



The Corporation of the City of Courtenay

# Staff Report

**To:** Council

**From:** City Manager (CAO)

**File No.:** 3360-20-1911

**Date:** July 30, 2025

**Subject:** Zoning Amendment Bylaw No. 2973 – Lannan Road Final Adoption

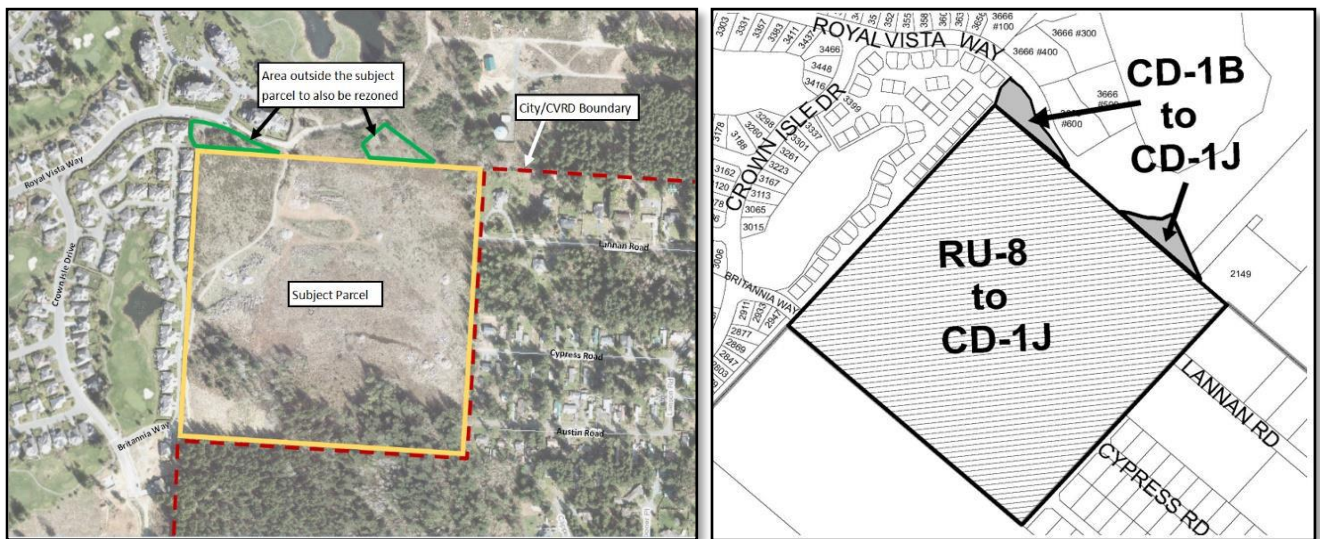
## PURPOSE:

For Council to consider adoption of *Zoning Amendment Bylaw No. 2973, 2020* to amend Zoning Bylaw No. 2005, 2007, to amend the Comprehensive Development One Zone (CD-1) Classification of Zones and Densities sections adding Comprehensive Development One J (CD-1J) regulations and to rezone lands from Rural 8 (RU-8) to Comprehensive Development One J (CD-1J) and from Comprehensive Development One B (CD-1B) to Comprehensive Development One J (CD-1J) to permit the development of a mixed density residential development area within the overall Crown Isle development.

## BACKGROUND:

This application to rezone the subject property was originally received in June 2019 and included both an OCP amendment (from undesignated land use to mixed use) and Zoning Bylaw amendment from CD-1 J from CVRD RU-8 zone which was a legacy from the 2013 Boundary Extension undertaken at the request of the applicant and the City in 2013. Figure 1 provides an overview of the Subject property location and an outline of the proposed zoning changes for the 3 areas involved in the application.

**Figure 1 Subject Property**



Council granted first and second readings of Zoning Amendment Bylaw No. 2973 and OCP Amendment Bylaw No 2072 - Lannan Road at the January 6, 2020 regular Council meeting and both amendments proceeded to a public hearing on January 20, 2020. Upon the termination of the public hearing, staff presented a report at the February 18, 2020 Council meeting, requesting third reading of the bylaws. Council did not adopt Third reading for either bylaw, deferring consideration.

At the Regular Council Meeting held on April 6, 2020 at the staff brought forward a Follow up Report for Council's consideration. The following resolution was carried:

*THAT based on the April 6th, 2020 staff report “Follow Up Report - OCP Amendment Bylaw No. 2972 and Zoning Amendment Bylaw No. 2973 - Lannan Road” Council approve OPTION 1 and require the applicant to make revisions to the proposal and supply the information listed below prior to proceeding with the bylaw amendments:*

- 1. All remaining trees within the area identified generally on Schedule No. 1 are to be protected with the exception of tree removal necessary to allow for the extension of the Britannia Place strata as well as the extension of Britannia Way.*
- 2. Require that the location of any proposed stormwater management facility is identified to the satisfaction of all relevant authorities but in no case can the facility be located within the area identified on Schedule No. 2.*
- 3. The development’s stormwater management design must be completed to the satisfaction of the City and any other agencies which may be affected depending on the facilities’ location.*
- 4. An appraisal is to be provided to the City determining the current property value and the value realized once the subject property is rezoned to help inform Council’s decision on amenities.*
- 5. Additional consideration of transportation modes must be provided and integrated into the proposal to reduce the dependence on automobile trips.*

*Note For Reference:* *Since the original application and the April 6, 2020 resolution, the City adopted a new Official Community Plan (OCP) Bylaw No. 3070, 2022. The 2022 OCP designates the subject property as Urban Residential which supports the zoning amendment. Given this context, the 2020 OCP Amendment Bylaw is no longer required. It is also important to note that given this application has had a public hearing, commitments and requirements of the day are legislatively required to move forward through to adoption.*

Given the extended timeline for this application, Council was provided an application overview and status update through a Briefing Note at the July 26, 2023 Regular Council meeting. Council were and were advised that the appraisal identified in point 4 above is not permitted as it was not a condition of the City’s 2005 Official Community Plan which applies to this rezoning application (Attachment 1 – Briefing Note).

Following this Council meeting, Staff continued to work with the applicant to refine the application and support materials and a report was presented to Council at the November 22, 2023 Regular Council Meeting. This report built on the direction from Council received at the April 6, 2020 meeting and included recommendations to address the development requirements for the provision of amenity contributions for affordable housing and parks development, the preparation of Master Plans for Parks and Environmental Conditions, Preliminary Master Plans for Water, Sewer, Stormwater and Transportation proceed with the condition that these items be addressed in a Development Agreement Covenant prior to adoption of Zoning Amendment Bylaw 2973 (Attachment 2 – Third Reading Bylaw No. 2973).

At the November 22, 2023 Regular Council Meeting, Bylaw No. 2973, 2020 was granted Third Reading and Council pass the following resolutions:

*THAT Council give third reading to Zoning Amendment Bylaw No. 2973 and that prior to adoption of the bylaw the following conditions be met:*

- 1. Dawn to Dawn Modular Home- commitment to provide a modular home either through security or provision.*
- 2. Lannan Park Master Plan finalized to satisfaction of the Director of Development Services.*
- 3. Environmental Master Plan finalized to satisfaction of the Director of Development Services.*
- 4. Preliminary Infrastructure Master Plan finalized to satisfaction of the Director of Development Services.*

5. *Preliminary Stormwater Management Master Plan finalized to satisfaction of the Director of Development Services.*
6. *Street hierarchy/active transportation Preliminary Master Plan finalized to satisfaction of the Director of Development Services.*
7. *Development Agreement be finalized to the satisfaction of the Director of Development Services and executed by the applicant.*

## DISCUSSION:

Following the November 2023 Council direction, City staff and contracted engineering, planning, environmental consultants have been working with, Ministry of Transportation and Transit (MoTT) staff, the Developer and their consulting team to address these conditions. Over approximately 20 months, Master Plans have been developed and submitted by Crown Isle, reviewed by City staff/contracted City consultants and updated based on comments and reviews. This process involved significant input, debate and negotiations with the resulting Master Plans for Parks and Environmental Conditions, Preliminary Master Plans for Water, Sewer, Stormwater and Transportation being developed that reflect the authorities of the city contained in our applicable 2005 Official Community Plan bylaw and policies.

As a result of this extensive process, the proposed bylaw will develop a maximum of 330 residential units which can be accommodated through the infrastructure analysis included in the Preliminary Master Plans attached to and included in the Development Agreement Covenant. As this mix of residential units are developed much needed housing units will be added to the City's inventory in support of our Housing Needs Assessment and the direction required by the Provincial Government for the provision of housing supply. As outlined in Attachment 3, the zoning amendment bylaw permits up to 122 Single Residential and 208 duplex dwelling or multi-residential dwelling units.

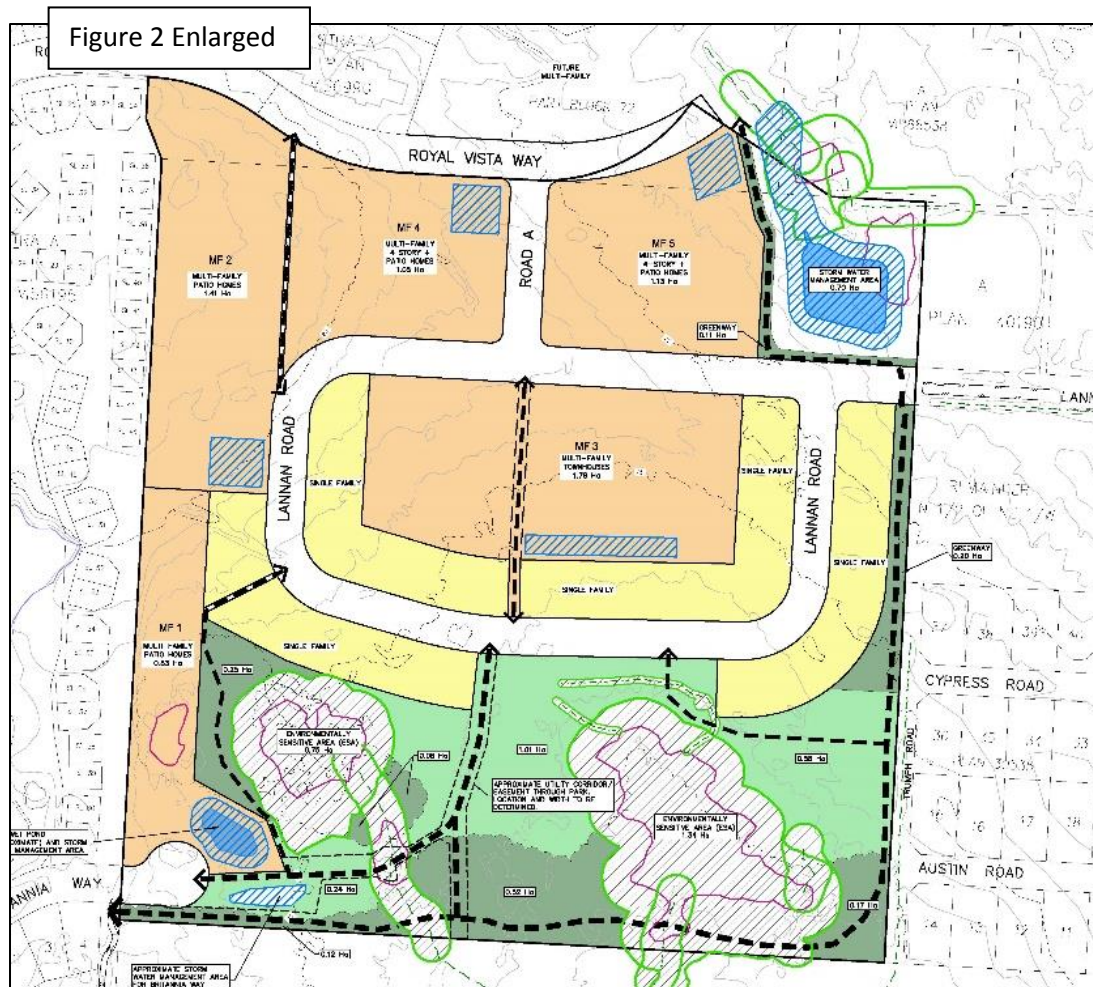
Through this process significant information was provided and reviewed which has resulted in a proposed development that balances the direction from Council, the 2005 Official Community Plan and the needs of the developer. Figure 2 below provides an overview of:

- Updated environmentally sensitive areas
- Location of road network
- Conceptual park dedication, pedestrian connections and protected areas

Figure 2







### Development Agreement Covenant

In accordance with the requirements identified in the November 22, 2023 Third Reading Report, the Development Agreement included as Attachment 3 has addressed the Six (6) focus areas considered by Council as follows:

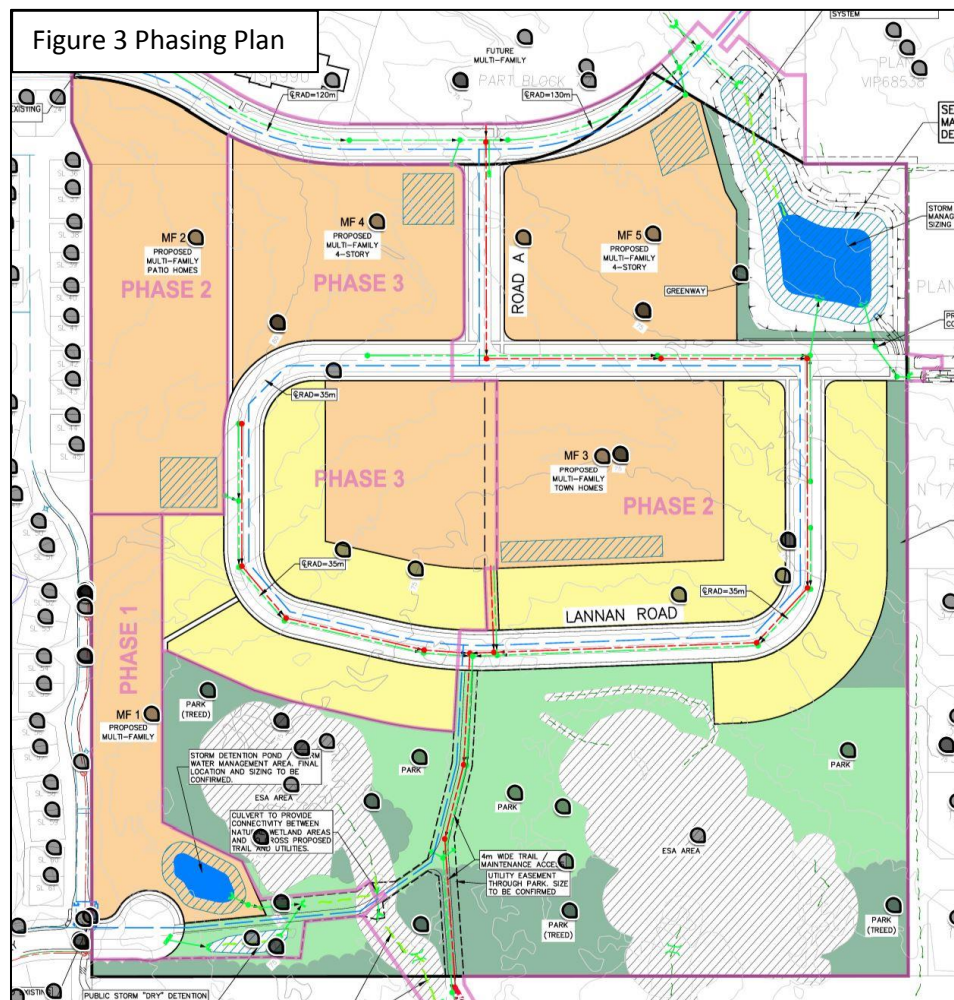
- Schedule A – Preliminary Consolidation Plan
- Schedule B – Conceptual Subdivision Layout
- Schedule C – Lannan Master Parks Plan
- Schedule D – Environmental Master Plan
- Schedule E – Preliminary Infrastructure Master Plan
- Schedule F – Preliminary Stormwater Master Plan
- Schedule G – Development Phasing Plan
- Schedule H – McElhanney Transportation Technical Memo - Future Ryan Road / Royal Vista Way Intersection

These Eight (8) Schedules address and guide the future development of the lands subject to the rezoning and will contribute to the park dedication, water/sewer/stormwater infrastructure, active transportation and environmental protection requirements prescribed by the Approving Officer as a condition of the subsequent phases of Subdivision. Council will note that further conditions for future development will be undertaken by Planning Staff through required Environmental and Form and Character Development Permits.

During the consideration of this application Council had identified a number of items which are identified and secured through the Development Agreement Covenant. Two key areas for reference include:

Community Amenity Contribution – in accordance with the requirements of the City's 2005 Official Community Plan the developer will:

- (a) Contribute \$250,000.00 at time of Subdivision application of Phase 1 to the Affordable Housing Fund; and
- (b) One (1) Dawn to Dawn Modular Home or the equivalent value prior to a Permit for occupancy for Phase 1
- (c) Contribute \$250,000.00 at time of Subdivision application for Phase 2, to the Parks, Recreation, Cultural and Senior's Facilities Amenity Reserve Fund.

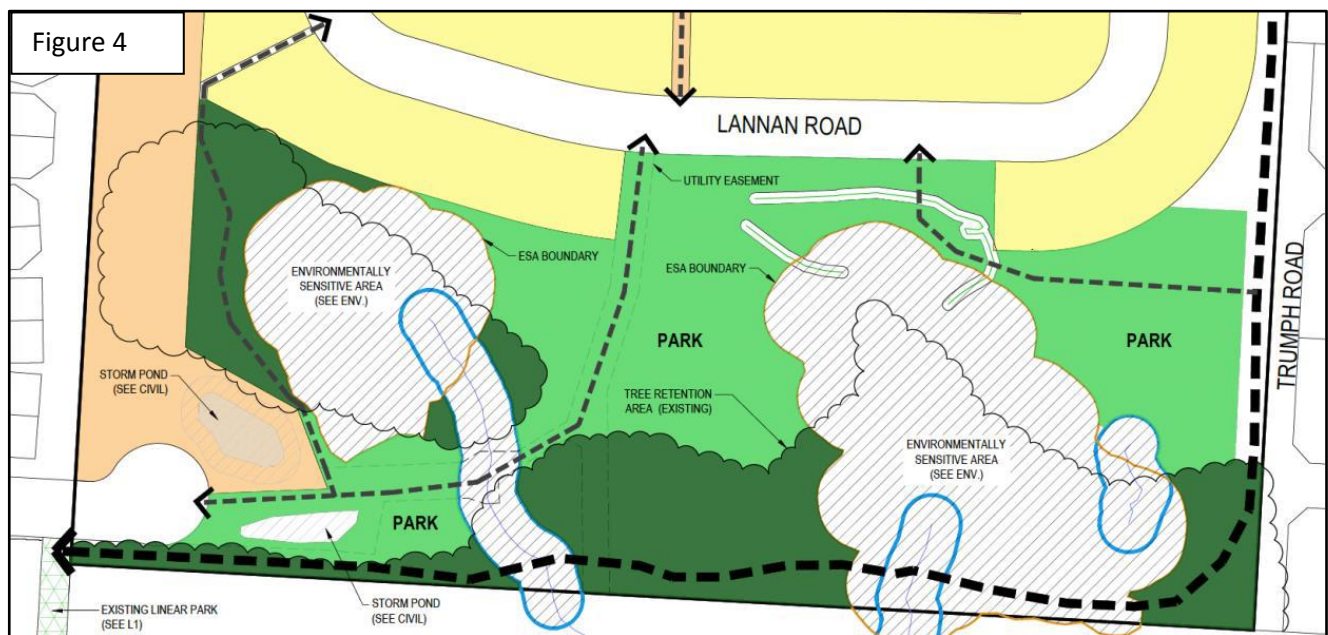


Parkland Dedication and Tree Protection – since the granting of third reading, staff have worked closely with the developers to address the direction of Council with respect to the identification of and protection of environmentally sensitive areas, existing tree cover and useable park space. The park dedication required for this 16.80-hectare site is 5% or 0.84 hectares. As outlined in the November 22, 2023 Third Reading Report, there is also a parkland deficiency for Crown Isle of 0.3 hectares making the total requirement 1.14 hectares. A total of 2.20 hectares of land will be dedicated to the City, consisting of the parkland, tree cover areas, the environmentally sensitive areas and the greenway (active transportation) on the east of the site.



Given the vintage of the application and the guidance provided by the 2005 Official Community Plan, Schedule C the Lannan Master Parks Plan was developed. Over the past 20 month period staff negotiated with the developers consultants to balance the site conditions, development program, and updated environmental baseline information with current conditions. The resulting Environmental Master Plan (Schedule D) and the Lannan Master Parks Plan (Schedule C) combine to outline a combination of Park Dedication and Environmental Protection Areas (ESAs) and Active Transportation Corridor.

An important output of the work also resulted in the identification of new ESAs and which led to a significant amendment to the original Road Network contemplated at third reading divided the subject property. As outlined on Figure 2 and Figure 4, Britannia Place has been redesigned to end with a cul-de-sac to reflect and protect the newly identified environmentally sensitive areas. This change contributes to protecting and enlarging the original protected areas and reduces the impervious surface and retains tree cover in this former corridor and represents a positive net impact.



#### **POLICY ANALYSIS:**

The proposed zoning amendment bylaw reflects the policies in the City's 2005 Official Community Plan with respect to community amenities and environmental principles. In addition, this amendment reflects the land use strategy and mix of residential units outlined in the City's current Official Community Plan.

The master plans undertaken in support of this rezoning application continue to evolve the City's environmental management, habitat protection, tree retention, parks and subdivision standards that have incrementally increased to respond to new municipal and provincial policy and regulatory requirements. The Developer has been notified that future rezoning applications will reflect and be subject to all 2022 Official Community Plan policies and evolving requirements for the application of legal tools to regulate development as well as funding and construction of park and trails amenities as a condition of development approvals.

#### **FINANCIAL IMPLICATIONS:**

Adoption of this zoning amendment application has no direct financial implications. Subsequent develop of the Lannan Development will result in asset management and operational costs for new infrastructure, parks

development and trails areas. As outlined in the Development Agreement Covenant the developer will contribute a total of \$500,000 to the City's Affordable Housing and Parks and Recreation Reserve Funds.

#### **ADMINISTRATIVE IMPLICATIONS:**

Undertaking and processing this rezoning application involved input and resources across the City as an organization in order to address legal authority, land use, infrastructure, parks and development engineering standards. Ministry of Transportation and Transportation review and input assisted in the development of transportation, access and standards reflected in the Master Plans and has approved the bylaw prior to adoption as the lands are located within 800 m of a controlled access intersection.

In accordance with the direction at the November 22, 2023 Third Reading Report, approval of the Development Agreement registration of the covenant is required prior to adoption of Zoning Amendment Bylaw. From the developer's perspective, registration of a legal instrument with the Land Titles Office prior to Council's consideration of final readings on the bylaw is challenging. Given the timing of the consideration by Council, the Acting Director of Development Services and the City Manager are amenable to the receipt of a Letter of Undertaking with respect to the registration of the covenant. The Undertaking has been received by the City and has been reviewed by our Solicitor who has agreed the document will address Council's direction and further, subsequent subdivision and development of the lands will not proceed without the covenant registration.

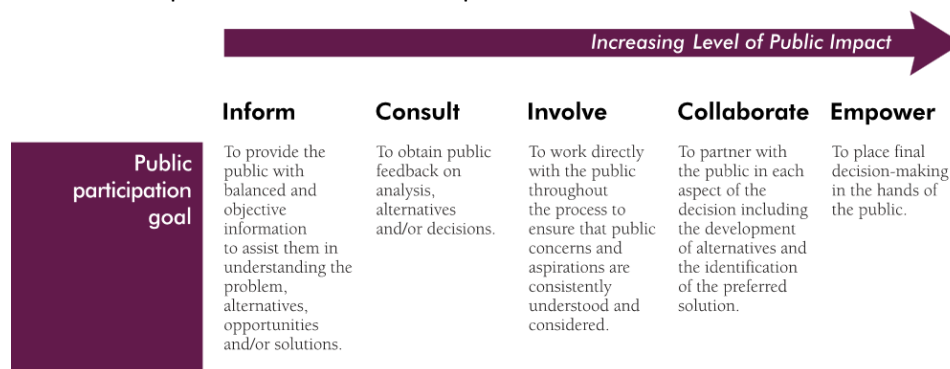
#### **STRATEGIC PRIORITIES REFERENCE:**

Adoption of the Lannan Zoning Amendment Bylaw 2973 will address the provision of new mix of housing units for the City in accordance with the Official Community Plan priorities, the City's Housing Needs Assessment and Provincial Housing Supply legislation. This initiative addresses the following strategic priorities:

- Buildings and Landscape - Review and update land use regulations and bylaws for consistency with OCP
- Parks and Recreation - Provision of public amenities through development (requirements for parks, trees, accessible benches, and public art)

#### **PUBLIC ENGAGEMENT:**

Should Council choose to adopt Lannan Zoning Amendment Bylaw 2973, Staff would inform the public based on the IAP2 Spectrum of Public Participation:



**OPTIONS:**

- 1) THAT Council adopt *Zoning Amendment Bylaw No. 2973, 2020. (Recommended)*
- 2) THAT Council defer adoption of Zoning Amendment Bylaw No. 2973, 2020 and provide alternate direction to staff.
- 3) THAT Council not adopt *Zoning Amendment Bylaw No. 2973, 2020*

**ATTACHMENTS:**

1. July 26, 2023 Briefing Note – Zoning Amendment Bylaw No. 2973
2. November 22, 2023 Staff Report (Third Reading) - Zoning Amendment Bylaw No. 2973
3. Developer Submission – Westplan Consulting Lannan Zoning Amendment
4. Zoning Amendment Bylaw No. 2973 Lannan Road – Adoption
5. Lannan Development Agreement - Post Execution Amendments (For Slip Pages) - 2025-07-24
6. Schedule A - Preliminary Consolidation Plan
7. Schedule B - Conceptual Layout 2025
8. Schedule C - Lannan Master Parks Plan
9. Schedule D - Environmental Master Plan
10. Schedule E - Preliminary Infrastructure Master Plan (PIMP)
11. Schedule F - Preliminary Stormwater Management Master Plan (PSMMP)
12. Schedule G - Phasing Plan
13. Schedule H - McElhanney 2025-06-27 Technical Memo.pdf
14. Letter of Undertaking Regarding Registration of Lannan Development Agreement Covenant

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Concurrence: Geoff Garbutt, M.Pl., MCIP, RPP, City Manager (CAO)