINISTRATIVE IMPLICATIONS:

Development Services staff conducted the necessary research and analysis in the preparation of the draft changes and implemented the approved Consultation Plan. Staff from the Communications Division provided support in the development of the project webpage, information boards, social and print media notifications.

STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Buildings and Landscape - Review and update land use regulations and bylaws for consistency with OCP
- Good Governance - Review and streamline development process and set targets for application processing times
- Good Governance - Establish an OCP Implementation Townhall Forum

PUBLIC ENGAGEMENT:

Sections 475(1) and 476 in the *Local Government Act* state that during the development of an amendment to the OCP the proposing local government must provide one or more opportunities it considers appropriate for the consultation with persons, organizations and authorities it considers will be affected. This requirement has been satisfied through the successful implementation of the Consultation Plan as outlined in this report and the What We Heard Report.

Beginning in February 2025 staff implemented several engagement activities, including interactive webpage, in-person meetings, public survey and social and print media. The engagement activities generated various insights from participants used to enhance the revised DPA -1 and DPA -2.

In addition, notification of the proposed changes along with an invitation to comment and/or meet was communicated to the Town of Comox, Village of Cumberland, Comox Valley Regional District (CVRD), Island Health, School District No. 71 and Kómoks First Nation. The CVRD provided a written response (Attachment 3) confirming the proposed changes do not conflict with the direction provided by the Regional Growth Strategy and was overall supported by the proposed changes.

The successful completion of these activities demonstrates the legislative requirements have been satisfied as well as the City's strategic priorities for good governance – increasing community engagement. Full details of the process and outcomes are provided in the What We Heard Report (see Attachment 2).

OPTIONS:

1. THAT Council receive the report titled "What We Heard Report - Development Permit Area Amendments for Small-Scale Multi-Unit Housing".

2. THAT Council give first and second readings to “Official Community Plan - Amendment Bylaw No. 3177, 2025 (form & character development permit area, SSMUH)”.
3. THAT Council give first and second readings to “Zoning - Amendment Bylaw No. 3176, 2025 (form & character development permit area, SSMUH)”;
- and
THAT Council direct staff to provide notice for a Public Hearing on Wednesday, April 30, 2025.
4. THAT Council provide alternative direction to staff through resolution.
5. THAT Council not proceed.

ATTACHMENTS:

1. Staff Report to Council, dated November 13, 2025
2. What We Heard Report, dated April 2, 2025
3. Correspondance from CVRD, dated March 13, 2025
4. OCP - Amendment Bylaw No. 3177
5. Zoning - Amendment Bylaw No. 3176

Prepared by: Mike Grimsrud, RPP, MCIP, Planner III

Reviewed by: Jamai Schile, MCIP, RPP, Manager of Development Planning
Marianne Wade, MCIP, PRR, Director of Development Services

Concurrence: Kyle Shaw, Director of Operational Services – Acting City Manager (CAO)



The Corporation of the City of Courtenay

Bylaw No. 3176

A Bylaw to amend Zoning Bylaw No. 2500, 2007

WHEREAS Zoning Bylaw No. 2500, 2007 is applicable to all land, buildings and structures therein of the Corporation of the City of Courtenay;

AND WHEREAS amendments to *Zoning Bylaw No. 2005, 2007* and other bylaws are required for the City to comply with the provincial Bill 44 – Housing Statutes Amendment Act, 2023 and subsequent changes to the *Local Government Act*;

NOW THEREFORE the Council of the City of Courtenay, in open meeting assembled, enacts as follows:

Citation

This Bylaw shall be cited as “Zoning - Amendment Bylaw No. 3176, 2025 (form & character development permit area, SSMUH)”.

Amendments

“Schedule A” to “Zoning Bylaw No. 2500, 2007” is amended as follows:

1. AMENDING the title page by:
 - a) DELETING “Schedule A to Bylaw No. 3075”
 - and
 - REPLACING with “Schedule A to Bylaw No. 2500, 2007”;
2. AMENDING table of content, No. 4(a), Development Permit Areas by:
 - a) DELETING “DPA1— Commercial, Industrial, Mixed-Use Developments & Multi-Family Residences with Three or More Units”
 - and
 - REPLACING with “DPA 1 - Large-Scale Residential and Mixed-Use”;
3. AMENDING table of content, No. 4(b), Development Permit Areas by:
 - a) DELETING “DPA-2: Intensive Residential Form & Character Development Permit Area for Duplexes, Detached Secondary Residence & Heritage Neighbourhoods, and Bare Land Stratas and Mobile Home Developments”

and

REPLACING with “DPA -2: Small-Scale Multi-Unit Residential”;

4. AMENDING under heading “DEVELOPMENT PERMIT AREA DESIGNATIONS” sub-heading “DPA Categories”, “Table 1 Development Permit Area Categories” by:

- a) ADDING new text as set out in Schedule 1 attached to and forming part of this bylaw, and formatting the table to the original style;

5. AMENDING under heading “DEVELOPMENT PERMIT AREA DESIGNATIONS”, sub-heading “Exemptions for Form & Character Development Permits” by:

- a) DELETING the seventh bullet point: “Single residential dwellings, except when in an Intensive Residential Development Permit Area (e.g. heritage neighbourhoods and as part of a bare land strata development)”

and

REPLACING with new seventh bullet point: “Proposed residential development with a total of one or two dwelling units”;

6. AMENDING under section “DPA-1: COMMERCIAL, INDUSTRIAL, MIXED-USE DEVELOPMENTS & MULTI-FAMILY RESIDENCES WITH THREE OR MORE UNITS” by:

- a) DELETING section title “MIXED-USE DEVELOPMENTS & MULTI-FAMILY RESIDENCES WITH THREE OR MORE UNITS”

and

REPLACING with “LARGE-SCALE RESIDENTIAL AND MIXED USE”;

- b) DELETING text under section “Justification”

and

REPLACING with new text under section “Justification” as set out in Schedule 2 attached to and forming part of this bylaw;

- c) ADDING under section “Objectives” after no. 13 a new sub-heading: “*Within the Old Orchard and Terminal Addition Neighbourhoods (Map 2):*”;

- d) ADDING new text by inserting after new sub-heading and in numerical order:

“14. To ensure new development contributes to the community and preservation of heritage resources and special neighbourhood character of the Old Orchard and Terminal Addition neighbourhoods.”;

- e) REFORMATTING sub-headings “Justification” and “Objectives” to align with the current document style for font type, size and colour;
7. AMENDING under section “DPA-2 INTENSIVE RESIDENTIAL FORM AND CHARACTER DEVELOPMENT AREA FOR DUPLEXES, DETACHED SECONDARY RESIDENCES, HERITAGE NEIGHBOURHOODS, AND BARE LAND STRATAS AND MOBILE HOME DEVELOPMENTS” by:
- a) DELETING Section: DPA-2 INTENSIVE RESIDENTIAL FORM AND CHARACTER DEVELOPMENT AREA FOR DUPLEXES, DETACHED SECONDARY RESIDENCES, HERITAGE NEIGHBOURHOODS, AND BARE LAND STRATAS AND MOBILE HOME DEVELOPMENTS except maps and figures
- and
- REPLACING with new text as set out in Schedule 3 attached to and forming part of this bylaw;
- b) DELETING section name
- and
- REPLACING with “DPA-2: SMALL-SCALE MULTI-RESIDENTIAL”
- c) DELETING under heading “Guidelines”, sub-heading “Additional Guidelines for Mobile Homes and Bare Land Stratats” caption under image: “Example of parking and garage located respectively at the side and rear of a single residential home (*guideline 28*)” and corresponding picture;
- d) DELETING caption under heading “Guidelines”, sub-heading “Duplexes” caption under image: “Example of a duplex with significant façade articulation (*guideline 13*), and high quality siding (*guideline 14*)”;
- and
- REPLACING with new caption text: “Example of a building with shifts in massing and changes in exterior colours and textures and high-quality siding and west coast character (*Building Design 3 and 4*)”;
- e) DELETING from caption under heading “Guidelines”, sub-heading “Additional Guidelines for Mobile Homes and Bare Land Stratats” caption under image “Example of a pervious driveway treatment to allow for rainwater infiltration (*guideline 35*)”
- and
- REPLACING with “Example of a pervious driveway treatment to allow for rainwater infiltration (*Landscaping 11*)”;
- f) DELETING from caption under heading “Guidelines”, sub-heading “ADDITIONAL GUIDELINES FOR PRIMARY AND SECONDARY RESIDENCES IN THE OLD ORCHARD &

TERMINAL ADDITIONA NEIGHBOURHOODS” caption under image “Example of a number of design elements such as gable, verandas, and decorative shingles incorporated into a single residential home to create architectural interest (*guideline 48*)”

and

REPLACING with “Example of a number of design elements such as gables, verandas, and decorative shingles to create architectural interest (*Additional Guidelines for the Old Orchard and Terminal Addition Neighbourhoods 4*)”.

Severability

If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed and the remainder of the Bylaw is deemed valid.

Read a first time this 2nd day of April, 2025.

Read a second time this 2nd day of April, 2025.

Read a third time this ____ day of [month], 2025.

Adopted this ____ day of [month], 2025.

Mayor Bob Wells

Corporate Officer

Schedule 1 to Zoning Amendment Bylaw No. 3176, 2025

Under heading “Development Permit Area Designations”, sub-heading “DPA Categories”

Table 1 Development Permit Area Categories

DPA Category	Purpose
1. Commercial, industrial, large-scale residential and mixed-use.	Form and character guidelines contained within the Zoning Bylaw communicate urban design expectations, including for the purposes of intensive residential and multi-residential development, commercial revitalization, energy and water conservation, greenhouse gas emissions reductions, and protection of the natural environment. These guidelines support design decisions that are responsive to context and climate and offer the flexibility to respond creatively while ensuring cohesive and thoughtful planning and design of new development.
2. Small-scale multi-residential.	
3. Farm Protection.	Farm protection guidelines contained within the Zoning Bylaw communicate setback, siting, separation and screening requirements when developing adjacent to agricultural lands in order to minimize the potential for conflicts between agricultural and non-agricultural land uses.
4. Environmental.	Environmental and hazardous guidelines contained within the Zoning Bylaw communicate environmental protection and development safety considerations when conducting any form of development near Environmentally Sensitive Areas (ESA) or Steep Slopes.
5. Protection from hazardous conditions: Steep Slopes.	

Schedule 2 to Zoning Amendment Bylaw No. 3176, 2025**Under section “DPA-1: COMMERCIAL, INDUSTRIAL, LARGE-SCALE RESIDENTIAL & MIXED-USE”****JUSTIFICATION:**

This Development Permit Area is intended to achieve attractive, architecturally coordinated and context-appropriate higher density, employment and mixed-use building and landscape designs that consider the relationship between buildings, open areas, and circulation systems, in order to promote walkable, safe, and vibrant developments. It also promotes development that considers protection of the natural environment, energy efficiency, water conservation and the reduction of greenhouse gas emissions

Pursuant to Section 488(1)(a)(d)(f)(h)(i) and (j) of the *Local Government Act*, this designation applies to all developments that contain commercial, industrial or mixed-uses and residential developments with five or more residential units within the boundaries of the City of Courtenay. Additional guidelines apply for a defined area of the downtown (as shown on enclosed Map 1) as well as in special heritage consideration areas (as shown on enclosed Map 2 - Old Orchard & Terminal Addition).

Schedule 3 to Zoning Amendment Bylaw No. 3176, 2025**Under section “DPA-2: SMALL-SCALE MULTI-UNIT RESIDENTIAL”****JUSTIFICATION:**

This Development Permit Area provides direction for housing and related development that meet the needs of residents while fitting well into the existing community. The intent is to support three to four dwelling unit residential infill development, and redevelopment that demonstrates a high standard of creative building design. It also promotes development that considers protection of the natural environment, energy efficiency, water conservation and the reduction of greenhouse gas emissions.

Pursuant to Section 488(1)(a)(e)(h)(i) and (j) of the *Local Government Act*, this designation applies to all three-and four-dwelling-unit residential developments within the boundaries of the City of Courtenay. Additional guidelines apply in special heritage consideration areas (as shown on enclosed Map 2 - Old Orchard & Terminal Addition and Map 3 - 40 Houses Heritage Neighbourhood).

OBJECTIVES:

1. Establish guidelines ground orientated, infill development in existing and new neighbourhoods that contribute to the preservation of the neighbourhood character while meeting city goals for housing diversity, gentle density, and access to employment and services.
2. Ensure new development contributes to the continuity and preservation of heritage resources and special neighbourhood character of Old Orchard and Terminal Addition Neighbourhood and 40 Houses Neighbourhood.
3. Promote a high standard of building, site planning and landscape design.
4. Encourage development that supports multi-modal transportation options and neighbourhood connectivity.
5. Encourage new development that considers protection of the natural environment, water conservation and energy efficient in site planning and design.
6. Promote net zero emissions in new development, including alterations or additions to existing buildings.

GUIDELINES:***Site Planning***

1. Housing development should be planned in a comprehensive manner that considers the interface between the site, adjacent development, other land uses and its relationship to the public realm.
2. The design of the site should consider access to and efficiency of pedestrians, bicycles and vehicular circulation.
3. A minimum average of 20 m² of usable private outdoor spaces should be provided for each dwelling unit in the form of a deck, balcony, patio or yard, exclusive of common amenity areas.

4. Outdoor spaces should be located to maximize sunlight, minimize noise disruptions, and minimize 'overlook' from adjacent units.
5. Site planning shall consider the location of third-party utilities, such as clearance from overhead and pad mounted electrical utilities as required by the Canadian Electrical Code.
6. Site planning should consider opportunities to retain and integrate mature trees and existing natural features. Site planning shall consider impact to mature trees and their root systems on adjacent lands.

Public Realm and Streetscape

1. Building design including the placement of windows, balconies, and doors shall consider visual privacy between residences, and perimeter fencing and/or landscaping shall provide visual privacy of adjoining properties.
2. Buildings should be sited to face the fronting street(s). Consideration should be given to preserve adequate space for landscaping, privacy and light penetrating into living spaces.
3. Principal entrances to a residence should be clearly defined using lighting, colour, paving texture, landscaping and/or enhanced architectural features, such as porches, patios, canopies, or recessed entryways.
4. On corner lots, all street-facing elevations should have an equal level of quality and design detailing.
5. For corner sites with no lane access, driveway access from the flanking street for one or more of the units is encouraged where both feasible and supported by the Development Services Department.
6. Parking and driveways should where feasible not occupy more than 50% of the area of the front yard and, where the site has a flanking side street, not more than 50% of the area of the flanking side yard.
7. Where a laneway exists, parking should access the lane where feasible.
8. Entrances and exits to parking areas shall be located and designed to reduce potential modal conflicts, maintain visual sight lines and limit impact to the transportation network.

Building Design

1. Buildings should be architecturally coordinated and provide a high quality of design. Building design should avoid repetition and monotony through subtle design variation between buildings on neighbouring properties.
2. Buildings should be designed to avoid large expanses of blank walls by incorporating architectural details, artwork, or sufficient landscaping to create visual interest.
3. Buildings should be designed to minimize their bulk with simple shifts in massing, roof articulation and use of varied architectural details, changes in exterior colours and textures.
4. Buildings should be designed with consistently high-quality and durable materials. West Coast architecture that incorporates natural design elements and materials such as exposed timber structural elements, native trees, vegetation landscaping and open concepts for natural light is encouraged.

5. Building roofs should minimize heat island effect and heat transfer into the building, such as through Energy Star-rated or high-albedo colour and materials.
6. Staircases to stacked units shall have weather protection and are encouraged to be indoor or screened from the street(s).
7. Building lighting should be designed to minimize spillage and glare to neighbouring properties, adjacent roads, Environmentally Sensitive Areas, or the sky.
8. Garbage and recycling storage located within a secure building or structure and should not be located in any yard facing a road.
9. Where individual unit heat pumps are used, they should be screened.

Landscaping

1. Existing, native vegetation within the Development Permit Area should be retained to the extent feasible to minimize disruption to habitat and to protect against erosion and slope failure where applicable.
2. Landscaping shall include a mixture of tree, shrub, ground cover and perennial plants. Tree selection for optimizing tree canopy and providing a mixture of deciduous and conifer species is encouraged.
3. Proposed planting should prioritize the selection of local plants that provide habitat, nesting, pollinator, foraging, or other biodiversity benefits and are drought tolerant.
4. Proposed planting species adapted to future climate conditions should be incorporated to the maximum extent possible.
5. Proposed planting may consider edible species and active urban agricultural uses.
6. Proposed planting should be provided in strategic locations to frame building entrances, soften edges, screen parking areas, and break up long facades where feasible.
7. Most or all of the landscaped areas should be designed to require little or no irrigation, through use of planting materials and impervious surfaces. Hand watering is encouraged. If irrigation is supplied, it should be limited to an underground system designed with high-efficiency targeted drip heads and automated weather sensors and use captured rainwater and greywater where possible.
8. Sufficient soil volumes shall be provided to support mature vegetation, including trees where applicable. This may include supplementing soil volume with structural soil or silva cell type systems within hardscape areas.
Minimum depth of topsoil or amended organic soils must be provided:
 - Shrubs – 450 mm
 - Ground cover and grass – 300 mm, and
 - Trees – 300 mm around and below the root ball, typically to a minimum total of 900 mm.
 In addition, 15 m³ is the minimum soil volume per tree, to be supplemented in hardscape zones with structural soil or silva cell type systems.
9. Topsoil or composted waste shall be used to assist in infiltration and increase the water holding capacity of landscaped areas.

10. All new, replacement, and upgraded street lighting in existing and proposed developments shall be LED Full-Cut Off/ Flat Lens (FCO/FL) luminaries to light roads, parking, loading and pedestrian areas. Exterior building lighting fixtures will also be required to be FCO.
11. To reduce impervious surfaces, permeable paving material such grassed cellular paving, porous pavers, or a comparable alternative are encouraged for driveways and parking areas.

Additional Guidelines for Mobile Home Parks

1. The design of the overall Mobile Home Park shall be based on a comprehensive concept and give adequate attention to the attractive layout of the mobile home lots and structure placement, landscape character and design, location and screening of parking areas, design and placement of recreation areas, and design of vehicular and pedestrian circulation.
2. Formalized pedestrian access shall be provided throughout the property to connect internal streets and parking areas with semi-private areas for residents, and to the public walkway system.
3. A street landscaping plan including tree planting plan for internal streets that provides for appropriately selected species at approximately 15-metre intervals shall be provided.

Additional Guidelines for the Old Orchard and Terminal Addition Neighbourhoods

1. The orientation, form, and materials proposed for a residence shall reflect and enhance heritage theme characteristics and neighbouring buildings.
2. Vehicle parking and access should be located at the side or rear and set back from the primary dwelling façade where feasible.
3. Garages incorporated into the building structure should not project beyond the front elevation.
4. Roofs should have substantial slope and articulated lines and be designed to reduce the bulk of a residence on upper floors. Roof slopes with greater than 6:12 pitch are preferred; however, proposals for lower-pitch rooflines with significant articulation and design interest may be considered.
5. Design components that contribute to architectural interest should be incorporated. These include multiple gables, dormers, bay windows, decorative shingles, wood trim, porches, and verandas.
6. The design and finishing around windows and exterior doors should visually enrich the building elevation. Windows and doors should be articulated with trim.
7. Landscaping should include one or more fruit trees.

Additional Guidelines for the 40 Houses Neighbourhood

1. One-storey buildings, preservation of existing buildings, and simple rectangular massing are encouraged.
2. Maintaining the spatial relationship on the lot to the other houses in the neighbourhood is encouraged, including consistent front yard setbacks.

3. Low-pitch hipped roofs or single gable roofs shall be included.
4. Porch entries shall be minimal in keeping with the development.
5. Siding shall consist of wide plank horizontal wood or materials that resemble this effect.

Public Hearing

Wednesday, April 30, 2025, 4 p.m.

Comox Valley Regional District (CVRD) Civic Room, 770 Harmston Avenue, Courtenay

Bylaw to regulate short-term rental accommodations

The City of Courtenay is proposing to amend Zoning Bylaw No. 2500, 2007 to permit the operation of short-term rentals in Courtenay and regulate their use. The proposed amendments apply throughout the City.

Zoning – Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)

On April 2, 2025, Council approved 1st and 2nd reading of Zoning Amendment Bylaw No. 3134, 2025 to amend Courtenay's Zoning bylaw. In general terms: to permit short-term rental accommodation as a permitted use in single residential dwellings, accessory dwelling units or secondary suites; to limit the number of short-term rentals to one per parcel and must be operated by the owner who has their principal residence on the parcel; allow maximum of three bedrooms to accommodate up to six guests per short-term rental; require a parking stall be provided; require a business licence; not permit in combination with bed and breakfast accommodation or day care uses. The bylaw also adds definitions for bed and breakfast accommodation, principal residence and short-term rental accommodation and requirement for a business licence for a bed and breakfast accommodation.

Bylaws to amend development permit areas for small-scale, multi-unit housing

The City of Courtenay is proposing to amend Official Community Plan Bylaw No. 3070, 2022 and Zoning Bylaw No. 2500, 2007 to update the existing form and character development permit areas (DPA-1 and DPA-2) to align with *Bill 44 - Housing Statutes Amendment Act* to support new housing development. The proposed amendments apply throughout the City.

Official Community Plan – Amendment Bylaw No. 3177, 2025 (form and character development permit area, SSMUH)

On April 2, 2025, Council approved 1st and 2nd reading of Official Community Plan – Amendment Bylaw No. 3177, 2025 to amend Courtenay's Official Community Plan. In general terms the purpose is: to exempt single dwelling, accessory dwellings and duplexes; change DPA-1 to apply to five or more dwelling units; change DPA-2 to apply to three to four dwelling units and correct applicable sections regarding purpose and density to comply with s.457.1 and s.488 of the *Local Government Act*.

Zoning – Amendment Bylaw No. 3176, 2025 (form and character development permit area, SSMUH)

On April 2, 2025, Council approved 1st and 2nd reading of Zoning – Amendment Bylaw No. 3176, 2025 to amend Courtenay's Zoning bylaw. In general terms, the purpose is: incorporate the changes in OCP Amendment Bylaw No.3177, 2025; update sections on site planning, public realm, streetscape, building design, landscaping and identified neighbourhoods, and remove requirements for bareland stratas to provide more flexibility in building design.

This notice is pursuant to s. 464, 466 of the Local Government Act
Adriana Proton - Corporate Officer

Participate in person or by commenting in advance



In person

At the CVRD's Civic Room
770 Harmston Avenue, Courtenay



Live by Zoom webinar

For info and instructions, visit
courtenay.ca/publichearings



Live by phone conference

1-855-703-8985 Toll Free
Meeting ID: 468 602 3692#



Watch online

Streamed live on the City of
Courtenay's YouTube channel



Submit written comments

Email: planning@courtenay.ca
Mail: Development Services
830 Cliffe Avenue,
Courtenay, B.C. V9N 2J7

The deadline for written submissions is 1 p.m. on Wednesday, April 30. Submissions should contain the writer's name and address, which will become part of the public record.

Get more information

Bylaws are available for viewing at Courtenay City Hall, 830 Cliffe Avenue, 8:30 a.m. to 4:30 p.m., Monday, April 14, to Wednesday, April 30, (except holidays), or online: courtenay.ca/publichearings



City of
Courtenay

250-703-4839 | planning@courtenay.ca



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 6480-20-2403

3360-20-2409

From: Director of Development Services

Date: April 2, 2025

Subject: Amend Development Permit Area 1 and 2 for Small-Scale Multi-Unit Housing

PURPOSE:

For Council to receive the report from the public engagement process and consider giving first and second readings to:

- **Official Community Plan - Amendment Bylaw No. 3177, 2025** to *amend Official Community Plan Bylaw No. 3070, 2022* to amend Development Permit Areas 1 and 2 for small-scale, multi-unit housing; and,
- **Zoning Amendment Bylaw No. 3176, 2025** to *Zoning Bylaw No. 2005, 2007* to amend Development Permit Area 1 and 2 small-scale multi-unit housing, to implement Bill 44-Housing Statutes Amendment Act, 2023 and related policies to streamline development permitting, while continuing to meet community needs.

BACKGROUND:

At the November 13, 2025 regular meeting of Council, Council received the report Development Permit Area Amendments for Small-Scale Multi-Unit Housing Consultation Plan (Attachment 1) and approved the Plan by passing the following resolution:

“THAT Council, receive the report on the Consultation Plan for DPA amendments for Small-scale Multi-unit Housing and endorse the Consultation Plan for the proposed Development Permit Areas: DPA-1 and DPA-2 as outlined in Attachment 1 of the report; AND

THAT pursuant to section 475 and 476 Local Government Act, Council will provide opportunities it considers appropriate for consultation with persons and parties it considers will be affected, including the general public and the local development industry, and pursuant to section 476 Local Government Act, prior to considering amendments to City of Courtenay Official Community Plan Bylaw No 3070, 2022.”

Between February and March 2025, staff implemented the approved Consultation Plan. This included a variety of engagement activities, including interactive project webpage, in-person meetings, public surveys, and social and print media. What follows is a report on the proposed changes to the bylaws informed by the consultation process and the next steps in the approvals process.

Legislative Consideration

Part 14, Division 7 – Development Permits of the *Local Government Act* provides local governments with the authority to designate special areas of interest by bylaw, known as development permit areas. Under 488 (1), there are eleven different purposes; the following inform the justification, objectives and guidelines of DPA 1 and DPA 2:

- (e) establishment of objectives for the form and character of intensive residential development; ONLY for DPA -1;
- (f) establishment of objectives for the form and character of commercial, industrial or multi-family residential development; ONLY for DPA-2;
- (a) protection of the natural environment, its ecosystems and biological diversity;
- (h) establishment of objectives to promote energy conservation;
- (i) establishment of objectives to promote water conservation;
- (j) establishment of objectives to promote the reduction of greenhouse gas emissions;

Section 457.1 states a power under section 488 [designation of development areas] must not be exercised in a manner that unreasonably prohibits or restricts the use or density of use required to be permitted in section 481.3 [zoning bylaws and small-scale multi-family housing].

To assist local governments in the implementation of this legislation, the “Provincial Policy Manual & Site Standards, SSMUH”, was released in 2024. The Provincial Manual generally discourages form and character development permit areas for fewer than six units; however, it continues to acknowledge local governments have discretion over what density of housing qualifies as “intensive residential” under *Local Government Act* s. 488(1)(e). Thus, local governments may choose to retain or adopt a DPA for fewer than six units.

The Provincial Manual highlights DPA requirements that may negatively impact SSMUH viability (neighbourhood character, location of entrances, building height, building massing, parking and waste management, and landscaping) and principles for effective DPA use (clarity and specificity, staff delegation, avoiding design panels/commissions, and permissive requirements that recognize spatial and financial constraints). Considering this direction through the lens of the Official Community Plan (OCP), staff propose a balanced approach; one that meets the legislative requirements and streamlines the permitting process, while continuing to respond to the community goals and objectives expressed in the OCP.

DISCUSSION:

Proposed Changes to Official Community Plan Bylaw No. 3070, 2022 and Zoning Bylaw No. 2500, 2007

DPA-1: Form and Character DPA for Commercial, Industrial, Mixed-use Developments & Multi-family with Three or More Units:

The main change for DPA-1 is moving the threshold for residential development applicability to five or more units from three or more units so that three- and four-unit developments (which are permitted in the R-SSMUH zone) do not require DPA-1 development permits. Developments with three or four units are subject to DPA-2, whose guidelines are amended to provide more flexibility aligned with the provincial policy. Other changes are to provide clarity and consistency in language and administrative in nature, including:

- name is simplified to “DPA-1: Commercial, Industrial, Large-Scale Residential and Mixed Use” throughout the applicable sections of the OCP and zoning bylaws,
- justification and objectives sections are updated to reflect the removal of smaller residential developments, and

- language clarified and formatting fixed and reference added to the Old Orchard & Terminal Addition. Although these neighbourhoods primarily comprise lots zoned R-SSMUH which do not permit more than four dwelling units per lot, there are some lots in Old Orchard with higher-density zoning and there are existing DPA-1 guidelines specifically for the neighbourhood. Any guidelines should work toward meeting stated objectives with justification and this appears to have been an oversight in the existing text.

Through the engagement, there was general support for the proposed changes to DPA-1. See Attachment 2: What We Heard Report.

The proposed Official Community Plan - Amendment Bylaw No. 3177, 2025 and proposed Zoning - Amendment Bylaw No. 3176, 2025 are attached to the report.

DPA-2: Intensive Residential Form and Character DPA for Duplexes, Detached Secondary Residences, Heritage Neighbourhoods, Bare Land Stratas, and Mobile Home Parks:

A more extensive update of DPA-2 was completed to align with the provincial direction to provide more flexibility with updates to the justification and objective sections to clarify language and consistency. The following changes are proposed for DPA-2 and summarized in Table 1:

- The name reflects the changes and is simplified to “DPA-2: Small-Scale Multi-Unit Residential” throughout the applicable sections of the OCP and zoning bylaws.
- Duplexes and accessory dwelling units (ADUs) no longer require form and character development permits for properties with fewer than three dwelling units. This is the case in other communities like Campbell River and areas of Cumberland, and elsewhere in BC in response to provincial direction. Public feedback on this proposed change is mixed; generally, more in favour of requiring development permits for larger developments, see Attachment 2: What We Heard Report.
- Single-detached dwellings in heritage neighbourhoods no longer require form and character development permits, although heritage areas in DPA-1 and DPA-2 continue to be recognized. Public feedback favours requiring development permits for development in these areas rather than elsewhere. However, development permit areas are limited to residential form and character guidelines for “multi-family” or “intensive” residential developments, per the *Local Government Act* s.488 (e, f). There are other planning tools for heritage protection, which are anticipated to be explored through the update of the OCP.
- Guidelines updated to reduce potential spatial or financial constraints (such as garages facing away from the street which likely requires additional driveway area and reduces the buildable area for housing), and to provide more flexibility in design and siting, while retaining safety and sustainability factors.

Table 1: Summary of Proposed Changes for DPA-2 by Sub-heading/Topic Areas:

Site Planning	<ul style="list-style-type: none"> i. Incorporated best practices for gently increasing density into existing neighbourhoods. Support design standards that promote siting and building design that are compatible with existing area, promote connectivity, preserve privacy and incorporate sustainability considerations. ii. Building design that are compatible with existing area, promote connectivity, preserve privacy and incorporate sustainability considerations.
---------------	--

Public Realm and Streetscape	<ul style="list-style-type: none"> i. Section generally unchanged and now allows for more flexibility for location of entrances aligned with provincial policy. ii. Explicit fencing/landscaping for privacy language is added to replace landscape buffer removal from R-SSMUH zone. iii. Added guideline for entrances and exits to parking areas to be located and designed to reduce potential modal conflicts, maintain visual sight lines and limit impact to the transportation network.
Building Design	More permissive language to encourage high quality, creative design and energy efficient buildings
Landscaping	<ul style="list-style-type: none"> i. Some elements added from DPA-1 with more flexible language. ii. Some text amendments to clarify language.
Mobile Home Parks	<ul style="list-style-type: none"> i. Removed special guidelines for bare-land stratas. ii. Some text amendments to clarify language.
Old Orchard and Terminal Addition Neighbourhoods	<ul style="list-style-type: none"> i. Removed “For Primary and Secondary Residences in” from section heading. ii. Removed redundant elements addressed in other sections. iii. Added more flexible language regarding roof slope, architectural interest.
40 Houses Neighbourhood	<ul style="list-style-type: none"> i. Removed “For Primary and Secondary Residences in” from section heading. ii. Removed redundant elements addressed in other sections. iii. More permissive language regarding building height, spatial relationships, massing.

Through the engagement feedback from the respondent groups the proposed changes are considered balanced and were generally supported by both the development industry and residents, who participated via in-person meetings and/or the public survey. (See What We Heard Report attachment 2)

Additional Proposed Change to OCP and Zoning Bylaw:

An important change is exempting one or two dwellings from requiring form and character DPA as follows:

- Section, Exemptions for Form & Character Development Permits: Proposed residential development with a total of one or two dwelling units”.

The following text is removed to align with provincial legislation, Section 457.1 of the *Local Government Act*. Local Governments are unable to limit density via a DPA by restricting the number of storeys where the maximum permitted height is 11 m.

- “One (1) storey residential in the 40 Houses” is removed from the Built Form list, and
- “Create a new zone in the Zoning Bylaw to reflect the traditional height, massing, and siting” is removed from 40 Houses Neighbourhood Policies in Part B, Managing Growth, Specific Land Use of the OCP.

Administrative changes

Table D-6 in the OCP and corresponding Table 1 in the Schedule A to the zoning bylaw are updated to reflect above mentioned changes to DPA names. Also, within the combined DPA-1/2 Purpose summary, language is

added noting intensive residential and multi-residential development form and character, as well as protection of the natural environment, and language is removed about farming for properties adjacent to agricultural lands (which pertains to DPA-3).

The title and contents page of Schedule A to the zoning bylaw is updated to reference the *Zoning Bylaw No. 2500, 2007* it is a schedule rather than the amendment bylaw that brought it into force and DPA-1 and DPA-2 names are updated.

Proposed Bylaw Amendments:

Official Community Plan - Amendment Bylaw No. 3177, 2025 (attachment 4) and *Zoning Amendment Bylaw No. 3176, 2025* (attachment 5) to this report.

POLICY ANALYSIS:

The proposed bylaw amendments for DPA-1 and DPA-2 would continue to support the realization of the following OCP policies:

- Land Use Policy LU 3 - Support and encourage infill housing choices across the city through distribution of new residential growth in existing neighbourhoods outside of – and in support of – primary and secondary growth centres and in accordance with the land use designations contained within this Plan.
- Urban Residential Policy No. 1 - Support gentle infill that encourages greater housing choices and tenure types.
- Streets and Transportation Objective 6 - The amount of land dedicated to parking is minimized.
- Building and Landscape Policy BL 8 - Utilize Development Permit Area guidelines for the purposes of:
 - a. Energy and water conservation by encouraging all new buildings to exceed energy, emissions, and water conservation targets described on page 109.
 - b. Incorporating biodiversity and sensitive rainwater management practices within landscapes; and
 - c. Ensuring that the form and character of new developments complement surrounding neighbourhood and showcase Indigenous designs.
- Affordable Housing Policy AH 22 - Conduct a development process review in order to recommend improvements to the current approval process, including fee structure, customer service, and improve clarity and transparency of OCP requirements and expectations.
- Affordable Housing Policy AH 22 - Conduct a development process review in order to recommend improvements to the current approval process, including fee structure, customer service, and improve clarity and transparency of OCP requirements and expectations.

FINANCIAL IMPLICATIONS:

The approved consultation process aligns with the legislative requirements for the adoption of an OCP bylaw and advances the Planning Division's work program. The associated staff time and budget are included in the Planning Division's work plan and 2025-2029 Financial Plan. There are no other financial implications to the 2025 - 2029 financial plan associated with the adoption of these bylaws. Grant funding received from UBCM is being utilized for consultants required to assist in staff capacity requirements to align Bill 44 with the OCP and Zoning Bylaw.

Section 477 (3) in the *Local Government Act* requires local government to consider its financial plan and any applicable municipal or regional district waste management plan after first reading and before public hearing. Following first reading, the OCP and Zoning Bylaw amendments will be referred to the City's Financial Services and the CVRD Liquid Waste Services. Given the comments already received from the CVRD, it is anticipated the amendments will not conflict (See Correspondance from CVRD Attachment 3).

ADMINISTRATIVE IMPLICATIONS:

Development Services staff conducted the necessary research and analysis in the preparation of the draft changes and implemented the approved Consultation Plan. Staff from the Communications Division provided support in the development of the project webpage, information boards, social and print media notifications.

STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Buildings and Landscape - Review and update land use regulations and bylaws for consistency with OCP
- Good Governance - Review and streamline development process and set targets for application processing times
- Good Governance - Establish an OCP Implementation Townhall Forum

PUBLIC ENGAGEMENT:

Sections 475(1) and 476 in the *Local Government Act* state that during the development of an amendment to the OCP the proposing local government must provide one or more opportunities it considers appropriate for the consultation with persons, organizations and authorities it considers will be affected. This requirement has been satisfied through the successful implementation of the Consultation Plan as outlined in this report and the What We Heard Report.

Beginning in February 2025 staff implemented several engagement activities, including interactive webpage, in-person meetings, public survey and social and print media. The engagement activities generated various insights from participants used to enhance the revised DPA -1 and DPA -2.

In addition, notification of the proposed changes along with an invitation to comment and/or meet was communicated to the Town of Comox, Village of Cumberland, Comox Valley Regional District (CVRD), Island Health, School District No. 71 and Kómoks First Nation. The CVRD provided a written response (Attachment 3) confirming the proposed changes do not conflict with the direction provided by the Regional Growth Strategy and was overall supported by the proposed changes.

The successful completion of these activities demonstrates the legislative requirements have been satisfied as well as the City's strategic priorities for good governance – increasing community engagement. Full details of the process and outcomes are provided in the What We Heard Report (see Attachment 2).

OPTIONS:

1. THAT Council receive the report titled "What We Heard Report - Development Permit Area Amendments for Small-Scale Multi-Unit Housing".

2. THAT Council give first and second readings to “Official Community Plan - Amendment Bylaw No. 3177, 2025 (form & character development permit area, SSMUH)”.
3. THAT Council give first and second readings to “Zoning - Amendment Bylaw No. 3176, 2025 (form & character development permit area, SSMUH)”;
- and
THAT Council direct staff to provide notice for a Public Hearing on Wednesday, April 30, 2025.
4. THAT Council provide alternative direction to staff through resolution.
5. THAT Council not proceed.

ATTACHMENTS:

1. Staff Report to Council, dated November 13, 2025
2. What We Heard Report, dated April 2, 2025
3. Correspondance from CVRD, dated March 13, 2025
4. OCP - Amendment Bylaw No. 3177
5. Zoning - Amendment Bylaw No. 3176

Prepared by: Mike Grimsrud, RPP, MCIP, Planner III

Reviewed by: Jamai Schile, MCIP, RPP, Manager of Development Planning
Marianne Wade, MCIP, PRR, Director of Development Services

Concurrence: Kyle Shaw, Director of Operational Services – Acting City Manager (CAO)



The Corporation of the City of Courtenay

Bylaw No. 3134

A bylaw to amend Zoning Bylaw No 2500, 2007

The Council of the Corporation of the City of Courtenay in open meeting assembled, enacts as follows:

Citation

1. This Bylaw shall be cited for all purposes as **“Zoning - Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)”**.

Amendments

1. That “Zoning Bylaw No. 2500, 2007” be amended as follows:

(a) **AMENDING DIVISION 3 INTERPRETATION Part 1 Definitions** by:

(i) **ADDING A NEW DEFINITION** after “*auction centre*”

“*bed and breakfast accommodation*” means the accessory use of a *residence* in which temporary overnight accommodation and the first meal of the day served in a common room is provided to tourists.

(ii) **ADDING A NEW DEFINITION** after “*principal use*”

“*principal residence*” means a *dwelling unit* in which an individual resides for a longer period of time than any other place in a calendar year.

(iii) **ADDING A NEW DEFINITION** after “*shopping centre*”

“*short-term rental accommodation*” means the rental of a *dwelling unit* or any portion of it for a period of less than 90 days. This use does not include *bed and breakfast accommodation*.

(b) **AMENDING DIVISION 6 GENERAL REGULATIONS** by:

(i) **DELETING Part 3 Home Occupation Section 6.3.12:**

6.3.12 Bed and breakfast accommodation may be allowed in any residential dwelling, subject to the following requirements:

(i) Not more than two bedrooms are used for transient accommodation.

(ii) Principal use of the building shall be for occupation by a single family.

(iii) That the family or a member of it shall be alone engaged in the operation of the transient accommodation business.

(iv) No meals shall be provided to the customers of the operation other than breakfast.

(v) No liquor shall be supplied to the customers.

(vi) At least one automobile space shall be provided on the same lot for each room available for transient accommodation, in addition to the parking requirements for the residence, but parking spaces may be behind other parking spaces on the same lot.

And

RENUMBERING Section 6.3.13 Medical Marihuana Production Facility is prohibited as a home occupation.

To

6.3.12 Medical Marihuana Production Facility is prohibited as a home occupation.

(ii) AMENDING Part 15 Bed and Breakfast Accommodation Section 6.15.1:

To add

(f) Any person intending to carry on a home occupation shall apply for an application for a business license pursuant to the regulations of the City of Courtenay Business Licence Bylaw.

(iii) ADDING Part 20 Short-term Rental Accommodation after Part 19 Secondary Suites and Accessory Dwelling Units

Part 20 Short-term Rental Accommodation

6.15.1. *Short-term rental accommodation* may be permitted within any *dwelling unit* subject to the following conditions:

- (a) The *short-term rental accommodation* may only be permitted within the following *dwelling unit* types: *single residential dwelling*, *accessory dwelling unit*, or *secondary suite* as part of a *single residential dwelling*;
- (b) No more than one *short-term rental accommodation* is permitted per parcel;
- (c) *Short-term rental accommodation* is not permitted in combination with *bed and breakfast accommodation* or *day care* use on the same parcel;
- (d) The maximum number of bedrooms for *short-term rental accommodation* use is three (3) and the owner of the parcel shall not allow more than six (6) guests to occupy the *dwelling unit* as part of the *short-term rental accommodation*;
- (e) Parking for the *short-term rental accommodation* must be provided in accordance with the parking and loading regulations of this bylaw;
- (f) The *short-term rental accommodation* shall only be operated by the owner of the

- (g) *Short-term rental accommodation* is not permitted unless the *principal residence* of the owner of the parcel is on the parcel;
- (h) No noise, vibration, smoke, dust, odors, heat, glare, electrical or radio disturbance detectable beyond the property boundary shall be produced by the *short-term rental accommodation*; and
- (i) The owner of the parcel must hold a valid Business Licence in accordance with the Business Licence Bylaw currently in effect.

(c) **AMENDING DIVISION 7 Schedule 7A Required Number of Off-Street Parking spaces by:**

(i) **ADDING A NEW SECTION** after *Single dwelling unit or duplex*:

A. Residential Use	<i>Short-term rental accommodation</i> – 1 dedicated space per short-term rental operation in addition to that required for the <i>principal residence</i> where a <i>principal residence</i> is being used as a <i>short-term rental accommodation</i> .
--------------------	---

3. That Zoning Bylaw No. 2500, 2007 is hereby ratified and confirmed in every other respect.
4. If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed and the remainder of the Bylaw is deemed valid.
5. That this Bylaw shall come into effect upon final adoption.

READ A FIRST TIME this 2nd day of April, 2025.

READ A SECOND TIME this 2nd day of April, 2025.

PUBLIC HEARING held this ____ day of [month], 2025 pursuant to Section 464 (1) of the *Local Government Act*.

READ A THIRD TIME this ____ day of [month], 2025.

Approved pursuant to section 52(3)(a) of the *Transportation Act* this _____ day of _____, 2025

for Minister of Transportation & Infrastructure
BYLAW 3134

FINALLY PASSED AND ADOPTED this ____ day of [month], 2025.

Mayor

Corporate Officer

Certified a True Copy

Corporate Officer

Public Hearing

Wednesday, April 30, 2025, 4 p.m.

Comox Valley Regional District (CVRD) Civic Room, 770 Harmston Avenue, Courtenay

Bylaw to regulate short-term rental accommodations

The City of Courtenay is proposing to amend Zoning Bylaw No. 2500, 2007 to permit the operation of short-term rentals in Courtenay and regulate their use. The proposed amendments apply throughout the City.

Zoning – Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)

On April 2, 2025, Council approved 1st and 2nd reading of Zoning Amendment Bylaw No. 3134, 2025 to amend Courtenay's Zoning bylaw. In general terms: to permit short-term rental accommodation as a permitted use in single residential dwellings, accessory dwelling units or secondary suites; to limit the number of short-term rentals to one per parcel and must be operated by the owner who has their principal residence on the parcel; allow maximum of three bedrooms to accommodate up to six guests per short-term rental; require a parking stall be provided; require a business licence; not permit in combination with bed and breakfast accommodation or day care uses. The bylaw also adds definitions for bed and breakfast accommodation, principal residence and short-term rental accommodation and requirement for a business licence for a bed and breakfast accommodation.

Bylaws to amend development permit areas for small-scale, multi-unit housing

The City of Courtenay is proposing to amend Official Community Plan Bylaw No. 3070, 2022 and Zoning Bylaw No. 2500, 2007 to update the existing form and character development permit areas (DPA-1 and DPA-2) to align with *Bill 44 - Housing Statutes Amendment Act* to support new housing development. The proposed amendments apply throughout the City.

Official Community Plan – Amendment Bylaw No. 3177, 2025 (form and character development permit area, SSMUH)

On April 2, 2025, Council approved 1st and 2nd reading of Official Community Plan – Amendment Bylaw No. 3177, 2025 to amend Courtenay's Official Community Plan. In general terms the purpose is: to exempt single dwelling, accessory dwellings and duplexes; change DPA-1 to apply to five or more dwelling units; change DPA-2 to apply to three to four dwelling units and correct applicable sections regarding purpose and density to comply with s.457.1 and s.488 of the *Local Government Act*.

Zoning – Amendment Bylaw No. 3176, 2025 (form and character development permit area, SSMUH)

On April 2, 2025, Council approved 1st and 2nd reading of Zoning – Amendment Bylaw No. 3176, 2025 to amend Courtenay's Zoning bylaw. In general terms, the purpose is: incorporate the changes in OCP Amendment Bylaw No.3177, 2025; update sections on site planning, public realm, streetscape, building design, landscaping and identified neighbourhoods, and remove requirements for bareland stratas to provide more flexibility in building design.

This notice is pursuant to s. 464, 466 of the Local Government Act
Adriana Proton - Corporate Officer

Participate in person or by commenting in advance



In person

At the CVRD's Civic Room
770 Harmston Avenue, Courtenay



Live by Zoom webinar

For info and instructions, visit
courtenay.ca/publichearings



Live by phone conference

1-855-703-8985 Toll Free
Meeting ID: 468 602 3692#



Watch online

Streamed live on the City of
Courtenay's YouTube channel



Submit written comments

Email: planning@courtenay.ca
Mail: Development Services
830 Cliffe Avenue,
Courtenay, B.C. V9N 2J7

The deadline for written submissions is 1 p.m. on Wednesday, April 30. Submissions should contain the writer's name and address, which will become part of the public record.

Get more information

Bylaws are available for viewing at Courtenay City Hall, 830 Cliffe Avenue, 8:30 a.m. to 4:30 p.m., Monday, April 14, to Wednesday, April 30, (except holidays), or online: courtenay.ca/publichearings



**City of
Courtenay**

250-703-4839 | planning@courtenay.ca



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 3010-01-2401

From: Director of Development Services

Date: April 2, 2025

Subject: Bylaws to Regulate Short-term Rental Accommodations

PURPOSE:

For Council to consider first and second readings of the three bylaws in order to permit the operation of short-term rentals in Courtenay and regulate their use:

1. *Business Licence - Amendment Bylaw No. 3133, 2025 (short-term rental accommodation)* to amend *Business Licence Bylaw No. 2523, 2008*;
2. *Municipal Ticket Information - Amendment Bylaw No. 3139, 2025 (short-term rental accommodation)* to amend *Municipal Ticket Information Bylaw No. 2435, 2006*; and
3. *Zoning - Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)* to amend Zoning Bylaw No. 2500, 2007.

Staff is also recommending that Council set the date of a Public Hearing for *Zoning - Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)* to April 30, 2025.

EXECUTIVE SUMMARY:

At the regular meeting of Council on April 24, 2024 Council passed a resolution directing staff to prepare bylaw amendments to “Business Licence Bylaw 2523, 2008”, Zoning Bylaw No. 2500, 2007” and “Municipal Ticking Information Bylaw No. 2435, 2006” to address *Bill 35 Short-Term Rental Accommodation Act*.

In the April 24, 2024, Council report staff recommended that short-term rentals (STR) be limited up to 27 days per stay rather than up to 90 days as permitted in the legislation. Staff also recommended permitting STR in all residential zones. On April 24, 2024, a report was released and posted on a provincial webpage summarizing the impact of Bill 35 on the number of short-term rentals in the province and the impacts of STR restrictions on rental housing rates. In addition, the City of Courtenay received the updated Housing Needs Report in August 2024 which raised issues on the impact of STR on rental supply. Neighbouring municipalities have initiated bylaws for STR which serve as a comparison for staff’s analysis in the revised recommendations for Council’s consideration. Revised recommendations included in the proposed *Zoning Bylaw No. 2500, 2007* amendment to extend the length of stay from 27 days to up to 90 days to allow for longer short-term stays and to limit STR to low-density residential housing forms such as single residential dwelling units, secondary suites, and accessory dwelling units. Multi-residential housing forms have complex issues associated with Strata Corporations which require future consideration for vacation rentals that staff will undertake at a later date with OCP and Zoning Bylaw updates.

BACKGROUND:

Bill 35 focuses on three key areas:

1. Returning more short-term rentals to the residential rental housing market:
 - Short-term rentals are defined by the Province as:
“Short-term rentals are accommodations provided to members of the public in a host’s property, in exchange for money, for a period of less than 90 consecutive days. They are

generally tourist accommodations that are often found in residential or resort areas. They may be advertised via online platforms such as Airbnb, VRBO, or Booking.com, and may also be advertised on other web forums including Facebook Marketplace, or found in classified ads in newspapers.

Short-term rentals do not include accommodation that was intended to be provided for 90 days or longer, but which unexpectedly ends before 90 days have passed.”

- Short-term rentals in B.C. must meet the provincial principal residence requirement which limits short-term rentals to:
 1. The home where the host lives for a longer period of time in a year than any other place.
 2. **Plus**, one secondary suite or accessory dwelling unit on the same property.
 - The legislation defines short-term rental as a period of time of less than 90 days. A local government has a choice to regulate below 90 days.
2. Establishing provincial rules and a system of enforcement:
- By May 1, 2025, all short-term rentals (STR) hosts must be registered with the provincial short-term rental registry in order to operate in B.C. This is to ensure that listed STRs are in compliance with the regulations in the Act including the principal residence requirement, display of business licensing (where required by local government) and being on the Province’s registry list.
3. Increasing fines and strengthening enforcement tools for local governments:
- Short-term rental operators and rental platforms are required to share data with provincial and local governments and to display provincial registration and municipal business licence numbers on all listings. Listings that do not follow these protocols must be promptly removed.
 - Maximum Provincial fines for contravention of short-term rental regulations in the Offence Act and the Bylaw Enforcement Ticket Regulation have been increased. Amendments to Courtenay’s Municipal Ticket Information Bylaw are proposed as part of this staff report to add short-term rental offences.

Bill 35 applies to communities with over 10,000 residents and that have a vacancy rate of less than 3%, therefore this applies to Courtenay. Those municipalities with a rental vacancy rate of over 3% for two consecutive years may request to opt out of the principal residence requirement. Given that Courtenay’s vacancy rate for 2023 was 1.1% and for 2024 was 5.1%, it has not had two years of above 3% vacancy and as such Courtenay may not opt out of the provincial minimum requirements.

In communities where Bill 35 requirements apply, the local government may not be more permissive than the provincial requirements however it can choose to be more restrictive. This is currently the case for the City of Courtenay where short-term rentals are not permitted at all but Bed and Breakfasts are permitted as per Part 15 Bed and Breakfast Accommodation section 6.15.1 in any single residential dwelling located in any residential or multi-residential zone subject to no more than two bedrooms for transient accommodation, principle use must be single residential and the residents of the building must be engaged in the operations.

New information since the enactment of Bill 35

Since the April 24, 2024, Council meeting the City has received more information about how other communities are implementing STRs, Courtenay's local housing needs and the impacts of short-term rental regulations.

Housing Needs Report August 2024

Preliminary short-term rentals (STR) information was presented in the April 24, 2024 staff report. Since that time, refinements to that data were made to show that although STR are not permitted in the Zoning Bylaw; that in 2023, there were 293 short-term rentals operating in the City for at minimum one day that year. And of those, nearly half were used 'commercially' (all year round for STR). By having regulations on STR the objectives are to have STRs operate legally, some of the current illegal 293 STRs move into long-term rental accommodation, and have the Province monitor platforms for compliance with both provincial and municipal regulations on STR.

The [2024 Housing Needs Report](#), similar to the 2020 Housing Needs Report, highlights the need to continue to ensure the supply of and policy support for rental tenure units, with an increased emphasis on affordable/below-market and deeply affordable units. Several reasons are cited for this primarily that homeownership is becoming increasingly unaffordable for the median household in Courtenay, that market rental rates (cost of rent) continue to rise, and that rental vacancy rates have been below a healthy range for most of the past decade. The report identifies that renter households on average are also more likely to be lower-income (\$50,400 vs \$82,000 median household income respectively) and more likely to be in Core Housing Need (26% vs 5% respectively) than owner households.

The information in the 2020 Housing Needs Report informed Courtenay Affordable Housing policies. Collectively the policies direct the City to view its housing policies within a larger housing and policy apparatus to create equitable policy interventions that consider the various types of housing [tenure], the community members who live in them and the community's housing needs as represented by a 'housing continuum' or 'housing wheelhouse'. To be equitable, the policy-making process should weigh the problems faced by the various segments of the wheelhouse and assign support proportionate to housing needs.

Staff recognize that based on existing housing data, it is unclear what the impacts of short-term regulation will be on influencing traditional housing metrics such as 'rental vacancy rates', 'average rents' or 'households in Core Housing Need'. There is however evidence indicating short-term rental restrictions have a positive impact on returning short-term rental units to the long-term market and reducing rents; where even if rents don't outright decrease, they increase less than they otherwise would have without short-term rental regulation ([Report on Short-term rental regulations in British Columbia, Wachsmuth, 2024](#)).

At the same time, homeowners in our community also need policies that support them, even if to a lesser degree than renters. For instance, short-term rentals can offer homeowners a source of revenue generation that may be increasingly necessary for many households to preserve homeownership or offer the opportunity for more flexibility granted by the short-term use to meet their needs.

The discussion above highlights that Council has choices as to the degree they would like Courtenay's short-term rental regulations to support the segments of the housing wheelhouse most concerned, renter or owner. Simply stated, the more restrictive Courtenay's short-term rental regulations are, the more the policy can be seen to benefit the rental segment of the wheelhouse. The less restrictive Courtenay's short-

term rental regulations are, the more likely they support owner households. There may also be other policy objectives that Council might like to consider as it relates to the regulation of short-term rental like economic development that are not already stated and which may be established through the upcoming OCP update.

Comparable communities

Since the adoption of Bill 35, other BC communities seem to be doing an array of different things, however, most do seem to be permitting short-term rentals at least to some degree. Communities seem to be weighing:

- Housing needs
- Economic/tourism needs
- Enforcement/capacity realities
- Previously existing policies/perceived fairness

Other community approaches fall within these general categories, listed as generally most to least restrictive of STRs:

1. Allow no STR at all - Campbell River, Saanich.
2. Allow STR only in dwellings that otherwise would not be part of the long-term rental stock (principal residence only) – Victoria.
3. Apply a cap on the number of STRs across the community and possibly even by area – Nelson.
4. Meet Bill 35 but restrict STRs from operating in apartments/purpose-built rental buildings and only allow one per property - Comox, Cumberland.
5. Meet Bill 35 verbatim, plus possibly some additional operational restrictions - Nanaimo, Kelowna.

DISCUSSION:

The proposed amendments to the Zoning, Business Licence and MTI bylaws for Council consideration, would permit one STR per parcel in one of the following low-density housing forms: single detached homes, accessory suites and accessory dwelling units where the operator has a principal residence on the parcel in question. This would be more restrictive than the provincial principal residence requirement which does not restrict STRs to certain housing forms, but less restrictive than the City's current absolute ban on STRs.

Proposed Bylaw Amendments

Proposed Zoning - Amendment Bylaw No. 3134, 2025 to Zoning Bylaw No. 2500, 2007

- Addition of a definitions in Division 3 Interpretation Part 1 Definitions:
 - "bed and breakfast accommodation" (previously undefined),
 - "principal residence" (in accordance with the provincial legislation definition), and
 - "short-term rental accommodation" (as a newly permitted use) where "*short-term rental accommodation*" is proposed to mean the rental of a *dwelling unit* or any portion of it for a period of less than 90 days, which is consistent with the provincial definition.
- Removing reference to bed and breakfast accommodations in Division 6 Part 3 Home Occupation
 - The bed and breakfast accommodation regulations are located in two Parts of Division 6 of the Zoning Bylaw (Part 3 Home Occupation and Part 15 Bed and Breakfast Accommodations) and

include inconsistencies across the two sections. Staff recommend removing the reference from Part 3 Home Occupation as bed and breakfast should remain as a distinct use.

- A new Division 6 (General Regulations) Part 20 Section 6.20 Short-term Rental Accommodation stipulates conditions of short-term rental accommodation use. These include:
 - May only be permitted within single residential dwelling, accessory dwelling unit or secondary suite dwelling types and only one may be permitted per parcel;
 - May not be permitted in combination with bed and breakfast accommodation or daycare use;
 - Shall not occupy more than three (3) bedrooms and shall not involve more than six (6) guests total;
 - One dedicated parking stall per short-term rental accommodation;
 - Shall be operated only by the owner of the parcel in question who has a principal residence on the parcel in question;
 - No nuisance activities shall be produced by the short-term rental accommodation; and
 - Requirement to obtain a Business Licence, as consistent with provincial legislation.

Proposed Business Licence - Amendment Bylaw No. 3133, 2025 to Business Licence Bylaw No. 2523, 2008

- New definitions of bed and breakfast accommodation and dwelling unit (previously undefined).
- New Business Licencing Conditions are proposed for short-term rental accommodation specific to the Business Licensing Bylaw including the requirements:
 - That the business licence be displayed in a prominent place with 24-hour contact information for the operator.
 - For a fire and safety plan, be located at entrances and exits from the dwelling unit, and in each approved bedroom and include prescribed safety information.
- Changes to Schedule A introduce new short-term rental accommodation and bed and breakfast accommodation business licence categories and associated licencing fees at \$300 and \$150 respectively. \$150 Affordable Housing Amenity Reserve Fund offset fee is proposed to be charged to short-term rental accommodations and placed in the Affordable Housing Amenity Reserve Fund as described further in the Financial Implications section.

Proposed Municipal Ticket Information - Amendment Bylaw No. 3139, 2025 to Municipal Ticket Information Bylaw No. 2435, 2006

- Adding a fine for an additional ticketing offence of \$100 for short-term rental accommodation and some numbering anomalies between the Business Licencing Bylaw and the Municipal Ticketing Information Bylaw are corrected. The \$100 fine is consistent with other fines within this Bylaw.

Alternative short-term rental zoning option – Principal residence only

If Council wishes to take a more precautionary approach to the number of STR likely to be licenced they could consider only permitting STRs in dwelling units that are occupied as a principal residence and restrict STRs from operating in additional dwelling units on those same properties.

This more restrictive option would be closer to how the City of Victoria regulates short-term rentals as they permit STRs only within a principal residence (whether that be the principal residence of a homeowner or

renter). This model would limit the impact on housing availability for residents in that STRs would only be available from the temporarily unoccupied homes of residents or within an area of the home that continues to be occupied by residents. The same conditions of use identified in the draft *Zoning - Amendment Bylaw No. 3134, 2025* could still apply (e.g. only one per property, number of guests and bedrooms, only operated by the owner of the property who has the principal residence on the property).

Staff have included this option as Option 2 in the Resolutions as follows:

- Only permit short-term rentals as a permitted use within a single residential dwelling unit, secondary suite, or accessory dwelling unit that is primarily used as the property owner's principal residence;
- Only one short-term rental may be permitted per parcel;
- May not be permitted in combination with bed and breakfast accommodation or daycare use;
- Shall not occupy more than three (3) bedrooms and shall not involve more than six (6) guests total;
- One dedicated parking stall per short-term rental accommodation;
- Shall be operated only by the owner of the parcel in question who maintains their principal residence on the parcel in question;
- No nuisance activities shall be produced by the short-term rental accommodation; and
- Requirement to obtain a Business Licence, as consistent with provincial legislation.

Should Council provide direction to amend the presented bylaws in alignment with option 2 or another option brought forward through resolution, staff will bring forth amendments to the bylaws for first and second reading, prior to proceeding to a public hearing, at the next available Council meeting. Additionally, after the public hearing for the proposed *Zoning - Amendment Bylaw No. 3134, 2025*, Council could consider making amendments to the proposed bylaws. These amendments may result in rescinding first and second readings and holding an additional public hearing.

Monitoring Short-term Rentals (STR) impact on housing needs

Regardless of STR regulations adopted, staff recommend that the annual primary rental market vacancy rate be monitored for three consecutive years. After those three years, staff should prepare a report to Council detailing the changes in the data over that time including possible recommendations for changes to short-term rental regulations as the data relates to Courtenay's latest Housing Needs Report. Staff recommend utilizing the Canada Mortgage and Housing Corporation (CMHC) Primary Rental Market Vacancy Rate for all primary rental housing within the Courtenay Census Subdivision (CSD).

POLICY ANALYSIS:

The Official Community Plan (OCP) contains the following policies that either directly apply to STRs or may inform an approach to regulating STRs and which may support a more restrictive approach than the provincial minimum regulatory requirements:

- **Affordable Housing 12:** Ensure short-term rental accommodation limits impact on the long-term rental housing supply. Explore options such as requiring owner occupation of short-term rental accommodations and business licenses.
- **Affordable Housing 14:** Remain aware of local equity-priority and demographic needs for housing over time and focus support and incentives, including housing agreements, on residents who need it most

including, but not limited to, seniors, Indigenous residents, low to moderate-income earners, and those at risk of homelessness. Use the weighted housing wheelhouse 'Intervention Priority by Tenure' information within the Courtenay Affordable Housing Strategy Options Study to inform the level of City effort and support for different tenure priorities. Update the weighted housing wheelhouse as new housing information becomes available to define specific housing needs as they evolve.

- **Affordable Housing 9:** Do not permit the conversion of existing occupied multi-residential rental buildings to strata ownership until, and only when, the vacancy rate as reported by CMHC exceeds 3% for a period of at least 12 months.

FINANCIAL IMPLICATIONS:

The New fees proposed to be added to the Business Licence Bylaw would allow the recovery of administrative costs for licencing short-term rental accommodations and add a specific licence fee for bed and breakfasts which were formally charged the general home occupation fee of \$75. These fees are proposed to be \$150 for both short-term rental accommodation and bed and breakfast licences to cover the cost of administrating the licencing program. An additional \$150 Affordable Housing Amenity Reserve Fund offset fee is proposed to be charged to short-term rental accommodation licences and placed in the Affordable Housing Amenity Reserve Fund. The rationale for this \$150 offsetting the short-term rental accommodation is based on the knowledge that approximately 293 non-conforming STR units were operating in Courtenay in 2023. In order to mitigate the short-term rental accommodations potential impact on the long-term rental housing stock, staff are recommending that this offset fee be charged and allocated for affordable housing incentives. For example, an average two-bedroom dwelling unit of 800 square feet at an approximate \$400 per square foot construction cost today, would result in a two-bedroom unit costing approximately \$320,000. Staff recommend reviewing the contributions as part of the monitoring process for any adjustments.

A new category of fines to be added to the Municipal Ticket Information Bylaw would address the contravention of the Business Licencing Bylaw should a short-term rental be operating without a municipal business licence or in contravention of the licencing conditions.

Short-term rentals of less than 27 continuous days are subject to Municipal and Regional District Tax (MRDT), which is in place for the City of Courtenay. Staff recommend permitting a STR to operate for up to 90 days as consistent with provincial legalisation. Any STRs that operate for less than 27 consecutive days will have to pay the MRDT.

ADMINISTRATIVE IMPLICATIONS:

In accordance with the Bylaw Compliance Policy, in the initial months post-adoption, staff will focus on raising awareness of the new regulations and providing information to property owners and residents to encourage voluntary compliance. If the number of complaints and incidences of non-compliance exceed the operational capacity of the Bylaw Division, recommendations for additional resources would be brought forward to Council for consideration during the 2026 budget process.

STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Buildings and Landscape - Develop a short-term rental policy

PUBLIC ENGAGEMENT:

Section 464 of the *Local Government Act* states that a Zoning Bylaw must not be adopted until a public hearing is held in the instance where the Bylaw is not consistent with the OCP. As the Courtenay OCP Bylaw No. 3070 does not provide policy direction on Short Term Rentals, a public hearing must be held.

In addition to providing public notice in accordance with the LGA, and providing for the public to ask questions of staff and provide written comments, an online Social PinPoint page will be created with the information contained within this report identifying the Public Hearing and the opportunity to provide official comment.

Staff will inform the public of the changes to the bylaw based on the IAP2 Spectrum of Public Participation by updating the information on the City's website. Additionally, this information will be included in a Bylaw Good Neighbour brochure for homeowners and tenants which is anticipated to be available for public distribution later this year.

RECOMMENDED OPTIONS:

1. THAT Council give first and second reading to "Business Licence - Amendment Bylaw No. 3133, 2025 (short-term rental accommodation).
2. THAT Council give first and second reading to "Municipal Ticket Information - Amendment Bylaw No. 3139, 2025 (short-term rental accommodation)".
3. THAT Council give first and second reading to "Zoning - Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)".
4. THAT Council give first and second reading to "Zoning - Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)"; and
THAT Council direct staff to provide notice for a Public Hearing on Wednesday, April 30, 2025.
5. THAT Council direct staff to monitor the Canada Mortgage and Housing Corporation (CMHC) Primary Rental Market Vacancy Rate for three consecutive years following the adoption of Zoning Amendment Bylaw No. 3134, 2025 (Short-Term Rental Accommodation); and

THAT following the three-year monitoring period, staff report back to Council with an analysis of the impact of short-term rental regulations on the local rental housing supply.

ALTERNATIVE OPTIONS:

6. THAT Council direct staff to revise *Zoning Amendment Bylaw No. 3134, 2025 (Short-Term Rental Accommodation)* to permit short-term rentals only within a principal residence that would be available when the homeowner or principal resident is not occupying the home; and

THAT all other provisions of *Zoning Amendment Bylaw No. 3134, 2025* be retained, including:

- Permitted use within a single residential dwelling unit, secondary suite, or accessory dwelling unit
 - Limiting one short-term rental per parcel
 - Prohibiting short-term rentals in combination with a bed and breakfast or daycare use on the same property
 - Establishing a maximum number of bedrooms and guests
 - Requiring off-street parking
 - Requiring the rental to be owner-operated
 - Prohibiting nuisance activities
 - Requiring a valid business licence.
7. THAT Council direct staff to monitor the Canada Mortgage and Housing Corporation (CMHC) Primary Rental Market Vacancy Rate for three consecutive years following adoption of *Zoning Amendment Bylaw No. 3134, 2025*; and
- THAT following the three-year monitoring period, staff report back to Council with an analysis of the impact of short-term rental regulations on the local rental housing supply
8. THAT Council provide alternative direction to staff.

ATTACHMENTS:

1. Business Licence - Amendment Bylaw No. 3133, 2025 (short-term rental accommodation)
2. Zoning - Amendment Bylaw No. 3134, 2025 (short-term rental accommodation)
3. Municipal Ticket Information - Amendment Bylaw No.3139, 2025 (short-term rental accommodation)
4. April 24, 2024 Staff Report

Prepared by: Nancy Gothard, RPP MCIP, Manager of Community and Sustainability Planning
Reviewed by: Marianne Wade, RPP MCIP, Director of Development Services
Jacob Cramer, Policy Planner
Concurrence: Kyle Shaw, Director of Operational Services – Acting City Manager (CAO)

From: [Sylvia Mossey](#)
To: [PlanningAlias](#)
Subject: Zoning - Amendment Bylaw No. 3134, 2025
Date: Saturday, April 19, 2025 8:18:21 PM

I am in support of this amendment and am thankful that a limit of one per parcel was included.

What is needed as long-term rentals in the Comox Valley are more affordable small (bachelor, 1 and 2 bedroom) units. Unfortunately, with the principal residence requirement both in this bylaw and applied to the City of Courtenay by the Short-Term Rental Accommodation Act, these are precisely the units that are targeted to allow short-term rental usage and will be lost from the long-term rental market.

The one aspect of the amendment that I have an issue with is:

Allow maximum of three bedrooms to accommodate up to six guests per short-term rental.

I feel strongly that the number of guests should be specific to the number of bedrooms; and limited by the number of bedrooms in the dwelling. As written, a bachelor or 1 bedroom suite can be rented to 6 guests, which does not seem appropriate. On the other hand, if someone has a 4 or 5 bedroom house that otherwise adheres to the bylaw, I don't understand why they should be limited to 3 of the bedrooms and 6 guests.

If a 3 bedroom house is available to rent - why can't a family of 5 or 6 also bring grandma and grandpa along for a maximum of 8?

If a 4 bedroom house otherwise adheres to the bylaw, why can't grandparents rent it to stay together with their 2 children, their spouses and 2 -4 grandchildren to a maximum of 10?

I would prefer that the bylaw allow 2 guests as well as 2 guests per legal bedroom.

That would allow a bachelor suite to accommodate no more than 2 guests and a unit with legal bedrooms to, for example, accommodate 2 additional guests on a sofa bed or have 2 double beds in one of the bedrooms.

Thank you for your time. Sylvia