



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 3360-20-2502/RZ000091

From: Director of Development Services

Date: July 16, 2025

Subject: Zoning – Amendment Bylaw No. 3186 (649 McPhee Avenue) – 1st, 2nd and 3rd Readings

PURPOSE:

For Council to consider first, second and third reading of Zoning Amendment Bylaw No. 3186 which proposes to amend Zoning Bylaw No. 2500, 2007 by rezoning 649 McPhee (LOT 9, DISTRICT LOT 127, COMOX DISTRICT, PLAN 1464) from Industrial Two (I-2) to Multiple Use Four (MU-4) to permit vertical addition to an existing single residential dwelling and to create site specific text amendments to legalize non-conformities of the property and development with the MU-4 zone.

BACKGROUND:

In April 2025, the property owners of 649 McPhee Avenue submitted a Zoning Bylaw Amendment application to rezone their property to Multiple Use Four (MU-4) to allow for improvements to the existing single residential dwelling on their property. The property's current Industrial Two (I-2) zone does not permit single residential dwellings and therefore, in accordance with *Local Government Act* section 531(1), a structural alteration or addition cannot be made to a building while it contains a non-conforming use.

If rezoned, the property owners intend to undergo structural alterations by raising the ground floor of the existing home approximately two feet and finishing the existing basement to create additional habitable space. A concurrent Building Permit application has been made to the City and would progress upon finalization of the rezoning process.

Figure 1: Subject Property Location and Context



DISCUSSION:

The 738.5m² subject property is currently zoned Industrial Two (I-2) and contains an existing single residential home originally constructed in the early 1940s. The proposed construction would not expand the existing

building's footprint or change the building's siting and no mature trees would be impacted by the proposed building improvements.

Located in northwest Courtenay, the subject property is designated Neighbourhood Centre, specifically McPhee Neighbourhood Centre, within Official Community Plan (OCP) Bylaw No. 3070, 2022. Neighbourhood Centres envision a diversity of housing choices and small-scale commercial uses and the McPhee Neighbourhood Centre is expected to undergo significant land use change from the predominately industrial uses of the past century to a mix of residential, commercial and light industry in the future.

Figure 2: Street View – Existing front deck not shown
(Source: Google Maps May 2018. Retrieved June 24, 2025)



Figure 3: OCP Land Use Designation Map – Pink is Neighbourhood Centre, Red is Downtown, Yellow is Urban Residential

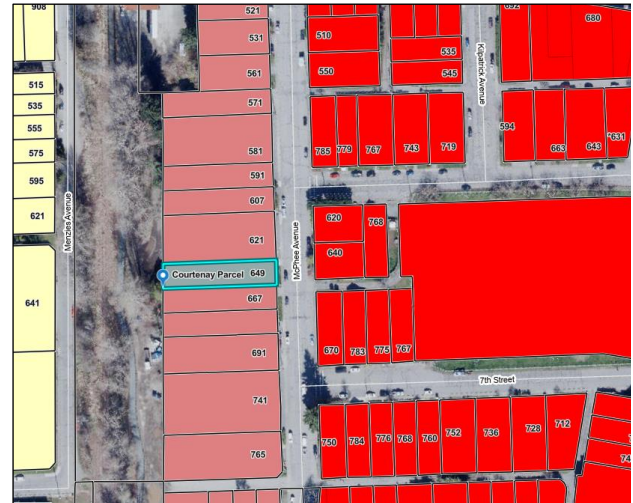
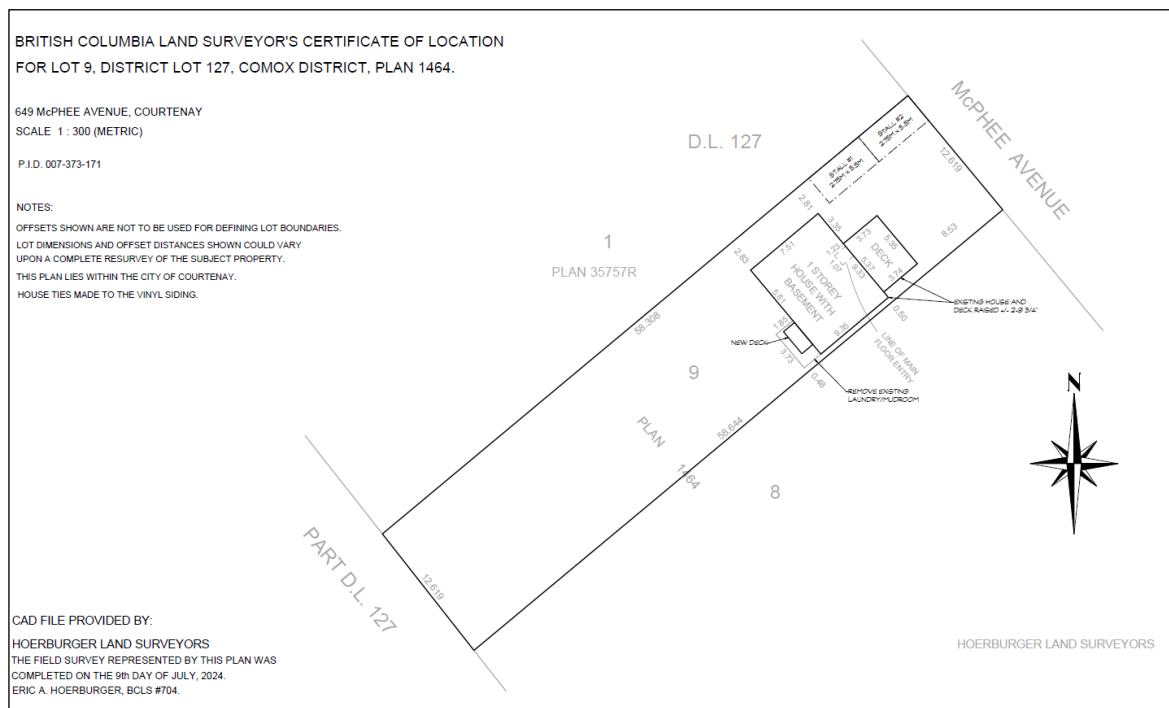


Figure 4: Site Plan



The intent of the rezoning application is to bring into conformity the lot's existing single residential dwelling, which will also permit for its proposed addition. This would be achieved by rezoning to Multiple Use Four (MU-4) which permits single residential dwellings as well as other uses in alignment with the OCP land use designation. However, there are four non-conformities of the property and development with the MU-4 zone regarding side yard building setbacks, minimum lot size, minimum frontage length and portions of the landscaping and screening requirements. To address this, Zoning - Amendment Bylaw No. 3186 includes additional provisions to legalize the four zoning non-conformities through property-specific notwithstanding text amendments within the MU-4 zone (Attachment 1). These property-specific text amendments are described in greater detail in Table 1 Zoning Bylaw Compliance below.

Table 1: Zoning Bylaw Compliance – Site specific text amendments in bold

Regulation	Required MU-4	Proposed
Permitted Use	Single residential dwelling	Single residential dwelling
Maximum Floor Area Ratio	0.6	0.18
Minimum Lot Size	1,250 m²	700 m²
Minimum Lot Frontage	20.0 m	12.0 m
Maximum Lot Coverage	40%	14.7%
Minimum Front Yard Setback (McPhee)	7.5 m	8.5 m
Minimum Rear Yard Setback	7.5 m	> 7.5 m
Minimum Side Yard Setback(s)	3.0 m	0.5 m on the south side yard 2.8 m on the north side yard
Maximum Building Height	9.5 m	6.9 m
Minimum Vehicle Parking Required	2 stalls	2 stalls
Landscaping and Screening	<p>(1) Where a lot in this zone adjoins any other street, a landscaped area of at least 4.5 m in width extending along the entire frontage of the property on the street shall be provided inside the property line.</p> <p>(2) To separate parking, internal roads, services or storage areas from adjacent properties, a landscaped buffer area of at least 2.0 m in width and 2.0 m in height shall be provided along the inside of all property lines.</p> <p>(3) Loading areas, garbage and recycling containers shall be screened and gated to a minimum height of 2 m by a landscaping screen or solid decorative fence or a combination thereof.</p>	<p>Section (1) is met</p> <p>Section (2) and (3) are considered non-applicable given the context of this rezoning and development proposal. Staff will propose removing them as a requirement of this parcel through the zoning amendment bylaw.</p>

Staff do not anticipate adverse affects to amending these requirements. Many of the properties in Tin Town, the neighbourhood the McPhee Neighbourhood Centre is envisioned to emulate, are zoned MU-4 and have existed with similar side yard setback, lot size and frontage non-conformities with no issue. There are also already multiple properties on the same block (581, 591 and 607 McPhee Avenue) which are zoned MU-4 and contain lot size and frontage non-conformities. The existing home will undergo a structural change to raise the floor and expand the habitable area of the building, the existing building footprint and siting will not change. This means the side yard building setbacks, although non-conforming, will not be increasing horizontally nor would the legalized encroachment into the setback change much from how the building currently operates on-site and interfaces with the neighbouring properties. As the City works to update its Zoning Bylaw by the end of 2025 to better serve the implementation of Courtenay's OCP, non-conformities between properties and the zones available in the Bylaw should become less common.

The proposal to rezone to MU-4 aligns with the OCP's current vision and land use designations. The MU-4 zone permits an array of housing types including single residential, duplex and multi-residential housing as well as commercial and combined commercial and residential uses. Although the rezoning is requested by the property owners to permit improvements to an existing single residential home, the rezoning would also allow for larger and denser residential or multi-use development on the site.

Land use planning that may affect the land use designation of this property is currently underway. Through the concurrent Downtown Vitalization Local Area Plan (DVLAP) and OCP update process, the subject property may be subject to a new land use designation before the end of 2025. The DVLAP currently proposes to extend the boundaries of the Downtown Town Centre land use designation to include the west side of McPhee Avenue from 5th Street to Cumberland Road, inclusive of this property. Through adoption of the Downtown Vitalization Local Area Plan, if the property's land use designation were to be amended, there is a chance the property could be again rezoned to meet the updated land use visions in the DVLAP and OCP and to support the provincial requirement to ensure adequately zoned land for at least 20 years of housing need.

This means while the rezoning application meets the current OCP requirements, the development rights on the property could change again soon as a result of on-going land use planning for the area and to support the proactive planning required by the provincial government to facilitate a long-term supply of housing. The owners are aware of this potential outcome for their property, should Council adopt Zoning Amendment Bylaw No. 3186.

Frontage improvements and off-site requirements

Based on the proposal for a modest addition to a pre-existing building, no frontage improvements or off-site requirements are required. If the property is redeveloped in the future, or if the scope of the building were to change from the current application, at that time the City may require capacity modelling to verify capacity and adequacy of municipal sanitary and water networks.

POLICY ANALYSIS:

Official Community Plan

The proposed rezoning is consistent with the Neighbourhood Centre land use designation which supports the development of a variety of housing options, including multi-residential and mixed use. The McPhee Neighbourhood Centre area-specific planning direction states that "Within these lands, uses that are similar to the Tin Town 'live-work' options will be available and encouraged to support a neighbourhood character that connects historical uses with future needs." (Page 66, OCP Bylaw No. 3070).

The proposed rezoning is in alignment with land use objectives within the OCP including focusing community growth within the existing city boundary, away from hazardous, agricultural and environmentally sensitive lands. The housing forms allowed by this proposed rezoning (single residential, duplex and multi-residential) are consistent with the land use pattern envisioned in this neighborhood and the MU-4 zone and its development capacity are already established within adjacent properties (581, 591 and 607 McPhee Avenue) and similar Neighbourhood Centres such as Tin Town.

Regional Growth Strategy (RGS)

This development proposal is consistent with the RGS Housing Goal to “ensure a diversity of affordable housing options to meet evolving regional demographics and needs” including:

- Promote the efficient use of land, provide greater transportation choices, reduce public servicing costs, and achieve environmental benefits through compact growth.
- Promote intensification, compact growth and supportive public transit services throughout designated Municipal Areas as the primary means of accommodating population and employment growth.

FINANCIAL IMPLICATIONS:

There are no financial implications for the City with respect to this Zoning Amendment Bylaw.

ADMINISTRATIVE IMPLICATIONS:

Processing Zoning Bylaw amendments is a statutory component of the corporate work plan and a core duty of the Department of Development Services. Work to date has primarily been carried out by Development Services staff, with other departments providing referral comments.

STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Buildings and Landscape - Support investment and redevelopment in downtown core: Review and evaluate Downtown development incentives e.g. fast tracking/density bonuses/DCC
- 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

PUBLIC ENGAGEMENT:

The Community Information Meeting requirements for this development have been waived at the discretion of the Director of Development Services per Section 7.2 of *Development Procedures Bylaw No. 3106, 2023*.

Development Procedures Bylaw No. 3106 delegates to the Director of Development Services the authority to provide notice under section 467 of the *Local Government Act* when a zoning amendment is consistent with the Official Community Plan as per section 464 (2) of the *Local Government Act*. Notice was provided that no Public Hearing would be held, as the proposal was consistent with Official Community Plan (OCP) Bylaw No. 3070, 2022.

Notification consisted of advertisements posted on the City’s website and social media channels for two consecutive weeks in advance of bylaw reading, mailed to residents within 100 metres, and run in the Comox Valley Record July 2nd and July 9th. There were no public comments received at the time of writing this report. Any comments received by 1:00 p.m. on Wednesday, July 16, 2025 will be presented to Council at the regular council meeting.

The applicant has provided four Letters of Support from neighbours within the immediate vicinity of the subject property (Attachment 2).

OPTIONS:

1. THAT Council receive for information the proposed rezoning aligns with the Official Community Plan and a public hearing is not required as per the *Local Government Act* section 464(2) and the public notice has been given.

THAT Council give first, second and third readings to “Zoning – Amendment Bylaw No. 3186 (649 McPhee Avenue)” LOT 9, DISTRICT LOT 127, COMOX DISTRICT, PLAN 1464.

2. THAT Council request additional information from staff through a resolution.
3. THAT Council not proceed with the application.

ATTACHMENTS:

1. Zoning – Amendment Bylaw No. 3186 (649 McPhee Avenue)
2. Neighbour Letters of Support

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