COURTENAY OCP UPDATE

Technical Study Findings & Recommended Updates

September 22, 2025

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CONTENTS

EXECUTIVE SUMMARY

With provincial legislation mandating an update to Courtenay's Official Community Plan, this report lays the foundation for a coordinated response, grounded in technical analysis and community input, to guide growth over the next 20 years.

This report presents the findings of Phase 2 of the City of Courtenay's Official Community Plan (OCP) Update, a process initiated to ensure the City's planning framework aligns with new provincial legislation and reflects the community's evolving housing, infrastructure, and growth needs. The update responds to requirements under the Local Government Act, including the Housing Statutes (Residential Development) Amendment Act, and builds upon the strong foundation of Courtenay's 2022 OCP.

The purpose of this report is to summarize the technical studies and public engagement undertaken to date, and to outline a set of strategic recommendations that will guide the next phase of policy development. These recommendations are designed to ensure Courtenay remains well-positioned to meet its 5- and 20-year housing targets, while continuing to grow in a way that reflects the community-led vision established in the current OCP.

Phase 2 focused on six core areas of analysis:

- **Land Use Capacity** – Evaluating Courtenay's ability to accommodate projected housing growth under current zoning and future land use designations.
- **Infrastructure Capacity** – Reviewing the readiness of water, sewer, transportation, and park systems to support anticipated development.
- **Development Permit Area Guidelines** – Assessing opportunities to streamline and strengthen DPA policies for improved clarity and implementation.
- **Local Area Planning Framework** – Establishing a scalable and context-sensitive approach to guide growth in strategic neighbourhoods.
- **Targeted Housing Review** – Identifying gaps in housing policy and exploring new tools to support affordability and diversity.
- **Land Economic Analysis** – Testing the financial viability of new development finance tools, including Amenity Cost Charges, Inclusionary Zoning, and Density Bonusing.

These analyses were informed by robust public and interest-holder engagement, including webinars, pop-up events, feedback forms, and targeted consultations. The insights gathered helped shape a set of recommended strategic directions, organized into nine overarching **"Big Moves"**. These Big Moves represent targeted adjustments to how Courtenay proactively plans for growth, delivers housing, and manages infrastructure and amenities in a manner.

The Big Moves – *Strategic Recommendations*

1. **Align Corporate Efforts to Support a Proactive Planning Cycle**
2. **Refine Land Use Policies Based on Growth Management Principles from the 2022 OCP**
3. **Clarify OCP Land Use Policies to Guide Zoning Bylaw Updates**
4. **Monitor Development Market Conditions to Ensure Policy Relevance**
5. **Develop Tailored Housing Strategies to Reflect Diverse Community Needs**
6. **Ensure Infrastructure Investments Match Growth and Land Use Context**
7. **Modernize the Approach to Parks, Open Spaces, and Amenities**
8. **Integrate Green Infrastructure with Natural Asset Management**
9. **Establish a Community Engagement and Partnership Framework**

These Big Moves will serve as the foundation for the next phase of the OCP Update, informing detailed policy revisions, mapping changes, and implementation strategies. They are intended to ensure that Courtenay's OCP remains responsive, resilient, and reflective of both provincial requirements and local aspirations.

In the coming months, the recommendations outlined in this report will be refined through further engagement and presented to Council as part of the draft OCP bylaw. This process will ensure that the final plan is grounded in evidence, shaped by community input, and ready to guide Courtenay's growth over the next two decades.

1.0 INTRODUCTION

New provincial legislation enables the City of Courtenay to leverage new land use and community building tools, while requiring the City to update its Official Community Plan to meet the need for the next 20 years of housing.

1.1 Purpose

As a requirement for municipalities set forth in the *Local Government Act* following the passage of Bill 44, the *Housing Statutes (Residential Development) Amendment Act*, the City of Courtenay is required to undertake an Official Community Plan (OCP) update with the intent of ensuring their OCP reflects the five- and twenty-year need for local housing identified in the Interim Housing Needs Report (HNR). The primary objective of the OCP Update is to ensure the Land Use Framework and associated policies can meet the projected housing needs while achieving the overall community vision.

To do so, the update process includes a technical review of existing bylaws, integration of recommendations from recently completed studies, and technical geospatial analysis to inform update recommendations regarding housing, employment, and other community-supporting land uses such as designated parkland. To support the delivery of various housing typologies, the OCP Update must also include implementing policies for newly available tools as enabled under Bill 16, the *Housing Statues Amendment Act*, including the passage of Affordable Special Needs Housing (ASNH) and Density Bonus (DB) bylaws. This includes a detailed assessment of land economics and development viability that considers different development opportunities, mixes and locations, whilst also respecting the financial impacts of other municipal policies.

A consulting team comprised of B&A Studios, in partnership with Aplin Martin Consultants and City Squared Consulting, was retained to assist with the OCP Update including all technical analysis and public engagement required in support of the process. This work is being undertaken as part of a three-phase study:

- **Phase 1** – Background Review and Engagement Strategy;
- **Phase 2** – Technical Analysis and Policy Review; and
- **Phase 3** – OCP Update and Adoption.

The iterative and collaborative engagement process has been thoughtfully integrated throughout the process to ensure sufficient opportunities to inform and engage the community.

This report serves to summarize ***Phase 2 – Technical Analysis and Policy Review***, and covers the analysis completed and used to inform the high-level recommendations for revisions or new integration within the OCP. This includes the Land Capacity Analysis, High-Level Infrastructure Capacity Review, Development Permit Guidelines Review, Local Area Planning Framework, Targeting Housing Review, and Land Economic Analysis.

1.2 Courtenay's Current OCP

Courtenay's current Official Community Plan was adopted in 2022, following an extensive three-year process of background research, community visioning, scenario testing, community engagement, integrated studies, drafting, and legal reviews. Despite the OCP coming together during the COVID-19 pandemic, the local community was able to provide input through several avenues, including online surveys, virtual interest holder workshops, virtual town hall sessions, and in-person neighbourhood "walkshops" (held in accordance with COVID response regulations).

The 2022 OCP sets out a vision and objectives for growth through 2030, consistent with the original plan horizon. It also includes projections to 2040 and 2050 to support long-term planning and alignment with the City's target of net-zero greenhouse gas emissions by 2050.

At the time of its development, the growth outlook was based on 2016 Census data, as the 2021 Census had not yet been released. To bridge this gap, interim trend analysis was used to estimate a 2021 population of 27,290 residents living in 11,705 dwelling units. This was projected to grow to nearly 31,700 residents by 2041, requiring approximately 2,900 net new housing units over the 20-year period.

Since the adoption of the 2022 OCP, Courtenay's growth dynamics have shifted significantly. The release of the 2021 Census indicated that Courtenay's population has already reached 28,420, far sooner than originally contemplated in the OCP. As such, a notable gap has emerged between the population growth projected in the OCP and the housing demand identified in the City's Housing Needs Report, which reflects actual housing needs being met.

1.3 An Updated Outlook for Growth

1.3.1 Housing and Population

In accordance with Bill 44, all municipalities and regional districts were required to prepare Interim Housing Needs Reports (HNRs) using a standardized methodology. These reports estimate the total number of housing units needed over 5- and 20-year periods, broken down into six key components:

1. Reducing extreme core housing need *(e.g., those who are currently spending more than 50% of their income on current lodging or are facing inadequate / unsuitable living conditions)*
2. Reducing homelessness
3. Addressing suppressed household formation *(e.g., those living at home or with roommates due to limited housing supply)*
4. Meeting projected household growth
5. Maintaining a minimum vacancy rate of 3%; and
6. Providing a reasonable buffer to accommodate changing local demand

In addition to meeting these components of demand, municipal OCPs must now include statements and map designations identifying the approximate location, amount, type and density of residential development required in seven key areas:

- Affordable housing;
- Rental housing;
- Special needs housing;
- Housing for seniors;
- Housing for families;
- Shelters to address homelessness; and
- Housing in proximity to transportation.

Courtenay's most recent Interim Housing Needs Report was adopted by Council in August 2024. It provides a detailed assessment of current gaps in housing and population needs. Using the provincially approved methodology, the report projects that Courtenay will require 8,351 net new housing units between 2021 and 2041 to support a population of 42,415 across 19,885 households.

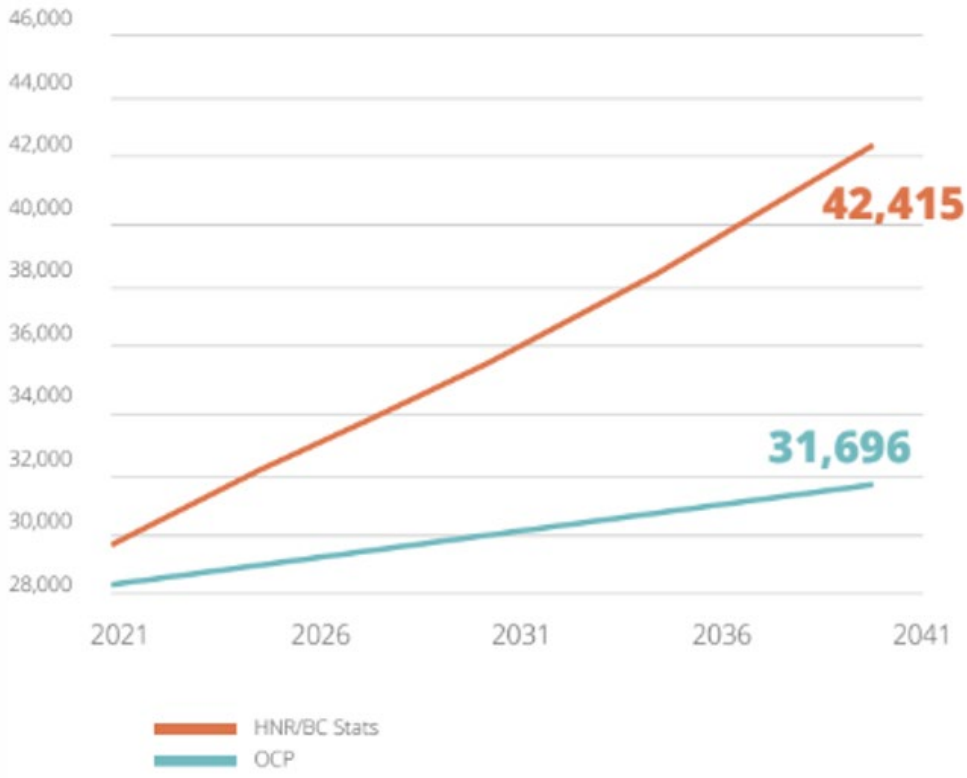
Key findings from the 2024 HNR include:

- **Affordable housing:** Of the 8,351 units needed, at least 2,281 should be built at below-market or deeply affordable rates, primarily as rental units.
- **Rental housing**: Demand for rental units is expected to remain strong, with approximately 41% of all dwellings projected to be rentals.
- **Special needs housing:** Rising mental health, learning, and developmental challenges among youth and working-age adults indicate a growing need for special needs housing options**.**
- **Housing for seniors:** Senior-led households are expected to increase by 62% (from 4,945 to 7,990) by 2041, potentially representing 40% of all households.
- **Housing for families:** Households led by individuals aged 25–44 are projected to grow, potentially comprising 27% of all households by 2041, indicating sustained demand for family-oriented housing.

- **Shelters for homelessness:** Courtenay remains the primary provider of homelessness-related services in the CVRD. In 2021, approximately 2% of households (265) earned "very low" incomes, underscoring the need for continued regional coordination on emergency housing.
- **Proximity to transportation:** The OCP's goal of "Functional Transportation Choices" emphasizes walking, cycling, and transit. Future housing development should align with existing and planned transportation infrastructure to support mobility.

While the 2022 OCP projected a need for 2,900 net new housing units by 2041, the Interim Housing Needs Report identifies a requirement of 8,351 units—an increase of 5,451 units—highlighting the urgency of updating growth strategies to reflect current realities. A core component of the OCP Update project involves reviewing Courtenay's land use policies and infrastructure to ensure the increase in projected growth can be accommodated.

Figure 1. Population projection comparison (2021-2041)



1.3.2 Employment

In addition to population growth and rising housing demand, Courtenay faces increasing pressure to provide sufficient land and space for employment and economic activities. This demand often competes with residential and mixed-use development, intensifying pressure on limited land resources. Unlike housing projections, which follow provincially mandated methodologies, forecasting employment growth and the associated land needs requires a more nuanced, locally tailored approach.

A robust analysis of employment land demand must consider a wide range of local and regional factors, including demographic trends, industry composition, labour force characteristics, infrastructure connectivity, land availability, and regional economic development strategies. This comprehensive approach ensures that employment land planning reflects both current conditions and future economic opportunities, supporting sustainable and balanced growth.

Due to time and scope constraints associated with meeting provincial deadlines for the current OCP update, the employment land analysis relies on a simplified methodology. This approach uses per capita estimates of employment space demand over the next 20 years, based on updated projections from the City's recent Development Cost Charges (DCC) background study[1]. The projected space requirements are as follows:

- **Commercial**: 144,300 square metres
- **Institutional**: 27,100 square metres
- **Industrial**: 76,300 square metres

While these figures offer a useful starting point, they do not fully capture the complexity of employment land needs. To support more informed decision-making in future planning cycles, it is recommended that the City of Courtenay collaborate with neighbouring municipalities and the Comox Valley Regional District to undertake a comprehensive regional employment land and economic development study. This coordinated approach would help identify shared opportunities and challenges, align land use planning across jurisdictions, and ensure that employment space provision keeps pace with evolving demographic and economic conditions.

[1] Projections for employment space were developed based on a combination of building permit and per capita floor space trends following the methodology outlined in the provincial DCC Best Practices Guide.

1.4 Policy Recommendations Informed by Technical Analysis

Phase 2 of the OCP update was focused on understanding how the City of Courtenay can effectively accommodate this 20-year outlook for growth, identifying where policy amendments and bigger moves may be required while still respecting the community-led vision, objectives, and overall framework outlined in the 2022 OCP. This is achieved through a comprehensive technical analysis that evaluates the City's current planning framework, infrastructure systems, and land use policies. By examining Courtenay's capacity for growth within the structure of the 2022 Official Community Plan (OCP), the study provides a grounded assessment of where opportunities and constraints exist, and how the City can strategically respond to meet future needs while maintaining alignment with its community-led vision.

The analysis involved six key areas :

- **Land Use Capacity** – Assessing the potential for new development under current land use designations and zoning regulations.
- **Infrastructure Capacity** – Evaluating the ability of existing and planned infrastructure (e.g., water, sewer, transportation) to support anticipated growth.
- **Development Permit Guidelines** – Reviewing how current and proposed guidelines are integrated into the City's planning framework to support quality and sustainable development.
- **Local Area Plans** – Analyzing how existing and potential future local area plans align with and contribute to the broader goals of the OCP.
- **Housing Policy Review** – Conducting a targeted assessment of existing housing policies to identify gaps and opportunities for improvement.
- **Land and Development Economics** – Examining the financial viability of growth under current and proposed land use policies, including development cost charges and other levies.

The technical analysis was further guided via consultation with members of the public through several information sessions and online workshops which focused on specific subject matter. The analysis and feedback from public engagement was then evaluated against the policies and objectives of the 2022 OCP to identify areas where amendments or updates may be required.

This comparative analysis informs a set of recommendations aimed at ensuring Courtenay remains well-positioned to meet provincial planning requirements while continuing to grow in a way that reflects the community-led vision established in the OCP. In addition to policy refinements, the study identifies potential "big moves"—strategic shifts or transformative initiatives—that may be necessary to support long-term growth and resilience. These could include changes to land use designations, infrastructure investment priorities, or regional collaboration efforts.

2.0 PUBLIC AND INTEREST-HOLDER ENGAGEMENT

The 2022 OCP was shaped by a community-led vision. The 2025 OCP Update engagement process has focused on creating many outreach opportunities to gather feedback and inform the public about the update.

2.1 Community Engagement Overview

The 2025 OCP Update engagement approach built on the robust foundation of the 2022 OCP project and focused on the 'inform' and 'consult' levels of the International Association for Public Participation (IAP2) spectrum. Outreach was directed to the interest-holders identified through the previous OCP process to reconnect with past participants, while also reaching a broader audience through social media, traditional media, and the City's engagement platform, Social Pinpoint.

The goals for public and interest-holder engagement included:

- Inform participants about the recent provincial legislative reforms, the Housing Needs Report (HNR), and its role in shaping the Official Community Plan (OCP) Amendment.
- Share clear information about anticipated changes to the OCP and how it will continue to adhere to the current OCP's mission and vision.
- Build awareness and transparency around the update process.

2.2 Community Outreach

The engagement process incorporated a range of outreach tactics to bring community members together to share, learn, and discuss the 2025 OCP Update. A mix of both virtual and in-person events were held to increase accessibility for those who wished to participate.

- **Project Introduction Webinars:** Two (2) virtual public and interest-holder information sessions were hosted by B&A and City staff on June 16th to provide an overview of the 2025 OCP Update project and set expectations regarding the engagement process and expected changes to the plan. In total, 31 participants attended the sessions. A recording of the session was posted on the project Social Pinpoint page.
- **Canada Day Pop-Up:** City of Courtenay staff hosted a booth at Canada Day events where they connected with hundreds of community members and introduced the 2025 OCP Update project.

Approximately 500 bookmarks were distributed to the public inviting people to learn more and attend upcoming public engagement opportunities.

- **Virtual Topic-Based Information Sessions and Online Feedback Forms:** A total of four (4) virtual information sessions were held – two (2) focused on Housing and Livability (July 15 and 17) and two (2) focused on Growing and Servicing Complete Communities (July 28 and 29). 43 participants attended the Housing and Liveability sessions, and 38 participants attended the Growing and Servicing Complete Communities sessions. These topic-based sessions provided an opportunity to share more detailed information on specific components of the OCP and sparked a deeper discussion with participants. A recording of each session was posted to the project Social Pinpoint page and a feedback form was shared with project subscribers following the events. Nine (9) participants completed the Housing and Livability feedback form. Seven (7) participants completed the Growing and Servicing Complete Communities feedback form.
- **Discussions with the Department of National Defence:** City of Courtenay staff led consultation with Department of National Defence regarding the federal update to the Comox Airport Zoning Regulations, which includes changes to height restrictions.
- **Public Open House:** An in-person event will be held on October 20 as a touchpoint for the project prior to finalizing the OCP Update and presenting it to Mayor and Council. This touchpoint will be focused on sharing the "Big Moves" with the community and gathering feedback.

2.3 Promotional Tactics

B&A and the City of Courtenay Staff created a variety of opportunities to share project information and messaging about the OCP update to the community. These promotional tactics included the following:

- **Social Pinpoint:** The City of Courtenay Official Community Plan Update page (https://engagecomoxvalley.ca/courtenay-ocp) was created on the Engage Comox Valley Social PinPoint webpage to host key project resources and promote future events. From the project outset in March to August, there were a total of 1,540 visitors to the page. The page was updated regularly by City of Courtenay staff.

- **Tax Slip Insert:** In April 2025, an excerpt that announced the OCP update project was included within the tax slip circulation to 13,789 households to increase community awareness.

- **Community Popups:** City staff hosted pop-ups at community events where they shared information on the OCP Update project. These events included:
    - June 30 and July 1 – Municipal Canada Day celebrations at Lewis Park (10 hours total)

- September 4 – Comox Valley Food Bank (4 hours)
- September 5 – Courtenay Library (4 hours)
    - September 6 – Comox Valley Farmers Market (4 hours)

  Staff attending the pop-up events were available to answer questions from community members. They also shared key project information and distributed bookmarks with links to resources for both the OCP Update and the Zoning Bylaw Update.

- **Media release:** In June, a media release was circulated to promote attendance at the OCP Update project kick-off virtual information sessions.

- **Social media:** The City of Courtenay communications team pushed promotional items for the introduction of the OCP Update project and engagement events through their existing social media platforms including the City webpage, Facebook, Instagram, and X.

- **Emails:** The existing email subscriber list created through the 2022 OCP process was leveraged to promote OCP update events. New participants were encouraged to sign-up as an email subscriber through the Social Pinpoint page. Information on events and follow-up collateral was circulated to email subscribers. A total of 6 emails were circulated from March to August 2025.

2.4 What We've Heard To Date

The general sentiment gained through discussion from engagement participants is that the City of Courtenay is a place where people want to live, work, and recreate, but the current constraints on housing diversity and available amenities have impacted day-to-day life. A discussion point that was commonly raised throughout each session was affordable housing, in the form of non-market or below-market, and the immediate need for it throughout the community. In terms of connectivity, many participants shared their difficulties in accessing amenities, such as recreation or cultural spaces, as well as small retailers or offices, without the use of a vehicle. Generally, conversation surrounding transportation was centered around incompleteness of the current transit system city-wide and regionally.

2.4.1 Themes: Topic-Based Sessions

The following section summarizes feedback received through the topic-based discussions. The project team received feedback through written questions submitted during the webinar, discussion and chats during the webinar, and responses to the feedback forms. A total of four virtual sessions were held: two focused on Housing and Livability (July 15 and 17) and two focused on Growing and Servicing Complete Communities

(July 28 and 29), with 43 and 38 participants attending respectively. Each session was recorded and posted to the project's Social Pinpoint page, and a feedback form was circulated to project subscribers. Nine participants completed the Housing and Livability form, and seven completed the Growing and Servicing Complete Communities form.

1. **Housing and Livability** Discussion & Themes

   Participants were asked to reflect on the City's strengths and areas for improvement in supporting housing, and to share any questions or feedback on the proposed policy tools. Most participants at the sessions identified as homeowners with their current housing needs being met. While most were not experiencing housing challenges, the most common housing challenges experienced by participants were a lack of affordable housing and a lack of suitable housing for their stage of life.

   City's efforts to support housing: When asked whether the City is doing well in terms of supporting housing, respondents noted that there should be further efforts to reduce barriers to affordable housing projects and provide incentives. Others noted that innovative building techniques should be considered to create alternative housing for middle income households. Some participants expressed interest in considering innovative or alternative housing models, and the need to consider a broader range of housing options, such as the 'missing middle'.

   The most commonly mentioned concerns were **affordability of and access** to housing, the need for **accessible housing,** and concerns around how the City can **work with developers** to address housing needs.

   Feedback on housing toolkit: When asked to share feedback on proposed housing policy tools shared within the session, respondents noted the opportunities and challenges it had for attracting housing developers to the area to create more affordable housing options. Many were positive about partnerships with other levels of government and non-profit partners. There was skepticism about the role of private developers and zoning tools that made development more efficient.

2. **Growing and Servicing Complete Communities** Discussion & Themes

   Participants were asked which daily needs are easily accessible from their homes, and which daily needs are more difficult to access. The most mentioned accessible daily needs were grocery and convenience stores, public transit, and parks and community gardens. The most mentioned not accessibly daily needs were libraries, arts and cultural spaces, and community gathering spaces.

What would make the community feel complete and livable as it grows? The most common themes participants identified about what would make the community feel more complete and livable as it grows were convenient transit options and safe active transportation, protecting natural areas and ensuring accessible green space, and concerns about whether the City's infrastructure can keep pace with development and how priorities are being set.

Examples of complete communities: Participants pointed to walkable towns such as Kimberley, which has successfully created a vibrant downtown with strong bike and trail connections, as examples of more complete communities. They also noted the importance of scaling services appropriately to Courtenay's size and using innovation to address local gaps—for example, through ideas like library bookmobiles, free taxi-style transit services, or pedestrian-only streets. Many examples described walkability, accessible services, and innovative transit solutions.

Barriers to daily needs: The barriers most often mentioned were related to lack of housing options as well as gaps in public transit, including lack of routes, poor frequency, and challenges for caregivers and those without cars. Participants also identified safety and infrastructure barriers for biking and walking, as well as accessibility challenges linked to terrain, sidewalk design, and exclusion of seniors and people with disabilities.

2.5 Next Steps

2.5.1 Presentation to Local Development Community

The City of Courtenay staff will lead a presentation to the local development community at the next regular development industry meeting to share key findings of the OCP Update process and gather feedback.

2.5.2 In-Person Open House

An in-person Open House is expected to be held mid-October. The purpose of this event is to summarize the OCP Update process, share key recommendations, and provide another opportunity for the community to share their feedback and fill in knowledge gaps before taking the application in front of Mayor and Council later this year. The Open House session will consist of a short formal presentation led by the project team, followed by an informal portion where participants are invited to read information boards and connect with the project team. Information on the Zoning Bylaw changes for Phase 1 Bylaw review may also be presented at this session by City staff.

2.5.3 Referrals

Statutory agencies and authorities that are required to provide input on the project will be sent letters requesting their feedback on specific topics, in advance of a formal referral that will be sent separately following first reading of the amended OCP Bylaw. These agencies and authorities include the Comox Valley Regional District, the Town of Comox, the Village of Cumberland, School District 71, provincial agencies (Ministry of Housing and Municipal Affairs, Ministry of Transportation and Transit, Water, Land and Resource Stewardship and Island Health), and federal agencies (Canada Mortgage and Housing Corporation, Department of National Defense, Transport Canada, and Fisheries and Oceans Canada).

A referral letter will also be sent to the Wei Wai Kai, Wei Wai Kum, Kwiakah and Homalco Nations.

2.5.4 Public Hearing

The public will have further opportunity to provide feedback on the OCP Update in its final form at a statutory public hearing, to be held after the formal update bylaw in presented to Council in December. This statutory public hearing is scheduled to be held in January of 2026.

3.0 LAND USE CAPACITY ANALYSIS

The OCP Update must ensure that Courtenay's land use policies are able to reasonably accommodate the housing needed to meet the projected population growth over the next 20 years.

3.1 Estimating Capacity for Housing

The City of Courtenay's Interim Housing Needs Report identifies the need for 8,351 net additional housing units between 2021 and 2041. To understand Courtenay's ability to meet this need, a detailed housing capacity analysis was undertaken to understand recent housing deliveries and the residential development potential of each property located within Courtenay.

3.1.1 Recent Housing Deliveries

According to building occupancy permit data tracked by the City and summarized in Table 2 on the following page, Courtenay has added 1,673 residential units, net of demolitions, since the completion of the most recent Census in May of 2021, which serves as the starting point for the HNR calculation. This equates to an annual average of approximately 397 net new units per year.

Table 1. City of Courtenay, Net Residential Unit Occupancies, May 2021 to Q1 2025

Year	Net Units
2021 (Post Census)	304
2022	438
2023	253
2024	625
2025 YTD	53
Total - 2021-25	**1,673**

Source: City of Courtenay Building Permits

3.1.2 Assessing Capacity for Additional Housing Under Current Zoning

The capacity analysis is based on current zoning and current OCP Future Land Use (FLU) designations calculated in terms of the maximum development density permitted for each parcel under Zoning Bylaw 2500, 2007 and Official Community Plan Bylaw No. 3070, 2022. The analysis then compares these figures

against what exists on each property today to identify the net development potential. The resulting calculations identified the potential for as many as 31,091 additional housing units if every property in Courtenay were to be built out to their maximum potential.

However, not every parcel is expected to achieve its full permitted capacity by 2041. To understand the potential for change, the consulting team prepared a comparative estimate of the likelihood that a given site will be redeveloped (or developed in the case of vacant land). This estimate follows a similar methodology used in Courtenay's Complete Communities Growth Assessment report, which considering factors such as site size, the age of existing buildings, and the difference between the value of improvements on the property versus the value of the land itself. While this analysis is not a predictor of development and does not include economic conditions such as financial feasibility or market potential, it does provide a general idea of which properties are better suited to redevelop based on current conditions.

Estimating the Likelihood of Redevelopment

The likelihood of redevelopment for applicable parcels is assessed according to the following criteria:

1. Building age
2. Ratio of assessed improvement to land value
3. Assessed improvement value per square meter
4. Site of Lot

Information for each factor is based on data from BC Assessment. For each criterion, each parcel was assigned a score of 0, 0.5 or 1, with the scores for each summed to result in a 'redevelopment likelihood' score of 0 to 4. For the purpose of the capacity analysis, properties with a score of 3 or higher are considered likely to redevelop within the 20-year window.

The analysis was further refined to exclude sites that feature possible constraints to development (explained in the following text box). In doing so, the analysis takes a conservative approach to estimating development potential.

Constrained Sites

Sites were considered constrained if they featured one or more of the following characteristics:

- **Heritage Value** – excluded parcels that featured buildings with registered heritage value.
- **Flood Plain** – excluded parcels where more than 30% of the total site area is located within the identified flood plain area.
- **ALR Status** – only sites located outside of the Agricultural Land Reserve were considered.
- **Steep Slope Constraint** – excluded parcels where more than 30% of the total site area falls under the City's designated Steep Slope Development Permit Area.
- **Parks** – excluded parcels that are designated as parks.
- **Environmentally Sensitive Areas** – excluded parcels where more than 30% of the total site area falls under the City's Environmentally Sensitive Areas Development Permit Area or within the setback buffer area of any identified streamside riparian area.

3.2 Current Zoned Capacity

Assuming all sites were built to their maximum permitted density under current zoning, the resulting calculations identified the potential for as many as 31,091 additional housing units.

Considering development constraints and likelihood of redevelopment, the resulting output identified 2,123 unconstrained parcels considered to have a high likelihood of redevelopment, representing a zoned potential for 8,636 net additional residential units. In addition, the analysis identified 59 sites zoned for Comprehensive Development (CD) with a high likelihood of redevelopment that feature the presence of some constraints that are otherwise considered likely to proceed given the detailed site planning associated with the CD zone. These sites have the potential to add a further 1,339 net residential units, resulting in a net zoned capacity for 9,975 units.

Table 2. City of Courtenay, Zoned Residential Unit Capacity Analysis, Parcels with High Likelihood of Redevelopment Only

Scenario 3	Parcels	Net Residential Unit Potential
All Unconstrained Zones	2,123	8,636
Constrained CD Zones	59	1,339
Total Zoned Capacity	**2,182**	**9,975**

Source: B&A Studios based on data from BC Assessment and City of Courtenay

Based on the analysis of housing development and policy permissions, as summarized in the following table, Courtenay currently has sufficient zoned capacity to accommodate the 20-year housing need identified in the Interim Housing Needs Report.

Table 3. City of Courtenay, OCP Housing Need (20-year) Gap Analysis

Scenario 3	Net Units
Dwelling Units Delivered Since 2021	1,673
Plus: Zoned Capacity (likely redevelopments)	9,975
Less: Demand / Need (2021-41)	**8,351**
20-year Capacity Surplus / (Deficit)	**3,297**

Source: B&A Studios based on data from BC Assessment and City of Courtenay

3.3 Future Land Use Housing Capacity

Going beyond the capacity of the current zoning permissions, the housing capacity analysis also considered the potential for development if rezonings were permitted in line with the 2022 OCP Future Land Use (FLU) designations. This assessment considered both the current density of residential development within lands designated for each FLU, and an assessment of typical housing density associated with the proposed built forms contemplated in the OCP itself. This analysis was distilled into a set of assumed densities for each FLU designation to be applied to unconstrained parcels considered likely to be redeveloped within the next 20 years, as summarized in the following table. The figures represent an average residential unit density (in terms of units per net hectare) to be achieved on unconstrained sites considered likely to be redeveloped.

Table 4. Assumed Development Potential by OCP Future Land Use Designation (Units per Hectare)

OCP Future Land Use Designation	Low	Medium	High
Downtown	145	200	280
Higher Density Residential	80	90	100
Neighbourhood Hub (all)	80	90	100
Town Centre	100	120	140
Urban Corridor	100	120	140
Urban Residential	40	45	50

Source: B&A Studios based on data from the City of Courtenay

Three scenarios of potential build out density were considered.

- The Low scenario was initially calibrated to represent the densities that would likely be necessary to achieve the 20-year need identified in the Interim HNR, with a note that many existing zones already permit higher densities than the figures shown.
- The High scenario represents densities based on the built forms identified in the OCP against the density analysis completed as part of the 2022 OCP background work.
- The Medium Scenario represents a balanced midpoint between the two bookends that reflects the variability of development densities across sites that could reasonably be expected to turn over in the next 20 years.

The Urban Residential densities represent a minimum density for redevelopment under subdivision assuming larger sites will be subdivided over time. This is then compared against the Provincial SSMUH requirements based on location and site size. Each parcel's residential potential is then scored based on the greater between the SSMUH as of right permissions and the assumed residential density. It is noted that R-SSMUH densities average between 40-80 UPH based on analysis of existing development patterns.

Following the same method of estimating development potential on only unconstrained sites considered likely to redevelop in the next 20 years, the analysis estimates current OCP FLU designation could accommodate between 12,057 to 18,327 net additional units beyond what currently exist today. This suggests that current FLU allocations and permissions are sufficient to meet the needs of the HNR, so long as zoning allows the density the FLU envisions. The breakdown of net unit potential by FLU is summarized in the following table.

Table 5. Estimated Net Development Potential by OCP Future Land Use Designation, Unconstrained Parcels with CCGA Redevelopment Potential of 3-4 Only

OCP Future Land Use Designation	OCP Capacity (Low)	OCP Capacity (Medium)	OCP Capacity (High)
Downtown	1,509	2,110	2,985
Higher Density Residential	526	636	750
Neighbourhood Hub	1,209	1,397	1,581
Town Centre	2,009	2,457	2,914
Urban Residential	5,433	6,668	8,065
Urban Corridor	1,371	1,691	2,031
Total	**12,057**	**14,959**	**18,327**

Source: B&A Studios based on data from BC Assessment and City of Courtenay

4.0 HIGH-LEVEL INFRASTRUCTURE CAPACITY REVIEW

With significant growth in housing stock anticipated over the next 20 years, Courtenay's infrastructure systems will also face increased demand. A high-level review of water, sewer, transportation and parkland infrastructure was prepared to identify current constraints, future risks and areas requiring further analysis or investment.

4.1 Infrastructure Capacity

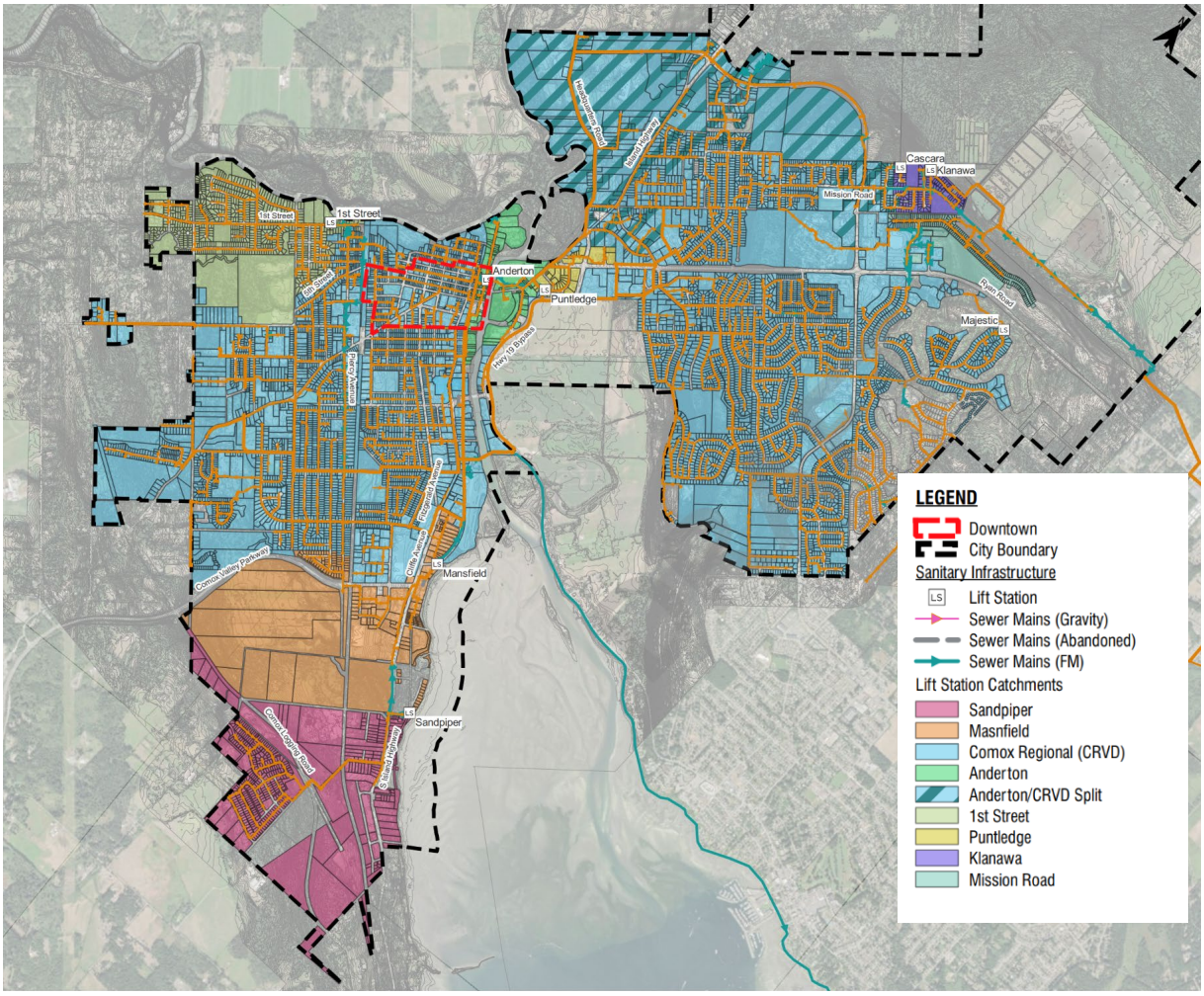
Consulting engineers from Aplin Martin prepared a desktop level review of Courtenay's existing water and sewer systems against the three OCP housing growth scenarios (low, medium, and high) contemplated in the previous section. Population growth tied to housing growth in each catchment area of the City's sanitary sewer and water distribution system was then calculated using an area-weighted distribution based on growth data from the Complete Communities Growth Assessment and spatially allocated to identify potential gaps between the capacity of the system and future demand.

While this review did not include full hydraulic modeling, it highlights areas where infrastructure may be insufficient to support future development. A detailed overview of the analysis and findings conducted by Aplin Martin are provided in **Appendix A**, with the key findings summarized as follows:

4.1.1 Sanitary Sewer System

Courtenay's sanitary sewer system (illustrated in Figure 2 on the following page) is primarily gravity-fed, supported by multiple lift stations and forcemains. Wastewater is conveyed to the Comox Valley Water Pollution Control Centre (CVWPCC), operated by the CVRD. A critical flow split exists at Old Island Highway and Puntledge Road, directing approximately one-third of flow to the Anderton lift station and two-thirds to the Comox Regional catchment area.

Figure 2: City of Courtenay Sanitary Sewer System Analysis Map



Source: Aplin Martin

Key Findings:

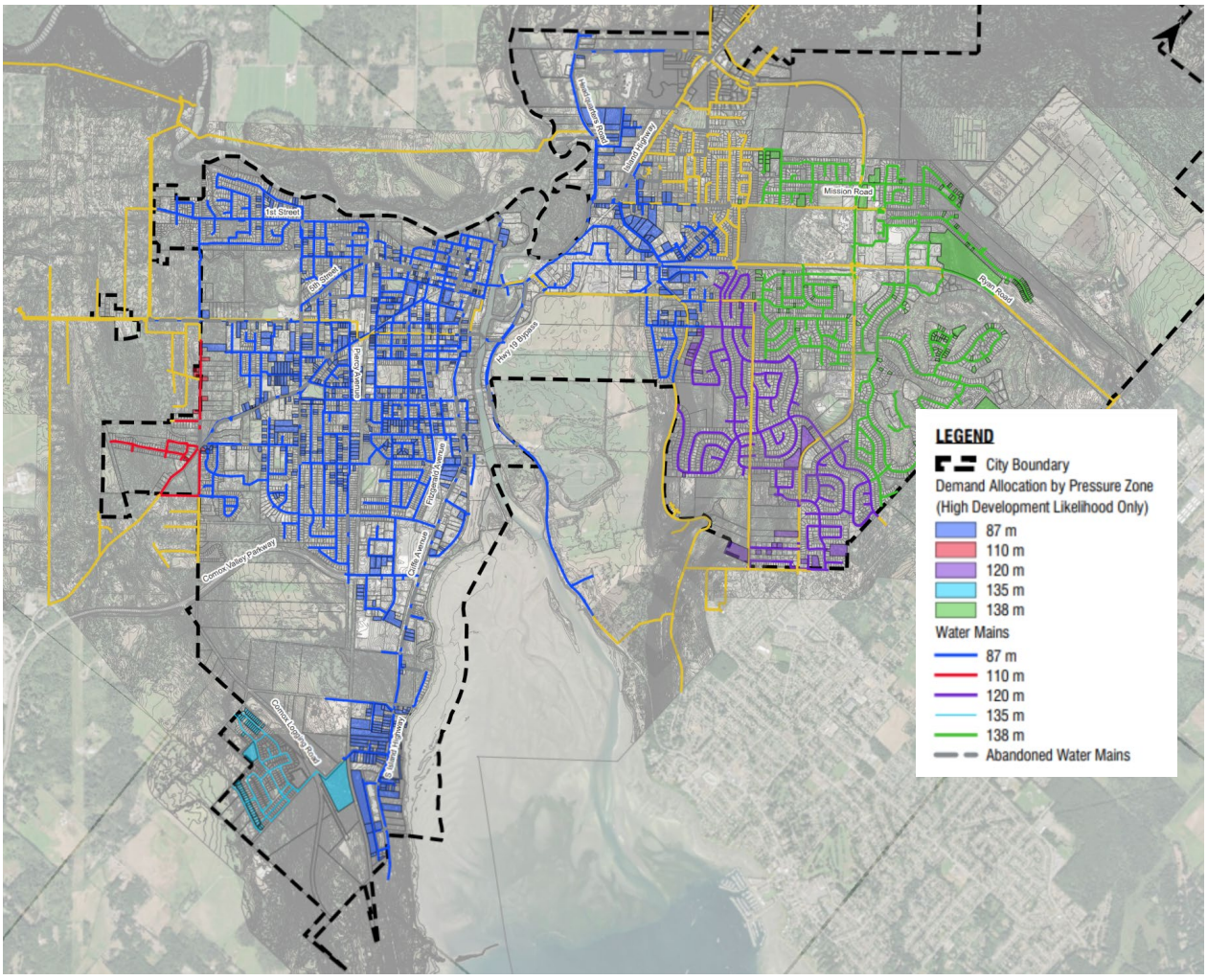
- **Existing Deficiencies**:
  Three lift stations—Mansfield, 1st Street, and Anderton—are operating over capacity under current conditions. These stations are critical to the system and serve high-growth areas.
- **Projected Deficiencies**:
  Under all OCP growth scenarios, the Sandpiper lift station is expected to exceed its firm capacity, creating a new deficiency. While the 1st Street station is in the process of being upgraded this year, existing deficiencies at Mansfield and Anderton will also worsen.

- **Inflow & Infiltration (I&I)**:
  I&I rates were assumed constant across scenarios, but no additional I&I was factored into the analysis—suggesting actual demand may be higher than estimated.

4.1.2 Water Distribution System

Courtenay's water system includes seven pressure zones, as illustrated in Figure 3. Most of these pressure zones are supplied by reservoirs and pump stations operated by the CVRD. Only the Beachwood Road booster pump station is owned by the City.

Figure 3: City of Courtenay Water System Analysis Map



Source: Aplin Martin

Key Findings:

- **Pressure Reducing Valves (PRVs)**:
  The City operates 14 PRVs. Increased demand may affect flow velocity and pressure stability, requiring technical review.
- **Pressure Zones**:
  Zones 87 and 110 are supplied by West Courtenay and Marsden reservoirs. Zone 135 receives water via Beachwood Road pump station. Zones 120, 138, and 97 are supplied through a mix of CVRD infrastructure and PRVs.
- **Pump Stations**:
  The Beachwood Road pump station is temporary and was only modeled under existing conditions. It may be insufficient for future multi-family development in Buckstone.
- **Storage Facilities**:
  East and West Courtenay and Marsden reservoirs are critical to system performance. Their ability to meet future demand—especially under higher fire flow requirements—requires further analysis.
- **Fire Flow Requirements**:
  As development densifies, fire flow needs will increase from 60 L/s to potentially 150 L/s or more. This will place additional strain on the system and may require upsizing of mains and pump capacity.

4.1.3 Infrastructure Analysis Recommendations

While high-level in nature, the infrastructure analysis identifies several gaps in the existing sanitary sewer and water systems that will need to be monitored and eventually upgraded to accommodate the projected amount of housing and population growth. As Courtenay moves forward with the OCP update, it is recommended the City consider the following actions:

- Update the 2019 Water Master Plan and 2019 Sanitary Master Plan to reflect new growth assumptions and infrastructure needs, including detailed hydraulic modeling.
- Prioritize upgrades to Mansfield, Anderton, and Sandpiper stations.
- Evaluate the performance and upgrade needs of all reservoirs and pump stations.
- Consider rerouting catchments and decommissioning underperforming infrastructure.
- Review PRV functionality and capacity to handle increased demand.
- Coordinate with CVRD to confirm boundary conditions and shared infrastructure impacts.

4.2 Transportation Capacity

The Transportation Capacity review considers current growth trends within the city, along with an assessment of the existing multi-modal transportation network to ensure that the content of the OCP Update remains aligned with current provincial priorities and requirements.

The following summarizes the findings from Transportation Technical Memorandum, which is appended in full under **Appendix B.**

4.2.1 Growth and Development in Courtenay

This review builds on the idea of sustainable community growth by way of higher density neighbourhoods and connecting corridors that can reduce transportation related GHG emissions, as identified in the 2022 OCP. The review of the current transit and active transportation infrastructure identifies the challenges of the existing infrastructure and opportunities there may be to optimally serve higher concentrations of people and increase overall active and public transportation rates while reducing vehicle emissions and congestion.

4.2.2 Key Issues

- **Streets and Connectivity:**
  There is a lack of sufficient river crossings, causing divide between East and West Courtenay, limited access to downtown-area services for East Courtenay residents. Despite the development of the 6th Street crossing, the lack of crossings has caused a reduced connectivity for non-drivers.
- **Transit Utilization and Perceptions:**
  While public transit is a key form of mobility for many Courtenay residents, the public transportation system is relatively underutilized, accounting for approximately 3% of all commute trips. Uptake is challenged by negative perceptions of system efficiency. Contributing issues include infrequent and inconsistent service, indirect and complex routing, transit driver shortages, and service disruptions.
- **Cycling Network:**
  Current routes do not adequately connect to key destinations like schools and commercial areas and will be dependent on this OCP Update and future planning to ensure sufficient provision of infrastructure. The current network consists of both formal and informal paved and unpaved trails to connect key destinations – informal and unpaved trails may not be accessible for users of all ages and abilities.

- **Pedestrian Network:**
  Key concerns include unsafe or incomplete sidewalks, difficult crossings on major roads, and lack of accessibility for people with mobility challenges.
- **Park and Trail Network:**
  There are some missing links between parks, schools, and neighbourhoods. Links between popular trails are also lacking, with some trails difficult to reach or poorly signed.

4.2.3 Key Recommendations

- **Streets and Connectivity:**
  Prioritize capital investments in street infrastructure within high-density areas such as Town Centres and Neighbourhood Centres, and along the Frequent Transit Network (FTN). Continue to develop east-west transportation links to improve access across the City and ensure new bridges seamlessly connect into the existing network.
- **Transit Network:**
  Continue to work with the CVRD and BC Transit on conducting comprehensive reviews of current transit operations, reducing redundant route lines to streamline services by eliminating overlapping or underused routes, optimizing network efficiency, and prioritizing transit services to improve connectivity between East and West Courtenay.
- **Cycling Network:**
  Expand the cycling network by connecting existing routes and prioritizing missing segments between growth areas and employment hubs and exploring potential rapid implementation strategies. Upgrade unpaved multi-use pathways to paved all-weather surfaces that are suitable for those using mobility devices. Leverage the existing Courtenay Riverway and Rotary Trail active transportation corridors to expand the network with routes along low traffic volume corridors.
- **Pedestrian Network:**
  Enhance connectivity within and between urban centres, major destinations, and the FTN to increase walking trips to key destinations and transit and promote walking as the primary mode for short trips. Establish a crosswalk improvement program to deliver new and improved crosswalk infrastructure.
- **Park and Trail Network:**
  Continue to pursue the study, planning, and potential development of a continuous trail connection along the Puntledge River, linking Bear James Park, Puntledge Park, McPhee Meadows, and Condensory Park. Explore the opportunity to extend the Rotary Trail as an active transportation greenway, with the long-term goal of connecting it to Puntledge Park. Pursue regional trail expansion with a focus on connecting to Comox and CVRD greenways and trail

systems, extending trails to serve growing residential areas, and enhancing the river corridor with trails.

- **Explore Additional Funding Streams for Transportation Network Improvements:** In addition to continuing to utilize Development Cost Charges (DCC) to pay for growth related transportation infrastructure, the analysis identifies other available funding streams as potential resources for Courtenay including the Federation of Canadian Municipalities, Green Municipal Fund, and B.C. Active Transportation Infrastructure Grants Program.

4.3 Parkland Capacity

In addition to physical infrastructure and transportation, the acquisition and development of public parks and open spaces is an important consideration as Courtenay continues to grow. To understand the implications of this growth, B&A undertook a high-level analysis of Courtenay's 2019 Parks and Recreation Master Plan (PRMP), its associated policies, and how growth will affect future parkland provision rates.

4.3.1 Current Parkland Supply

Due to issues with the classification of parkland in the City's GIS layers, the analysis of parkland supply focused on the inventory presented in the 2019 PRMP at staff direction, which is summarized in Table 6.

Table 6. City of Courtenay Parkland Supply, 2019 Parks and Recreation Master Plan

Park Type	Count	Area (ha)
Community Parks	11	31.4
Neighbourhood Parks	24	13.3
Linear Parks	31	17.9
Natural Parks	28	110.7
Greenspace	9	9.6
Total City Parks	**103**	**182.9**
Other Recreation Lands	**Count**	**Area(ha)**
School Sites (no buildings)	9	60.1
Crown Land	3	5.0
Total – Other Recreation Lands	**112**	**65.1**

Source: City of Courtenay Parks and Recreation Master Plan (2019)

According to the 2019 PRMP inventory, Courtenay has 103 municipally owned parks covering 183 hectares (ha). Of this, 44.7 ha is considered active parks, which are comprised of Community and Neighbourhood

parks. With the addition of school sites and Crown land, there are 248 ha of parks and open space available for public access and use in the City. A description of each park type is provided below.

- **Community Parks** – Destination parks that serve residents from the entire City and beyond, which help to form the visual, physical, and social focus of the community.
- **Neighbourhood Parks** – Parks that generally serve the catchment area of or similar to that of an elementary school and form the visual, physical, and social focus of the neighbourhood.
- **Natural Parks** – Natural parks are dominated by natural features such as forests and watercourses, often including environmentally sensitive areas. Recreational uses usually include trail uses and nature appreciation.
- **Linear Parks** – Narrow corridors for the purpose of supporting a trail with the possibility of amenities such as benches, staging areas, signs and planting.
- **Greenspaces** – Greenspaces consists of stormwater ponds, small grassed / treed properties, boulevards, and other green space that do not support a significant amount of use, amenities, or trails.
- **School Sites** – The green space portion of public-school sites. While these spaces add to the active parkland supply in many cases, the City does not have control over these properties and most are unavailable for community use during school hours.

In addition, the inventory also identifies several additional properties that are not currently considered parks, but have the potential to add to the existing parks supply:

- **Harmston Park** (1.15 ha) – Site of a previous school, now owned by the City, and used as a park. However, it is not designated or zoned as a park.
- **Kus-kus-sum (former Fields Sawmill)** (3.40 ha) – Site purchased by Project Watershed and K'ómoks First Nation (KFN) and restored to a wetland.
- **Hollyhock Marsh** (3.96 ha) – Provincially-owned marsh adjacent to the Kus-kus-sum site and will be linked with the restoration of that property.
- **Millard Creek Conservation Area** (5.88 ha) – a wildlife conservation area under provincial management.

4.3.2 Parkland Provision Analysis

The 2019 PRMP assessed parkland provision using three methods: population-based analysis, area-based parkland supply, and parkland distribution analysis. Many municipalities use population-based standards to calculate and plan for parks and open space, while the latter two methods can increase the

understanding of parkland supply, access and the need for future parks. Key findings from the supply analysis are summarized as follows:

- **Population-based Analysis**

  Population-based calculations are a common method for calculating parkland service levels across municipalities. They are typically calculated on more active types of parkland, such as community and neighbourhood parks, but exclude passive park sites such as natural parks and green spaces. The PRMP also included linear parks in the consideration of active parkland on account of their high level of use. At the time of analysis, it was calculated that Courtenay had an active parkland supply of 2.41 ha of parkland for every 1,000 residents, as summarized in Table 7 below.

Table 7: Population-Based Parkland Supply Analysis

	Park Area (ha)	2017 Provision (ha / 1,000)	2021 Provision (ha / 1,000)	2041 Provision (ha / 1,000)
Estimated Population		25,982	28,420	42,415
Community Parks	31.4	1.21	1.10	0.74
Neighbourhood Parks	13.3	0.51	0.47	0.31
Linear Parks	17.9	0.69	0.63	0.42
Total Active City Parks	**62.6**	**2.41**	**2.20**	**1.48**

Source: City of Courtenay Parks and Recreation Master Plan (2019), Statistics Canada

The provision rates of active parkland identified in the PRMP informed the development of parkland provision policies in the 2022 OCP, which aspires to maintain a citywide rate of 1.2 ha of community parks and 0.5 ha of neighbourhood parks per 1,000 residents. However, these area-per-population standards can be challenging for growing communities to maintain as development densities increase, and the available land supply diminishes. As also shown in Table 7, the release of the 2021 Census indicated that Courtenay had grown faster than OCP had anticipated, resulting in the provision standard for both community and neighbourhood parks falling below the policy target in the absence of new parks being added.

With considerable additional growth now projected to 2041, the City would need to add 19.5 ha of additional community parks and 7.9 ha of additional neighbourhood parks to meet its provision standard objectives. This could be achieved through several means, including the addition of new active park sites to the existing inventory through acquisition and the development of certain passive park areas to a more active standard.

- **Area-based Parkland Supply**

  Another way of measuring parkland supply is in relation to land area. The provincial target used to benchmark the supply is 12% of total land area to be occupied by protected areas which includes open space, natural areas, and parks managed by municipal, provincial and federal governments. According to the PRMP, 7.4% of Courtenay's 3,369 ha total land base is considered parks, recreation and protected areas[2]. This is a relatively low amount compared to municipal comparators, but can partially be attributed to extensive areas of undeveloped and protected agricultural land within the City's boundaries.

- **Parkland Distribution Analysis**

  The third method is to measure parkland supply by spatial distribution, which measures the distance residents have to walk to access a park. Ideally, residents should have 5-minute walking access (400m) to a neighbourhood park and or 10-minute walking access (800m) to a community park. This method considers the quality of parks being accessed as well as the physical accessibility of the parks in terms of distance and time. However, this analysis measured the distances using straight lines and does not take into account of location or availability of sidewalks and roads, or whether there are slopes or other barriers that affect walking speeds or times.

  According to analysis in the PRMP, the distribution of parks and school sites, varies across Courtenay, with a notable difference between the east and west sides of the City. In general, the pattern of distribution is as follows:

  - **Community Parks** – Courtenay's 11 community parks are better distributed on the west side than the east side. Many residential areas are not within a 10-minute walk of a community on the east side, but on the west side the access to parks is adequate. Any loss of parkland, however, could leave a gap in supply.
  - **Neighbourhood Parks** – The 22 neighbourhood parks in Courtenay have a better distribution on the east side of the City than the west side. On the west side of the City, and the south-east portion of the east side, residents without nearby neighbourhood parks are served by community parks. Significant gaps are on the north-west and north-east portions of the east side of the City, where some neighbourhoods lack walking access to community and neighbourhood parks.

[2] Note: this figure does not include the aforementioned sites not currently considered parks, nor does it include private golf courses, like Crown Isle.

- **School Sites** – There are a total of 9 school sites distributed throughout the City's residential neighbourhoods. School sites make a significant contribution to park access in the northern half of the west side of the City.

4.3.3 Key Recommendations

As the City continues to urbanize in accommodating for the rapidly growing population, it is important to recognize the significance of park land and open space provision to ensure a complete community fabric. With increasingly less land available to be acquired for parkland, the quality and programming of parkland for recreational activities is just as important as the accessibility of parks. The OCP Update intends to acknowledge and integrate strategies and actions as set out by plans and policy documents published after the adoption of the 2022 OCP.

In addition to embracing the parkland acquisition and supply guidelines and recommendations as stated in the existing OCP, PRMP and Implementation Strategy, parkland distribution should not only measure the walking distance to a park as measured through the Parkland Distribution Analysis Method, but also consider the removal of barriers (i.e. availability of sidewalks and roads, slopes, other obstructions, etc.). This is particularly important in the case of accommodating for and catering to a population of all ages and an aging population and ensuring that there is sufficient active and passive recreational space.

It is to note that while funding for parkland acquisition is collected through Development Cost Charges, the recent introduction of Amenity Cost Charges will allow for the City to collect funding in support of other recreational spaces and amenities such as recreational and cultural facilities and libraries alongside growth.

5.0 DEVELOPMENT PERMIT AREAS REVIEW

The OCP update will streamline and strengthen the Development Permit Area (DPA) policies in Courtenay's OCP and Zoning Bylaw to guide growth and protect the environment in response to climate change.

5.1 Existing DPA Guidelines

Development Permits (DPs) are required for some activities in areas identified in the OCP, which are called Development Permit Areas (DPAs). DPA's regulate the form and character of buildings, signage, landscaping, screening, lighting and parking, and can also protect the environment, farmland and areas with natural hazards such as steep slopes. The OCP has five (5) DPA's. Each DPA has specific guidelines in the ZBL that must be followed during development. The DPA's are as follows:

- **DPA-1: Commercial, Industrial, Mixed-Use & Multi-Residential** - 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, to promote walkable, safe, and vibrant developments.
- **DPA-2: Intensive Residential Form & Character** - intended to ensure that new residential infill development achieves attractive, architecturally coordinated, and context appropriate residential designs.
- **DPA-3: Farm Protection** - protect agriculture and farming operations from adjacent new development and to reduce conflicts that could arise between agricultural use and non-agricultural uses using possible requirements for screening, landscaping, fencing and siting of buildings or other structures.
- **DPA-4: Environmental Protection** - to protect ecosystems and features that provide habitat for aquatic and terrestrial species, preserve biodiversity, and provide ecosystem services, when conducting development near Environmentally Sensitive Areas. Where the term Environmentally Sensitive Area (ESA) is used, it is meant to include the buffers, also known as protection setbacks, of that ESA.
- **DPA-5: Hazard Protection (Steep Slopes)** - establish a process for hazard assessment over those areas that are susceptible to land slippage and ensure that development is protected from such hazardous conditions.

5.2 Proposed New DPAs

The project team is considering the possible designation of two (2) new DPAs for flood hazards and wildfire hazard risk that reflect climate resiliency standards.

A flood hazard DPA will consider the implications of the floodplain and provide standards and mitigation strategies for new buildings, alteration of existing buildings, and subdivision, to reduce potential impacts of flooding in coastal floodplain and other at-risk areas.

DPAs and Housing Needs

The regulations that are imposed on development by DPAs can potentially create roadblocks on development, including affordable and accessible housing projects that are in alignment with the community vision.

In addition, revisions to the DPA-1 and DPA-2 guidelines will be required to align with May 7, 2025, Council adopted updates to the OCP and Zoning Bylaw (ZBL).

If new DPA's are prepared for the flood hazard and wildfire hazard areas, compliance checklists will be required to be prepared by City of Courtenay staff.

5.3 Consolidation of DPAs

Courtenay currently splits its DPA policies between the OCP and the ZBL. This structure allows for nuanced policy development, where the OCP can articulate broader objectives and values, while the ZBL provides detailed regulatory language and mapping references to support implementation.

However, this bifurcated approach can also introduce complexity and inefficiencies. Users - whether staff, developers, or the public - must consult multiple documents to fully understand DPA requirements, which can lead to confusion, inconsistent interpretation, and challenges in monitoring compliance.

Benefits of Consolidating DPA Policies under the OCP:

- **Improved Accessibility**: A single source of truth simplifies navigation and interpretation of DPA requirements.
- **Policy Coherence**: Reduces the risk of misalignment or conflicting updates between the OCP and ZBL.
- **Streamlined Monitoring**: Easier to track development activity and environmental outcomes when policies and maps are centralized.
- **Efficient Updates**: Future amendments can be made more consistently and transparently.

Considerations for Maintaining the Split Approach:

- **Flexibility in Policy Expression**: Allows the OCP to focus on strategic direction while the ZBL handles technical implementation.
- **Alignment with Legislative Frameworks**: Some jurisdictions prefer separating policy from regulation to maintain clarity in legal interpretation.
- **Incremental Updates**: Enables targeted amendments to either document without requiring full-scale revisions.

Recommendation:

While the split approach offers flexibility and nuance, consolidating DPA policies and associated maps under the OCP would likely enhance clarity, usability, and policy alignment, especially as Courtenay responds to evolving community needs and climate-related development standards. Given the requirement for the OCP to be regularly updated as part of a 5-year planning cycle, this also means that there will be more regular opportunities to review update the DPA policies in their entirety moving forward.

6.0 LOCAL AREA PLANNING FRAMEWORK

The OCP update introduces a strengthened framework for Local Area Plans (LAPs) to guide growth and development in Courtenay's distinct neighbourhoods and strategic growth areas. LAPs are essential tools for translating city-wide objectives into place-based policies that reflect the unique character, needs, and opportunities of each area.

6.1 Purpose and Role of Local Area Plans

Local Area Plans are secondary planning documents that provide detailed guidance for land use, infrastructure, housing, mobility, and public realm improvements within defined geographic areas. They build upon the overarching vision and policies of the OCP and are intended to:

- Support complete communities through tailored planning responses.
- Ensure development aligns with infrastructure capacity and servicing strategies.
- Reflect community input and local aspirations.
- Enable proactive planning aligned with the City's 5-year planning cycle.

6.2 Current LAPs in Courtenay

Courtenay currently has one adopted LAP and one in development:

- **Arden Corridor LAP** – Focuses on maintaining rural character while supporting sustainable development, housing diversity, and infrastructure improvements.
- **Downtown Vitalization LAP (Underway)** – Aims to guide future growth, partnerships, and public realm enhancements in the downtown core and Harmston Park area.

6.3 Best Practice Review

Across British Columbia and other Canadian jurisdictions, Local Area Plans (LAPs) have emerged as essential tools for managing growth in a way that is responsive to local conditions while remaining aligned with broader municipal and regional objectives. A review of best practices from municipalities such as Kelowna, Saanich, and Victoria reveals several key principles and implementation models that can inform Courtenay's approach.

6.3.1 Leading Principles from Best Practice Jurisdictions

1. **Place-Based Planning** - LAPs are designed to reflect the unique identity, history, and aspirations of each neighbourhood or growth node. Plans are tailored to local land use patterns, infrastructure capacity, and community priorities.

2. **Integrated Policy Alignment** - While there are no formal requirements as to whether a LAP is adopted into the OCP or a standalone document adopted by Council resolution, many successful LAPs are embedded within the broader OCP framework, ensuring consistency across land use, transportation, housing, and environmental policies. Plans are structured to support implementation through zoning, capital planning, and development approvals.

3. **Scalable and Flexible Frameworks** - There are many approaches used to tier or group LAPs in relation to the OCP and amongst each other. Jurisdictions like Kelowna use a tiered approach, including Urban Centre Plans, Area Redevelopment Plans, and Area Structure Plans, each with varying levels of detail and technical rigor. Saanich, as an alternative example, consolidated its existing LAPs into a unified framework Centre, Corridor, and Village (CCV) Plan, providing a unified framework focused on growth areas.

4. **Robust Community Engagement** - LAPs are developed through iterative engagement processes that include workshops, surveys, open houses, and targeted meetings with interest holders. Engagement is designed to build trust, surface local knowledge, and foster community ownership of the plan.

5. **Implementation-Oriented Design** - LAPs include clear implementation strategies, phasing plans, and monitoring indicators. Plans are linked to infrastructure investment, development finance tools, and capital budgeting processes.

6.3.2 Contextually Appropriate Considerations for Courtenay

While best practices offer valuable guidance, Courtenay's approach to LAPs must reflect its unique context:

1. Scale and Growth Dynamics – Courtenay is experiencing rapid growth but remains a mid-sized city with a mix of urban, suburban, and agricultural characteristics. LAPs should be scaled appropriately, providing sufficient detail to guide development, without overburdening staff or requiring excessive technical study.

2. Infrastructure and Servicing Constraints – Many areas of Courtenay face servicing limitations, particularly in terms of water, sewer, and transportation infrastructure. LAPs should include infrastructure capacity assessments and align with capital planning cycles to ensure growth is feasible and sustainable.

3. Environmental Sensitivity – Courtenay's natural assets, including floodplains, steep slopes, and environmentally sensitive areas, require careful integration into LAPs. Plans should incorporate green infrastructure strategies and climate resilience measures.

4. Community Identity and Character – Neighbourhoods in Courtenay have distinct identities, from the historic downtown to emerging mixed-use corridors and rural fringe areas. LAPs should reflect these differences through context-sensitive design guidelines, land use policies, and public realm strategies.

5. Legislative Alignment – With new provincial legislation requiring regular updates to OCPs and Housing Needs Reports, LAPs must be designed to integrate seamlessly into the City's proactive 5-year planning cycle. LAPs should support pre-zoning, infrastructure coordination, and housing delivery targets.

6. Capacity for Implementation – Courtenay's planning resources are finite. A standardized Terms of Reference and prioritization framework will help ensure LAPs are deliverable and impactful. Plans should be designed to be modular and updatable, allowing for incremental refinement over time.

6.4 Recommended LAP Framework for Courtenay

Based on the findings of the best practice review and in the context of the new five-year planning cycle, it is recommended that Courtenay adopt an internal LAP approach, with LAPs appended to the OCP and mapped as overlays on the Future Land Use Map. This ensures statutory alignment and supports coordinated updates as part of the City's proactive planning cycle.

LAPs will be prioritized for:

- **Urban Growth Centre Plans (UGCs)** – Primary Growth Centres
- **Area Structure Plans (ASPs)** – Future Growth Areas
- **Neighbourhood Plans (NPs)** – Secondary Growth Centres and Strategic Infill Areas

Each LAP will be integrated into the OCP's Land Use and Implementation sections and updated through Council adoption.

The framework for each of the LAPs will be integrated as a formal tool in both the Land Use and Implementation sections of the OCP. The LAP Areas will be identified on the Future Land Use map as an overlay and will be updated whenever an LAP is adopted by Council.

6.4.1 Recommended Terms of Reference for LAPs

To ensure consistency and transparency, each LAP should follow a standardized Terms of Reference to be finalized as the OCP Update unfolds. This will guide the planning process and ensure alignment with city-wide goals and provincial requirements. The items to be included in each terms of reference may vary based on the level of LAP considered (e.g. Neighbourhood plans may be more focused than Urban Growth Centre plans and Areas Structure plans). Based on our best practice research, our initial recommendation for what may be required within each of the plans is as follows

1. **Purpose and Objectives** – Define the LAP's role in supporting OCP goals and housing targets. Identify planning challenges, opportunities, and desired outcomes.

2. **Scope and Boundaries** – Clearly delineate the geographic area. Identify relevant land use, infrastructure, environmental, and demographic contexts.

3. **Community Engagement** – Outline a robust engagement strategy, including workshops, surveys, open houses, and targeted interest holder meetings. Ensure inclusive participation from residents, businesses, Indigenous partners, and other interest holders.

4. **Policy and Land Use Framework** – Develop land use designations, densities, and built form guidelines. Address housing diversity, mobility, public realm, climate resilience, and economic development.

5. **Infrastructure and Servicing** – Assess existing servicing capacity and future infrastructure needs. Align with capital planning, asset management, and regional servicing strategies.

6. **Implementation Strategy** – Identify phasing, funding mechanisms, and required amendments to the OCP and Zoning Bylaw. Include indicators for monitoring progress and effectiveness.

7. **Governance and Roles** – Define lead and supporting departments. Identify advisory bodies, Indigenous partners, and external agencies.

8. **Timeline and Deliverables** – Establish a phased timeline that includes: a background review and engagement strategy, visioning and concept development, the drafting of the plan for review, and final plan adoption. Deliverables should be clearly identified including the LAP document, engagement summary, GIS-based land use and infrastructure maps, and accompanying recommendations for any OCP and Zoning Bylaw amendments.

7.0 TARGETED HOUSING REVIEW

The OCP update includes a targeted review of housing policies to ensure a mixture of housing types and tenures are being developed in the city, with an emphasis on supporting housing options that are attainable across the economic spectrum. As part of this process, we are assessing whether existing OCP policies are effectively meeting community needs and aligning with provincial standards to support inclusive, sustainable growth for all residents.

7.1 Housing Policies in Courtenay

A review of the OCP's existing housing policies has been conducted to confirm the areas that require further alignment with the recent Housing Needs Report (HNR) prepared in 2024. With a 20-year anticipated housing need of 8,350 units, OCP policies must speak to supportive, affordable, and market types of housing.

The existing OCP has a range of existing housing policies, most primarily under the Thematic Polices for Affordable Housing and Social Infrastructure, that touch on the following seven (7) key housing needs as per the HNR:

1. Affordable Housing
2. Rental Housing
3. Special Needs Housing
4. Seniors Housing
5. Family Housing
6. Shelters and Homes for those Experiencing Homelessness
7. Housing Near Transit and Active Transportation

The OCP has many existing policies on housing, but to meet the diverse needs of the housing continuum across the City of Courtenay, further targeted policies and support will need to be integrated within the OCP. Current gaps include supportive housing options (i.e., housing that provides on-site support and services to residents who cannot live independently), attainable housing (i.e., more affordable options for more people), and a sufficient housing mix (i.e., providing a spectrum of housing choices).

Table 8 provides a high-level overview of how the 2022 OCP speaks to each identified type of housing need, including reference to the current OCP sections and policy examples in question.

Table 8 City of Courtenay, Housing Policies, OCP 2022

Housing Need	OCP Sections	Policy Examples
Affordable Housing	AH 13-21, SI 15	Leverage municipal sites, tiered below-market incentive program, weighted housing wheelhouse, density bonus policy, partnerships, regional housing corporation, internal capacity
Rental Housing	AH 9-12	Limit strata conversion, Residential Rental Tenure Zoning, renter relocation plan, limit short-term rental impacts
Special Needs Housing	SI 13, General Land Use	Regional cooperation for recovery centres, supportive care/housing will be supported in most land use designations
Housing for Seniors	AH 5, SI4	Universal accessibility requirements, accessible policy plans
Housing for Families	AH 6-8	Mix of unit types through building code, education, policy
Shelters to Address Homelessness	SI 26	Regional exploration of suitable locations for emergency shelters
Proximity to Transportation	ST 9, Managing Growth	Urban Growth Concept Framework, multi-modal transport design for new development, various others

7.2 Housing Toolkit

Addressing housing challenges requires a coordinated effort involving all levels of government, alongside community partners and local residents. When we consider the role of government, it is helpful to recognize that different levels bring different tools to the table and each one plays a unique role in shaping housing

outcomes. At the federal and provincial levels, there has been an increased focus to help address some of these housing issues by increasing capacity and investing in communities. At the local level, the tools are somewhat more focused, involving the streamlining of regulations and the costs imposed on development to ensure growth contributes to the community.

There are a variety of tools municipalities in BC can use to support their housing goals. In the Courtenay context and for the purpose of this OCP Update and in parallel with the Zoning Bylaw Update, eight general tools have been identified with the opportunity to help deliver more housing. These tools can be generally sorted into one of two general buckets: **Streamlined Regulation** and **Process & Financial Support**

- **Streamlined Regulation –** Initiatives to reduce barriers imposed by exclusionary or restrictive planning rules. This includes streamlined zoning, purpose-built rental zoning, density bonus zoning, and inclusionary zoning.
- **Process & Financial Support –** Tools that are more focused on the timing and costs of delivering housing. This includes tools to address efficiencies and incentives and options for direct investment.

While many of these tools have been applied in communities around the world, they are relatively new in the BC context, having only been granted to municipalities by provincial legislation in the past few years. The following section provides a brief overview of each of these tools and how it may be applied to the Courtenay context.

Streamlined Regulation

- **Streamlined Zoning**
  This tool aims to simplify the zoning bylaw, making it clearer what can be built without needing formal rezoning. This includes better guidance on building heights, densities, and the amount of area the building can take up on a property. Given the current OCP already contemplates a range of ground oriented and low-rise buildings across most parts of Courtenay, this approach goes a step further by pre-zoning or upzoning lands in strategic growth areas to better align with the established community vision, removing a time consuming and costly step to bring forward new housing. There is also the option to expand permitted forms of housing, including permitting supportive housing in all residential zones, removing a significant barrier for delivering assistance for seniors, those with disabilities that need special care, and those in need of transitional housing and emergency shelter.
- **Purpose-Built Rental Zoning**
  In 2018, the Province introduced legislation to allow municipalities to zone for residential rental

tenure, pass zoning bylaws that require new housing in residential areas be developed as rental units, and ensure that existing areas of rental housing are preserved. This allows for the construction of residential buildings for long-term rental housing, rather than for sale to individual owners and limiting competition with freehold and condominium development. This could help to deliver more rental housing stock in strategic, well serviced areas. It also helps to ensure that rental housing built in the area will be preserved and not converted to condos over time when market conditions are favourable.

- **Density Bonus Zoning**
  Formally introduced in recently adopted legislation, density bonus zoning provides the option to a developer to build densities higher than typically permitted in a zone, in exchange for community amenities or affordable housing. This approach has the benefit of capturing some of the additional land value created by additional density and transforming it into public goods while still providing a clear idea of how much density will be permitted where, and at what cost.
- **Inclusionary Zoning**
  Going beyond density bonusing, municipalities have also recently been granted the ability to establish an inclusionary housing requirement on new development. Depending on the application, this tool can require all new development, city-wide or in specific areas, to set aside a percentage of their housing units that must meet a minimum level of affordability as defined by the municipality. As this approach requires other units in the development to cross subsidize the affordable units, it may prevent some forms of development from being viable.

Process & Financial Support

- **Application Efficiencies:** There is often a considerable amount of borrowing involved to cover housing project costs and the longer it takes to bring a project through the development process, the more expensive it becomes. To assist with this, the City could offer priority processing for development permits that offer preferred forms and mixes of housing such as a project that offers a minimum amount of below market rental units, or a minimum amount of family sized units. To speed up the process, an option could also be a staff member with delegated powers by Council to approve certain requirements.
- **Financial Incentives:** The City can consider policies that reduce the capital costs for developments that support pre-identified housing needs such as offering reductions on development levies that are charged on new projects if they meet a specific housing affordability target. There is also potential to explore tax incentives for specific projects like purpose-built rental housing or reduced property tax mill rates; however, municipalities in BC have limited power to utilize this at a local level compared to municipalities in other provinces.

- **Municipal Investment**
  Municipalities can inject their own equity into the development of specific projects, such as through inclusion of a formal policy that prioritizes any surplus City-owned land be put towards deeply affordable or emergency shelter projects. Alternatively, the municipality could establish policy that instructs how to invest money from the Affordable Housing Reserve Fund directly into affordable housing projects within the community. This approach is utilized by many BC municipalities that already collect cash-in-lieu of affordable housing from their rezonings, density bonuses, and inclusionary zoning requirements.
- **Partnership Investment**
  Beyond deploying their own funding and assets, municipalities may look towards forming meaningful partnerships with local and regional entities. By establishing and growing relationships with upper levels of government and not-for-profit housing organizations, Courtenay could be better positioned to secure time limited grant funding and attract partners that are best suited to develop and operate affordable housing options in the community. An example of this kind of partnership is the recent emergence of the Comox Valley Regional District housing corporation for the purpose of providing non-market housing. The mission of the CVRD Housing Corporation will position it as a key ally in the delivery of housing options for households seeking to find attainable below-market options.

7.3 Policy Impacts and Trade Offs

Each housing policy tool presents both opportunities and tradeoffs that affect the economics of development. Tools such as streamlined zoning and application efficiencies can reduce uncertainties and catalyze the permitting process but may raise concerns around transparency resulting from limited public input opportunities. Inclusionary zoning helps to secure affordable units but can reduce project profitability, potentially discouraging development. Financial incentives offered by the community would need to be offset by other funding sources or grants from upper levels of government. Municipal investment and partnerships have the potential to support the development and provision of affordable and supportive housing but rely on public resources and external coordination.

The implementation of any tool requires comprehensive analysis and consideration by the municipality to ensure that they are able to balance delivery of housing and financial feasibility. Routine review of key performance indicators may also be required in support of implementation.

8.0 LAND ECONOMIC ANALYSIS

The goal of the financial testing of proposed amenity cost charges, inclusionary zoning and density bonus charges is to determine whether the charges are supportable by the value created through a change in density or uses – not deterring development, as required by provincial legislation.

The complete Financial Testing Technical Memorandum is appended to this report for reference in **Appendix C.**

8.1 Understanding Development Viability

In addition to the passage of Bill 44, Bill 16 and Bill 46 provide local governments with new and updated local government tools and development finance tools, to support proactive planning and assist in building more housing.

Bill 16 introduces a new inclusionary zoning tool and amendments to the existing density bonus tool. The Inclusionary Zoning tool enables local governments to require that new residential developments include affordable housing units. The density bonus tool is an existing tool that enables local governments to provide the option to a developer to build to a higher density in exchange for providing amenities or affordable housing. Density benefits zoning bylaws (Density Bonusing) may only be used on density levels set above the minimum allowable densities. Financial feasibility analysis is required should local governments choose to use inclusionary zoning, to ensure that the implementation of inclusionary zoning will not hinder new development. Similarly, existing density benefits zoning bylaws must be updated to ensure compliance with new requirements through consultation and financial feasibility analysis.

Bill 46 introduced a new development financing tool, Amenity Cost Charges, and expanded the existing Development Cost Charges tool. ACCs allows local governments to collect fees for amenities, such as community centres, recreation facilities, daycares, libraries, and public spaces, and have separate and clearly defined purposes from DCCs. They are intended to cover a portion of the capital costs associated with the increased need for local government services arising from development. Local governments are encouraged to conduct studies of development finance tools to ensure that the services and collection of funding is appropriately collected and allocated. This includes identifying areas where more housing supply is planned and what amenities are needed to support that supply, based on OCPs and other planning

documents, and determining the amenity cost charge amounts. An ACC bylaw must be passed to implement the charges but does not require the approval of the Inspector of Municipalities as with the DCC bylaw.

Based on the legislative changes and requirements for local governments, analysis was undertaken to ensure alignment and eligibility of these development finance and local government tools. The financial analysis undertaken tests the case studies to understand whether proposed amenity cost charges (ACCs), inclusionary zoning (IZ) and density bonus charges (DB) are supportable in the City of Courtenay. This includes:

1. Determining whether DCC and ACC charges are supportable at a base density and that the charges do not deter development, as required by Bill 46. This involves making recommendations for the minimum density where development is viable by use and area without requiring a rezoning.
2. Determining whether additional development rights (FSR) above the base density have value and whether a density bonus charge or inclusionary zoning can be levied. Density bonus charges would be applied to floorspace in excess of base density. Inclusionary zoning would require increasing the base density to offset the cost of providing affordable units. Any funds collected through a density bonus charge could be placed in an affordable housing reserve.

The overarching goal is to ensure that both (1) revenue is collected for amenities and affordable housing and (2) levies and charges do not deter development, as required by provincial legislation. The *Amenity Cost Charges Best Practice Guide* and *Inclusionary Zoning and Density Bonusing Comprehensive Guide* require a financial evaluation to test whether the bylaw meets this condition.

8.1.1 Amenity Cost Charge and Density Bonus Prioritization

There has generally been some discussion about prioritization of charges and whether amenity cost charges or density bonuses should be used to capture the land value that is created through pre-zoning / rezoning in the City of Courtenay. Amenity cost charges are used for community amenities but cannot be used for affordable housing. Density bonus charges can be put towards an affordable housing reserve and used to fund projects. As such, the question to answer through testing the case studies is: *Given limited opportunity to extract land value from projects in Courtenay, what should take priority, community amenities (ACC) or affordable housing (DB)?*

The analysis is intended to make recommendations that strike a balance between collecting both charges. Since the ACCs are included in the financial analysis of each case study by area, the density bonus charges may potentially be more modest. However, the ACCs proposed are relatively low per unit. It is not anticipated that removing the ACCs would significantly impact the amount of the density bonus charge.

However, reducing either regional or city-wide DCCs could have a larger impact, particularly in areas where development viability is challenging (downtown, rental projects).

As taken from the *Inclusionary Zoning and Density Bonusing Comprehensive Guide:* "Inclusionary zoning is typically most effective in creating new affordable housing in high density, urban areas, where the higher land costs support its use and there is often the greatest need for more affordable housing." Generally speaking, these conditions do not apply in Courtenay and inclusionary zoning is not recommended. Pre-zoning to upper densities in the best-case scenarios allows projects to deliver just one or two affordable units, which is not operationally efficient. This is apart from one case study in Lower Ryan Road. In this area, a significant increase in development rights is contemplated through pre-zoning, allowing a contribution of 20% below market units without impacting development viability.

8.1.2 Amenity Cost Charges, DB and Zoning Bylaw Update Sequencing

Once regional and local DCCs, ACCs and base densities are finalized, it is anticipated that the interim density bonus rates proposed here should be reassessed and finalized. If ACCs are updated, the recommendation at this stage would be to keep ACCs modest, allowing density bonus rates that are similar to those proposed to be levied on development, generating funds for affordable housing projects.

8.2 Key Findings of the Financial Analysis

Amenity cost charge, density bonus, and inclusionary zoning testing was undertaken for the Downtown, Cliffe Avenue Corridor, Lake Trail and Lower Ryan Road, for building forms which represent envisioned development for each area. Detailed findings can be found in **Appendix C**, general findings are as follows:

- **Pre-zoning:**
  Not all areas must be pre-zoned, particularly where there is wide variation in lot size, zoning, and development economics. Pre-zoning has the potential to significantly impact land values and testing is recommended before it is undertaken.

- **Density Bonus:**
  It is recommended that a density bonus charge be levied on floorspace over and above the base density. Suggested density bonus rates range from $10 to $20 per square foot on additional density above the base density.

- **Inclusionary Zoning:**
  Inclusionary zoning is difficult to support in Courtenay as land values for multifamily development are low. The requirement to build just one below market unit has a significant impact on project revenues and costs. Analysis showed that case studies could generally support a maximum of 1 to 2 units at upper densities. This share of affordable units is not operationally practical.

- **Purpose-Built Rental Projects:**
  Testing was not undertaken for purpose-built rental projects. It is not recommended that ACC's or density bonus charges are levied on rental projects due to the more challenging economics of this tenure. Amenity cost charge and development cost charge exemptions/reductions are recommended for purpose-built rental projects, particularly in the Downtown.

9.0 OCP RECOMMENDATIONS

The findings of the OCP Update analysis informs a series of recommended directions that build upon the strong foundation of the 2022 OCP to ensure Courtenay is well positioned to meet provincial expectations while respecting the established Vision.

9.1 Understanding the Recommended Directions

The analysis completed to date has led to a series of strategic recommendations, organized across key policy focus areas. These recommended directions build upon the strong foundation of the 2022 OCP, aiming to enhance its delivery and improve implementation mechanisms. The quality of life in Courtenay, as envisioned in the OCP's Vision, Cardinal Directions, Goals, and Policies, remains central to this work.

The recommendations are designed to address two key questions:

- *How can Courtenay achieve its Vision through managed growth?*
- *How can existing and new provincial planning tools be used to iteratively and holistically plan for growth?*

To assist with conceptual organization and implementation, the recommended directions are framed within nine (9) overarching "Big Moves" that provide direction for future planning and implementation, summarized as follows:

1. **Align Corporate Efforts to Support a Proactive Planning Cycle**
   Foster internal coordination to ensure planning processes are forward-looking and aligned with the 5-year planning cycle now required by legislation.

2. **Refine Land Use Policies Based on Growth Management Principles from the 2022 OCP**
   Build upon the foundational strategies of the 2022 Official Community Plan (OCP), enhancing land use policies to better manage growth.

3. **Clarify OCP Land Use Policies to Guide Zoning Bylaw Updates**
   Strengthen the connection between land use designations and zoning regulations to improve consistency and implementation.

4. **Monitor Development Market Conditions to Ensure Policy Relevance**
   Continuously assess economic trends to keep planning policies aligned with current realities.

5. **Develop Tailored Housing Strategies to Reflect Diverse Community Needs**
   Create responsive policies that address the full spectrum of housing types and affordability levels.

6. **Ensure Infrastructure Investments Match Growth and Land Use Context**
   Coordinate infrastructure planning with growth patterns to support complete and livable communities.

7. **Modernize the Approach to Parks, Open Spaces, and Amenities**
   Update strategies for public spaces to reflect evolving community needs and expectations.

8. **Integrate Green Infrastructure with Natural Asset Management**
   Plan for infrastructure that supports ecological resilience and complements natural systems.

9. **Establish a Community Engagement and Partnership Framework**
   Create a structured approach to collaboration with residents, interest holders, and partners.

In addition to strategic guidance, technical updates are proposed to reflect recent changes in housing legislation, growth trends, and service delivery needs. These updates are informed by public and interest holder feedback gathered through consultation, and by a thorough evaluation of current OCP policies against new requirements and Courtenay's evolving profile.

9.2 Detailed Big Moves and Policy Focus Areas

This section outlines the rationale behind the Big Moves, which serve as strategic directions for the OCP Update. Each Big Move is supported by a detailed list of recommended actions that respond to the findings of the Phase 2 technical analysis. While the recommendations reflect current best practices and local context, they are presented here as a working draft to be refined as the OCP document itself is updated

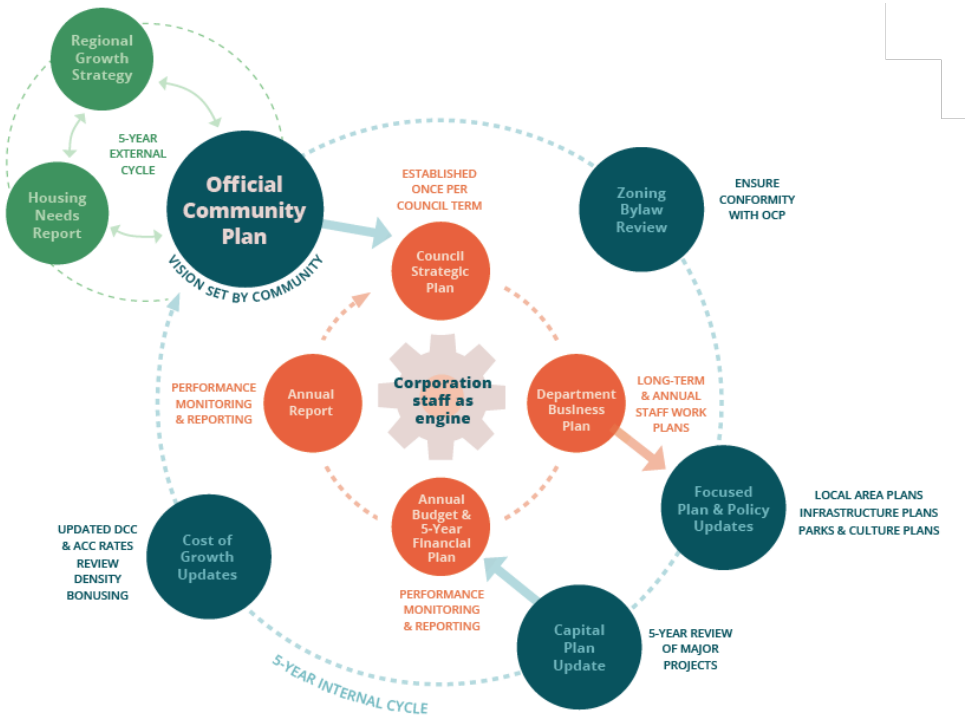
1 Align Corporate Efforts to Support a Proactive Planning Cycle

Following recent legislative changes, the planning framework in B.C. now emphasizes a proactive, long-term approach to housing and land use. Municipalities are required to ensure sufficient land is designated and pre-zoned to meet both current and future housing needs. This includes regular updates to Housing Needs Reports, Official Community Plans, and Zoning Bylaws, as well as changes to the public hearing process for housing-related projects.

By the end of 2028, all local governments must complete their first "regular" HNR, with updates every five years thereafter. OCPs and Zoning Bylaws must also be updated on a five-year cycle to align with housing needs and ensure zoning reflects the total amount of housing required.

This shift supports greater certainty and coordination across municipal planning processes. It enables infrastructure servicing plans, capital plans, and related bylaws (including Development Cost Charges and Amenity Cost Charges) to be reviewed and refined on a regular basis. For Courtenay, this means proactively assessing servicing studies, updating capital planning, and considering new DCC programs in step with the five-year planning cycle, which is illustrated in Figure 4.

Figure 4: Elements of the 5-year Proactive Planning Cycle



POLICY FOCUS AREAS

1A. Develop a coordinated framework (with clear roles and responsibilities) to manage the five-year planning cycle across departments and jurisdictions (e.g., regional service delivery with CVRD).

1B. Standardize the use of population projections (clarifying sources, timing, and application) to ensure consistency across housing, infrastructure, and financial planning.

1C. Create a clearly articulated policy framework to guide the use of development finance tools, including when and how each tool should be applied.

1D. Establish a process for updating 10-year capital plans for all DCC and ACC-eligible items on a rolling five-year basis.

1E. Take immediate steps to align servicing plans with growth scenarios:

a) Update sanitary and water servicing plans.

b) Advance a strategic update to the transportation plan to support a more connected, sustainable, and inclusive network.

2 Refine Land Use Policies Based on Growth Management Principles from the 2022 OCP

The 2022 OCP established a strong foundation for managing growth through a focused land use framework. This framework remains broadly aligned with provincial planning direction and recent housing legislation. As part of the current OCP Update, technical analysis was conducted to assess land demand, development capacity, and infrastructure readiness. Based on this analysis, targeted refinements to land use designations are recommended to better support housing delivery, infrastructure coordination, and complete community objectives.

These refinements will help clarify where land use changes are needed, support pre-zoning efforts, and guide future rezoning applications. They also respond to emerging priorities such as airport-related height restrictions, infrastructure servicing constraints, and the need for more consistent application of Local Area Plans and Development Permit Areas.

POLICY FOCUS AREAS

2A. Implement targeted land use designation changes to support housing and mixed-use development in appropriate locations:

a) Reassess the application of Small-Scale Multi-Unit Housing (SSMUH) in growth centres where higher-density forms may be more appropriate.

b) Refine the commercial-residential allocation in the Crown Isle area, including updates to CD-1 and master plan designations beyond the requested conversion of commercial floor area to residential.

c) Ensure land use changes are clearly mapped and aligned with zoning updates to support pre-zoning and reduce reliance on site-specific rezonings.

2B. Establish consistent building height and density expectations for multi-family development:

a) Set a standard of 4 storeys as of right for multi-family apartment development across applicable Future Land Uses and zones,

b) Ensure Floor Space Ratio (FSR) permissions are sufficient to accommodate 4-storey buildings in all relevant areas.

c) Identify opportunities for higher density through bonus zoning in strategic locations.

2C. Review and update policies to discourage restrictive building schemes that conflict with OCP objectives or provincial housing legislation.

2D. Identify and map Settlement Expansion Areas in alignment with the Regional Growth Strategy.

2E. Standardize the Local Area Plan (LAP) framework to guide planning in areas of significant change:

a) Establish clear criteria for when LAPs are required, how they integrate with the OCP, and how they vary based on location, size, and land use context.

b) Define key elements to be included in each LAP, such as infrastructure assessments, housing targets, and public realm strategies.

c) Integrate existing LAPs into the updated framework and prioritize new LAPs based on growth pressures and community needs.

d) Allocate resources to support LAP development and implementation.

2F. Monitor and update Development Permit Areas (DPAs) to improve clarity and implementation:

a) Consolidate and simplify DPA guidelines to improve usability and reduce barriers to development.

b) Monitor the need for a wildfire interface DPA based on regional wildfire risk reporting and future hazard assessments.

c) Review the potential for a flood hazard DPA in coordination with updates to the Floodplain Bylaw and the City's Flood Management Strategy.

d) Consider the inclusion of airport-related sound and height restrictions in relevant DPAs, based on the updated Comox Airport Zoning Regulations.

3 Clarify OCP Land Use Policies to Guide Zoning Bylaw Updates

The new proactive planning framework replaces the previous approach to housing planning and approvals, which relied on individual rezoning processes and community engagement on an application-by-application basis. Under the new model, municipalities are expected to engage the public early in the planning process, before updating their OCP, to identify how much housing is needed and where it should go.

For zoning bylaws that are consistent with the OCP, public hearings are no longer required. Instead, municipalities will issue public notices to inform residents that a zoning bylaw is moving through the approval process. This change is intended to streamline housing approvals, reduce uncertainty, and improve coordination between land use planning and infrastructure investment. To support this shift, the OCP must clearly articulate the intended built form, density, and land use expectations for each designation. This clarity will help guide zoning updates, reduce reliance on site-specific rezonings, and ensure that infrastructure planning is aligned with future development.

POLICY FOCUS AREAS

3A.	Ensure Future Land Use designations clearly reflect intended built form and housing density: a) Define what is permitted "as of right" and what may be considered through bonus zoning. b) Include guidance on minimum and maximum densities, building heights, and building typologies that align with the development capacity analysis and identified housing need. c) Coordinate with the zoning by-law update to clearly outline the concordance between Future Land Use designations and permitted zones.
3B.	Clarify expectations for mixed-use development: a) Ensure a balanced mix of residential and commercial uses in designated areas. b) Identify specific locations (e.g., along major roads and in primary growth areas) where ground-floor commercial uses are required.
3C.	Consider municipally initiated pre-zonings in strategic areas where servicing capacity and growth objectives align.
3D.	Support non-strata housing forms to improve affordability in low-density built forms: a) Develop policies that encourage non-strata duplexes and row housing to reduce monthly costs and improve mortgage eligibility for buyers. b) Consider zoning updates that simplify approvals for these housing types.
3E.	Incorporate policy direction into the OCP that clarifies when development agreements are required and what they should address (e.g., infrastructure upgrades, environmental studies, etc.)
3F.	Develop OCP policies and zoning regulations that limit impervious surfaces in new development, in alignment with the Integrated Rainwater Management Plan.

4 Monitor Development Market Conditions to Ensure Policy Relevance

To support housing delivery and complete community objectives, Courtenay must ensure that its development finance tools (such as Development Cost Charges, Amenity Cost Charges, Density Bonusing, and Inclusionary Zoning) remain effective and viable. These tools must be carefully calibrated to avoid deterring development, duplicating charges, or creating unintended financial barriers.

As market conditions shift, it is essential to monitor development feasibility and adjust policies accordingly. This includes maintaining regular dialogue with the development community, conducting financial testing, and identifying where incentives or policy refinements may be needed to support housing delivery.

POLICY FOCUS AREAS

4A. Maintain regular engagement with the development community:
- a) Establish ongoing communication channels to gather feedback on market conditions, development challenges, and policy impacts.
- b) Use engagement to inform updates to zoning, finance tools, and housing strategies.

4B. Develop and apply a framework for Density Bonusing and Inclusionary Zoning:
- a) Create clear criteria for where and how these tools should be applied.
- b) Consider a blanket Density Bonus policy for 5 & 6 storey buildings in Future Land Use designations that permit Medium and High-Density forms of development.
- c) Continue to investigate Inclusionary Zoning requirements for specific development forms and locations for financial viability.

4C. Conduct financial feasibility testing as part of the 5-year planning cycle:
- a) Use proforma analyses to evaluate the impact of DCCs, ACCs, Density Bonusing, and Inclusionary Zoning on development viability
- b) Adjust policies where necessary to maintain feasibility and support housing delivery.

4D. Review financial requirements for small-scale and infill housing.
- a) Assess the cost implications of adding Additional Dwelling Units under current policy.
- b) Identify opportunities to reduce financial barriers for gentle infill and missing middle housing form.

5 Develop Tailored Housing Strategies to Reflect Diverse Community Needs

The 2024 Housing Needs Report confirms that Courtenay will require a wide range of housing types and tenures over the next 5 and 20 years. Meeting this demand, particularly for below-market and supportive housing, will require a more targeted and coordinated approach. The City is encouraged to refine its housing policies to clarify its role across the housing continuum, strengthen partnerships, and support

delivery through zoning, incentives, and strategic planning. This includes working regionally with partners such as the Comox Valley Regional District Housing Corporation, aligning with the Regional Growth Strategy, and ensuring housing growth is directed towards areas with access to services, transit, and amenities.

POLICY FOCUS AREAS

5A. Clarify housing needs and communicate priorities:

a) Outline housing targets amongst categories (e.g., affordable, supportive, market rental, family-sized units).
b) Establish definitions for affordability and housing types to support consistent policy application.
c) Improve public understanding of housing needs and delivery strategies to attract partners and funding.

5B. Strengthen strategic affordably housing planning and policy alignment:

a) Develop a City-wide Affordable Housing Strategy that complements the RGS Housing Action Plan.
b) Identify priority areas for affordable housing delivery, including proximity to transit, services, and amenities.
c) Monitor and report on housing delivery progress, including short-term rentals (STRs) and retention of existing housing stock.

5C. Support partnerships and coordinated delivery:

a) Provide clear direction to staff on partnership development with non-profits, senior governments, and the CVRD Housing Corporation.
b) Explore opportunities for municipally-led or supported housing projects, including use of City-owned land.

5D. Expand housing tools and incentives:

a) Consider rental tenure zoning to preserve and expand long-term rental housing.
b) Explore incentives (e.g., reduced fees, expedited approvals) for projects that deliver priority housing types or unit sizes.
c) Investigate tenant protection tools enabled under Bill 16 to support housing stability.

5E. Integrate affordability into broader planning:

Recognize the full spectrum of household affordability, including transportation costs and access to amenities.
b) Ensure housing policies support climate-adaptive infrastructure and minimize future cost burdens.
c) Establish minimum unit sizes to support livability across all housing types, not just Additional Dwelling Units (ADUs).

6 Ensure Infrastructure Investments Match Growth and Land Use Context

Courtenay has the land use capacity to meet its 20-year housing targets, but infrastructure investment and service levels are not yet aligned with this growth. As development intensifies, especially in strategic growth areas, infrastructure systems—such as water, sewer, transportation, and parks—must be upgraded and expanded in a coordinated and context-sensitive manner.

This Big Move emphasizes the need to align infrastructure planning with land use and housing delivery, ensuring that investments are prioritized based on growth pressures, serviceability, and community needs. It also recognizes that different development contexts—greenfield versus brownfield—require tailored servicing responses. A strategic and integrated approach is needed to update infrastructure plans, improve asset management, and coordinate with regional partners.

POLICY FOCUS AREAS

6A. Ensure growth contributes equitably to infrastructure costs:
- a) Update Development Cost Charges (DCCs) and introduce Amenity Cost Charges (ACCs) to reflect the true cost of servicing growth, ensuring charges are proportionate to development impacts and aligned with infrastructure priorities.
- b) Establish a clear framework for applying DCCs, ACCs, and other levies (e.g., off-site servicing requirements under Bill 16), balancing financial feasibility with the need to fund infrastructure upgrades
- c) Leverage new servicing authorities under Bill 16 to expand off-site infrastructure requirements.

6B. Align infrastructure investment with housing needs:
- a) Develop a prioritization framework for capital planning.
- b) Coordinate infrastructure upgrades with land use and housing delivery timelines.

6C. Strengthen asset management practices:
- a) Integrate lifecycle costing and service level expectations into infrastructure planning.
- b) Increase budget allocations to reflect long-term infrastructure liabilities.

6D. Improve regional coordination and transparency:
- a) Align infrastructure planning with CVRD and neighbouring municipalities.
- b) Maintain and publish serviceability mapping to support development decisions.

6E. Advance water conservation and efficiency measures
- a) Implement metering and demand-side strategies before expanding systems.

6F. Review subdivision standards to reduce barriers for infill and small-scale housing.

7 Modernize the Approach to Parks, Open Spaces, and Amenities

As Courtenay grows and urbanizes, the need for high-quality, accessible parks and amenities becomes increasingly important. While Development Cost Charges (DCCs) support parkland acquisition, new tools like Amenity Cost Charges (ACCs) enable funding for recreation and cultural facilities. This Big Move focuses on updating parkland policies, improving standards, and integrating amenities into the urban fabric to support livability, equity, and complete communities.

POLICY FOCUS AREAS

7A. Update parkland acquisition and development policies
- a) Align OCP policies with the Parks and Recreation Master Plan and Implementation Strategy.
- b) Integrate park standards into Subdivision and Development Servicing (SDS) bylaws, including corridor widths for linear parks.

7B. Expand and diversify park supply strategies:
- a) Refine parkland distribution standards to account for accessibility (e.g., sidewalks, terrain).
- b) Explore land swaps and co-location with public utilities (e.g., stormwater ponds).
- c) Prioritize programming and quality of parks alongside quantity.
- d) Identify opportunities to convert underutilized streets and spaces into recreation amenities.

7C. Clarify trail classification and policy application
- a) Refine "trails as highways" policy to distinguish between multi-use paths (MUPs) and other linear trails.
- b) Reinforce that environmentally sensitive areas, storm corridors, and active transportation routes do not count toward 5% parkland dedication.

7D. Introduce distinct zone for Parks and Open Space and environmentally sensitive areas in the Zoning Bylaw.

7E. Integrate park planning with asset management and service standards
- a) Link park dedications to long-term asset management and level-of-service expectations.

8 Integrate Green Infrastructure with Natural Asset Management

As Courtenay grows, urbanization places increasing pressure on natural systems. Climate action and community well-being, which are core directions of the OCP, depend on protecting and integrating natural capital and ecosystem services. While the City has developed various tools to support environmental resilience, they are often applied in isolation. This Big Move focuses on creating a coordinated, ecosystem-based approach to green infrastructure planning and natural asset management.

POLICY FOCUS AREAS

8A. Strengthen policy guidance for natural capital integration:

a) Revise and reorganize thematic policies to provide clear, coordinated direction for protecting and leveraging ecosystem services.

b) Embed climate resilience and ecological design principles into land use and infrastructure planning

8B. Link and align environmental tools and strategies:

a) Integrate landscape standards, rainwater management, flood mitigation, parks planning, and development permit areas into a unified framework.

b) Use the tree bylaw, subdivision servicing bylaw, and other tools to support ecosystem health across public and private lands.

8C. Monitor and track changes in land cover:

a) Establish a system to measure and report on land cover changes, impervious surfaces, and vegetation loss.

b) Use monitoring data to inform updates to environmental policies and development standards.

8D. Improve operations and maintenance for green infrastructure:

a) Develop protocols for natural assets and green infrastructure to ensure long-term performance and ecological function.

b) Coordinate with asset management systems to track condition, service levels, and investment needs.

9 Establish a Community Engagement and Partnership Framework

With the introduction of a legislated 5-year planning cycle, Courtenay has an opportunity to embed consistent, transparent, and inclusive engagement practices into its planning processes. A structured engagement framework will help replace traditional rezoning hearings, improve public understanding, and build trust with residents, developers, and other interest holders. This Big Move focuses on integrating engagement into policy development, monitoring, and implementation—ensuring that community voices shape Courtenay's future.

POLICY FOCUS AREAS

9A. Establish a consistent engagement cycle aligned with the 5-year planning framework:
- a) Schedule regular engagement opportunities across planning topics.
- b) Refresh engagement tools and methods as new technologies and practices emerge.
- c) Use engagement to inform future OCP updates, Local Area Plans, and other initiatives.

9B. Track and communicate growth-related trends and planning outcomes at regular intervals:
- a) Monitor housing, infrastructure, and demographic changes to support proactive engagement.
- b) Report annually to Council and the public on housing targets, major investments, and community change.

9C. Strengthen engagement with the development community:
- a) Create a dedicated online portal and regular touchpoints for developers.
- c) Provide clear, accessible resources on development processes, servicing requirements, and planning expectations.

9.3 Next Steps

The findings and recommendations presented in this report will be shared with Council and the public in October through a formal presentation and community engagement activities. Feedback gathered during this phase will be used to refine the proposed Big Moves and supporting actions, and to inform updates to the Official Community Plan bylaw itself.

These updates will include detailed policy revisions and mapping changes, with the full draft OCP bylaw scheduled to be presented for first reading before the end of the year. This process ensures that the technical analysis and community input are meaningfully integrated into the final OCP, supporting a clear and coordinated path forward for Courtenay's growth and development.

APPENDIX A

INFRASTRUCTURE CAPACITY TECHNICAL MEMORANDUM

TECHNICAL MEMORANDUM

To:	Adam Mattinson, B&A Studios	**File No:**	25-8007
From:	Gilbert Leung, E.I.T. Ben Loewen, P.Eng	**Date:**	July 9, 2025
Re:	**City of Courtenay Official Community Plan Update** **Preliminary Servicing Capacity Assessment**		

1.0 INTRODUCTION

Aplin and Martin has been retained by B&A Studios to provide a preliminary high-level review of the infrastructure capacity of the water and sewer systems for City of Courtenay's updated Official Community Plan (OCP).

The City of Courtenay's current OCP was adopted in 2021, prior to the Province of British Columbia enacting new legislation, Bills 44 and 47, requiring local governments to update their Official Community Plans (OCPs). These Bills, along with the updated OCP, will allow for greater densification than previously accounted for.

For example, while the OCP forecasted a 2041 population of 31,696, the 2024 Housing Needs Report, based on BC Stats projections, estimates a population of 42,415 by that year. If housing needs from 2021 to 2041 are fully met, the population could reach 44,560 by 2041, based on an average household size of 1.8 persons per unit.

In June 2023, the City of Courtenay submitted an application to the Union of BC Municipalities (UBCM) Complete Communities program. This was to assess housing, transportation, daily needs, and infrastructure in order to evaluate "community completeness". The neighborhoods identified as areas likely for redevelopment as per Urban System's "Complete Community Growth Assessment (CCGA)" are shown in **Figure 1.**

This preliminary review considered the population growth, as provided by B&A Studios, for the anticipated development population for three (3) scenarios listed below and shown in **Table 1.1**.

- Low Population Growth
- Mid Population Growth
- High Population Growth

A summary of the population growth distribution for each scenario is shown in **Table 1.1**.

Table 1.1 - Growth Scenarios*

Scenario	Low	Mid	High
Growth (capita)	+8,798	+10,578	+12,567

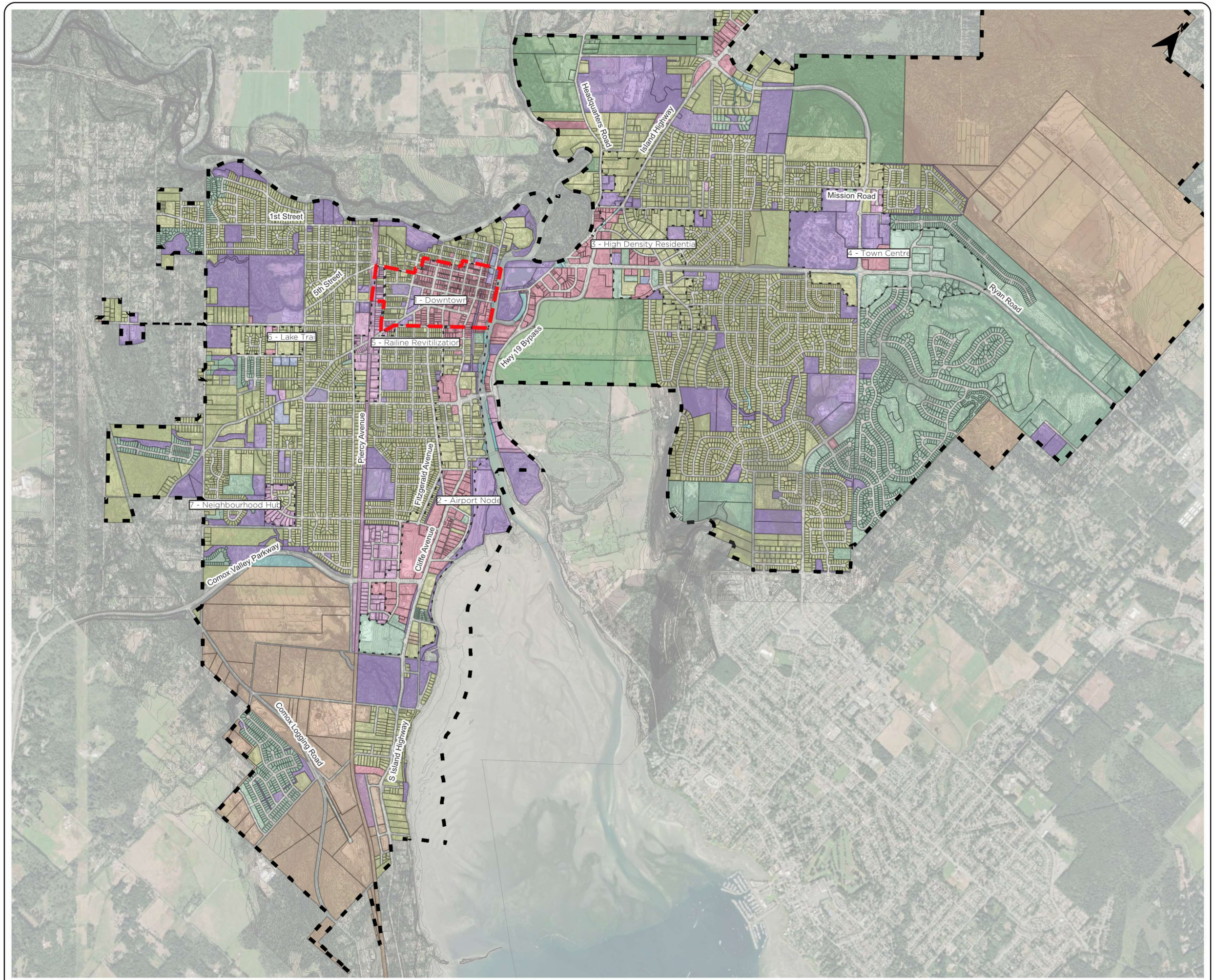
*Based on OCP population assumptions provided by B&A Studios

The Preliminary review discussed herein does not account for any hydraulic capacity analysis or modeling completed using the current City water and sewer models. To fully realize the potential impacts of these growth scenarios on the City's water and sewer systems, hydraulic modeling is strongly recommended. Refer to **Section 5** for additional recommendations.

City of Courtenay
Infrastructure Capacity Analysis

FIGURE 1

Growth Area Overview



LEGEND

- City Boundary
- Growth Centers
- Downtown

Zoning

- Agricultrual
- Commercial
- Comprehensive Development
- CRVD Zoning
- Industrial
- Land Use Contact
- Residential
- Public Access

Proj. No: 25-8007
Creator: GL
Reviewer: BL
Revision: A
Date: 2025/07/07

0 200 400 600 800 m

Scale: 1:30,000
Coordinate System:
EPSG:26910 - NAD83 / UTM Zone 10N

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2.0 STUDY AREA AND METHODOLOGY

Population growth in each catchment area was calculated using an area-weighted distribution based on growth data provided by the CCGA and spatially allocated.

2.1 SANITARY SEWER SYSTEM

Courtenay's sanitary system is mainly comprised of a gravity-fed sewer network and multiple lift stations and forcemains. Wastewater is ultimately conveyed from Courtenay to the Comox Valley Water Pollution Control Centre (CVWPCC), operated by the Comox Valley Regional District (CVRD)

There is one critical flow split with a diversion structure at Old Island Highway and Puntledge Road. Per the City's Sanitary Master Plan, approximately 1/3 of the incoming flow is directed to the Anderton lift station, with the remaining 2/3 to Comox Regional.

Unit demand rates are shown in Table 2.1, as provided by Bylaw 2919, were used to determine demands associated with the anticipated future growth.

Table 2.1 - Sanitary Unit Demand Rate

Scenario	Unit Demand Rate
AWDF	360 L/Cap/Day
I&I	0.12 L/s/Ha

*No additional I&I was considered as part of this analysis.

2.2 WATER DISTRIBUTION SYSTEM

The City's water system is comprised of seven (7) pressure zones, listed in Table 2.2.

Pressure zones 87 and 110 receive their water supply from the West Courtenay and Marsden reservoirs, respectively. Water from pressure zone 87 is pumped via the Beachwood Road booster pump station to pressure zone 135, located in the southeast corner of the City. Pressure zone 150 is supplied from the Marsden pump station, drawing water from the Marsden reservoir. Pressure zone 120, served by the East Courtenay Reservoir, receives water from the Dingwall and Ryan Road pump stations, as well as through the Puntledge Road PRV, which connects to the Comox Valley Water System (CVWS). Pressure zone 138 is fed by the CVWS through the Courtenay booster pump station. Pressure zone 97 receives its supply through PRVs from both the CVWS and pressure zone 138. Only the Beachwood Road booster pump station is owned and operated by the City. All other pump stations are owned and operated by the CVRD. Similarly, all water storage reservoirs are owned and operated by the CVRD.

Table 2.2 - Pressure Zone HGL Summary

Zone	Elevation Range (m)
87	1.4 to 49.9
97	27.6 to 60.0
110	35.5 to 64.3
120	19.4 to 77.3
135	20.7 to 65.1
138	58.6 to 94.3
150	66.1 to 89.5

Unit demand rates are shown in **Table 2.3**, as provided by Bylaw 2919, were used to determine demands associated with the anticipated future growth.

Table 2.3 - Water Unit Demand Rate

Scenario	Unit Demand Rate
ADD	635 L/Cap/Day
MDD	2,100 L/Cap/Day
PHD	3,000 L/Cap/Day

Table 2.4 summarizes the anticipated population growth per scenario.

Table 2.4 - Population Growth by Pressure Zone

Pressure Zone (m)	Population Growth		
	Low	Mid	High
87	5,126	6,270	7,657
110	47	55	62
120	322	369	406
135	186	207	230
138	2,298	2,690	3,120
CRVD System	819	987	1,092
Total	**8,798**	**10,578**	**12,567**

The fire flow requirements per land use based on MMCD design guidelines are shown in **Table 2.5**.

Table 2.5 – MMCD Fire Flow Requirements

Land Use	Required Fire Flow
Single Family Residential	60 L/s
Multi-Family Residential	90 L/s
Institutional	150 L/s
Commercial	150 L/s
Industrial	225 L/s
Agriculture	60 L/s

Where Fire Underwriters Survey (FUS) data is available, the most conservative of the two values is recommended to be used.

3.0 FUTURE DEVELOPMENT SCENARIO

This section summarizes the preliminary impact on the City's sanitary and water systems.

3.1 SANITARY SEWER SYSTEM

A summary of the overall increase in system loads is provided in **Table 3.1**. Total catchment and infiltration rates were considered unchanged throughout the scenarios for this study.

Table 3.1 - Sanitary Load Summary

Scenario	Existing Load (L/s)	Growth Load (L/s)		
		Low	Mid	High
ADWF	123.08	+36.12	+43.43	+51.75

*No additional I&I was considered as part of this study.

Table 3.2 summarizes the expected population growth in each lift station catchment. **Table 3.3** summarizes the demands for the lift stations under current conditions. The locations of the lift stations and associated catchments are shown in **Figure 2.**

Table 3.2 - Population Growth by Lift Station Catchment

Lift Station	Population Growth		
	Low	Mid	High
Sandpiper	841	946	1,057
Mansfield	249	299	350
1st Street	47	82	115
Anderton	542	625	711
Puntledge	5	5	6
Klanawa	8	14	19
Mission Road	1,242	1,477	1,733
Comox Regional (CRVD)	5,199	6,348	7,738
CVWPCC (CRVD)	665	755	838
Total	**8,798**	**10,578**	**12,567**

Table 3.3 - Current Lift Station Capacity Summary

Lift Station	Firm Capacity (L/s)	Peak Inflow (L/s)	Excess Capacity (L/s)
Sandpiper	24.8	24.57	0.23
Mansfield	22.7	49.66	-26.96
1st Street	16.4	21.74	-5.34
Anderton	21.6	35.24	-13.64
Puntledge	23.8	1.32	22.48
Klanawa	7.8	2.95	4.85
Mission Road	12.4	5.07	7.33

As shown in the table above, there are three (3) lift stations that currently exceed capacity under the existing conditions.

Table 3.4 summarizes the additional demands for the lift stations under OCP conditions.

Table 3.4 - 2041 OCP Condition Lift Station Summary

Lift Station	Firm Capacity (L/s)	Low		Mid		High	
		Peak Inflow (L/s)	Excess Capacity (L/s)	Peak Inflow (L/s)	Excess Capacity (L/s)	Peak Inflow (L/s)	Excess Capacity (L/s)
Sandpiper	24.8	27.69	-2.89	28.08	-3.28	28.50	-3.70
Mansfield	22.7	53.82	-31.12	54.42	-31.72	55.05	-32.35
1st Street	16.4	21.94	-5.54	22.09	-5.69	22.22	-5.82
Anderton	21.6	39.16	-17.56	39.78	-18.18	40.41	-18.81
Puntledge	23.8	1.32	22.48	1.32	22.48	1.32	22.48
Klanawa	7.8	2.98	4.82	3.00	4.80	3.02	4.78
Mission Road	12.4	10.25	2.15	11.23	1.17	12.29	0.11

As shown in the table above, the additional load is predicted to create one (1) new lift station capacity deficiency under all OCP growth scenarios, as well as exacerbate three (3) existing deficient lift stations. It is recommended that these results should be validated by hydraulic modeling.

City of Courtenay

City of Courtenay
Infrastructure Capacity Analysis

FIGURE 2

Sanitary Demand Assessment

LEGEND

- Downtown
- City Boundary

Sanitary Infrastructure

- LS Lift Station
- Sewer Mains (Gravity)
- Sewer Mains (Abandoned)
- Sewer Mains (FM)

Lift Station Catchments

- Sandpiper
- Masnfield
- Comox Regional (CRVD)
- Anderton
- Anderton/CRVD Split
- 1st Street
- Puntledge
- Klanawa
- Mission Road

Proj. No: 25-8007
Creator: GL
Reviewer: BL
Revision: A
Date: 2025/07/09

0 200 400 600 800 m

Scale: 30000
Coordinate System:
EPSG:26910 - NAD83 / UTM Zone 10N

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3.2 WATER

A summary of the overall increase in system demands is provided in Table 3.5. Figure 3 shows the location of the demand increases in relation to the pressure zones.

Table 3.5 - Water Demand Summary

Pressure Zone (m)	Additional Demands (L/s)								
	ADD			MDD			PHD		
Scenario	Low	Mid	High	Low	Mid	High	Low	Mid	High
87	37.7	46.1	56.3	124.6	152.4	186.1	178.0	217.7	265.9
110	0.3	0.4	0.5	1.1	1.3	1.5	1.6	1.9	2.2
120	2.4	2.7	3.0	7.8	9.0	9.9	11.2	12.8	14.1
135	1.4	1.5	1.7	4.5	5.0	5.6	6.5	7.2	8.0
138	16.9	19.8	22.9	55.9	65.4	75.8	79.8	93.4	108.3

3.2.1 Beachwood Road Pump Station

The Beachwood Pump Station is the only City-owned and operated booster pump station. It was installed as a temporary pump station during the initial phases of the Buckstone development. Because of its temporary nature, it was previously modeled only under existing conditions. While adequate for the single-family units at Buckstone, there are concerns about future multi-family developments at the site. Additional analysis is required to determine the impact of the growth on the pump station.

3.2.2 Storage Facilities

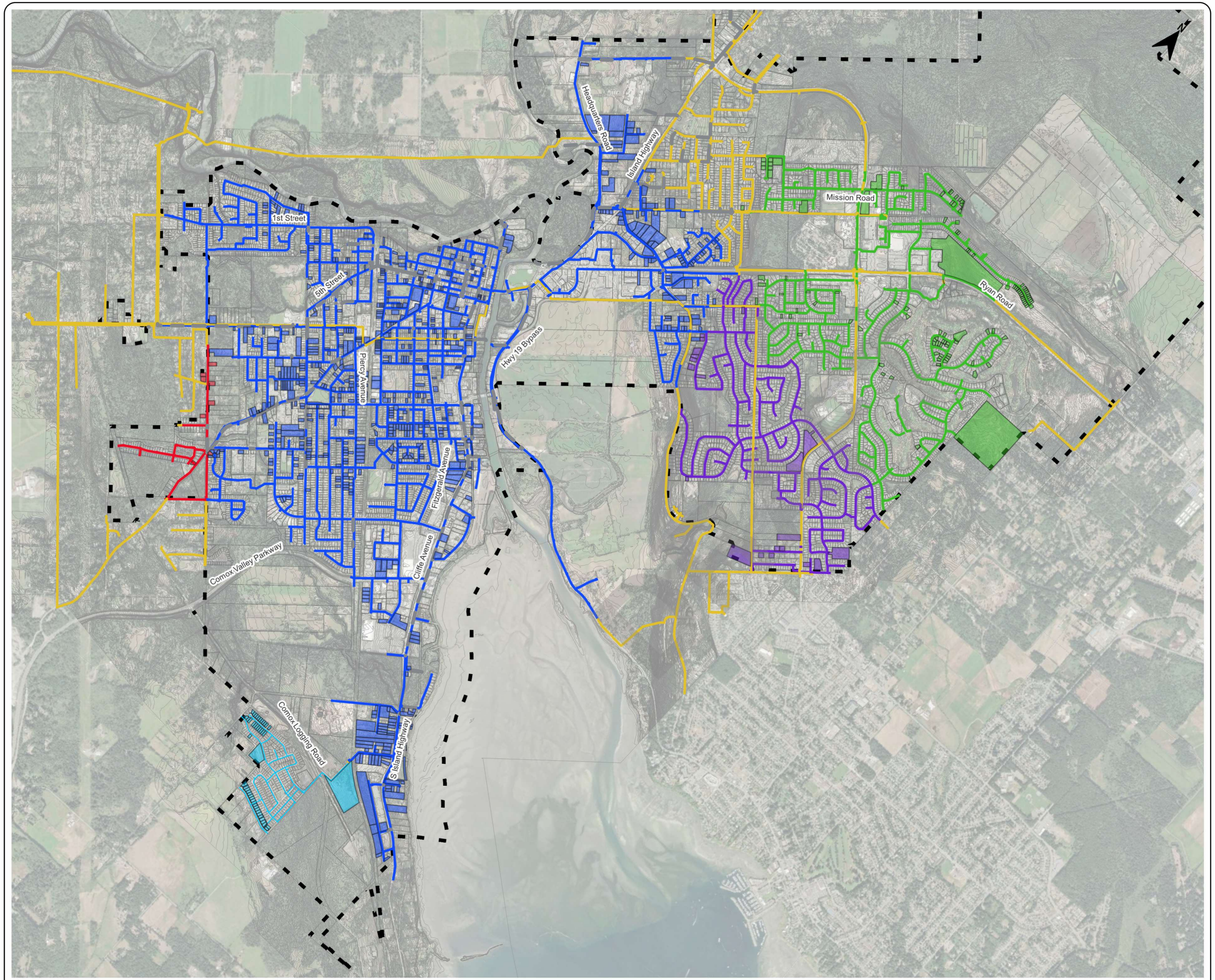
The East and West Courtenay Reservoirs, as well as the Marsden Reservoirs, are owned and operated by the CVRD. Additional analysis is required to determine the impact of the growth on the abilities of these storage facilities to provide sufficient flow and pressures to the City's system.

3.2.3 Pressure Reducing Valves

The City owns and operates fourteen (14) PRV across its system. Additional analysis is required to determine the impact of the growth on the velocity through these PRVs due to the increase in demands.

3.2.4 Require Fire Flow

As the OCP growth relates to densifying primary single-family land-use areas into higher-density land uses (i.e., downtown, neighbourhood hubs, town centers, etc.), there is expected to be a significant impact on the City's system to be able to provide sufficient flow and pressure to provide adequate fire protection. This will result in areas where only 60 L/s of fire protection is currently required, potentially increasing to 150 L/s or greater. Additional analysis is required to determine the impact of the increased fire flow requirements on the City's water system.



City of Courtenay

City of Courtenay
Infrastructure Capacity Analysis

FIGURE 3

Water Demand Assessment

LEGEND

City Boundary

Demand Allocation by Pressure Zone
(High Development Likelihood Only)

- 87 m
- 110 m
- 120 m
- 135 m
- 138 m

Water Mains

- 87 m
- 110 m
- 120 m
- 135 m
- 138 m
- Abandoned Water Mains

Proj. No: 25-8007
Creator: GL
Reviewer: BL
Revision: A
Date: 2025/07/09

0 200 400 600 800 m

Scale: 1:30000
Coordinate System:
EPSG:26910 - NAD83 / UTM Zone 10N

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4.0 CAPITAL LIST PROJECTS

4.1 SANITARY

As part of the 2019 Sanitary Master Plan, the City is expected to make significant upgrades to the existing sanitary, including new trunk mains and lift stations, rerouting existing catchments, and decommissioning of existing lift station. The upgrades are summarized below. Location and recommended scope of work of already proposed projects are attached in **Appendix A.**

- Mission-Greenwood Lift Station and Greenwood Trunk Main
    - Decommission the existing Klanawa and Mission Road lift Stations
- Sandpiper (Cliffe Avenue) Forcemain Extension, Mansfield Discharge Re-routing
- and Cliffe Trunk Mains
    - Decommission the existing Mansfield Forcemain
- 1st Street Lift Station and Forcemain Upgrades
- Comox Road Improvements
    - Abandon River Crossing at Lewis Park
    - Construct Comox Road Lift Station
    - Block Flow Diversion at Old Island Highway and Puntledge Road
- Arden North and Arden Central Trunk Mains
- Fitzgerald Trunk Main
- North Courtenay Area Servicing
- South Courtenay Area Servicing
- Veterans Memorial Parkway and North Island College Lift Stations
    - Decommission the existing Cascara Lift Station
- Decommission the existing Majestic Lift Station

With the additional loads as a result of the new OCP growth projections, revisions to the current upgrades (i.e., upsizes to previously proposed mains) may be required, as well as additional upgrades previously throughout the City.

4.2 WATER

Similar to the Sanitary Master Plan, the 2019 Water Master Plan has also laid out several improvements throughout the system, including the following:

- Upgrades to distribution mains at Arden Road, Braidwood Road, North Island Highway/Topland Road, and South Island Highway
- Secondary Transmission to South Courtenay
- South and West Courtenay Supply Connections
    - New PRV stations at the following locations: Cumberland Road and Arden Road, Buckstone Road and Comox Logging Road
    - Conversion of the existing Beachwood Pump Station to a PRV station

With the additional demands as a result of the new OCP growth projections, revisions to the current upgrades (i.e., upsizes to previously proposed mains) may be required, as well as additional upgrades previously throughout the City.

Location and recommended scope of work of already proposed projects are attached in **Appendix B**.

4.2.1 Beachwood Road Pump Station

As outlined in the previous Water Master Plan (2019), the pump station currently has adequate capacity to serve the Buckstone Development. The proposed servicing strategy for future development involves a PRV connection from the CVWS supply main. This concept is still under discussion between the City and the CVRD. Additional analysis is required to determine the impact of the growth on the pump station.

5.0 CONCLUSION AND RECOMMENDATIONS

The new Official Community Plan (OCP) identifies Primary and Secondary Growth Centers as priority areas for higher-density housing. However, development in these areas may not be viable if the existing municipal water and sewer systems lack the capacity to support increased demand.

Previous master planning and modeling of City water and sewer systems were based on growth patterns and projections from earlier Official Community Plans (OCPs) and forecasts. As growth areas and designated Growth Centres continue to develop, the City will need to update its infrastructure models to ensure that capital priorities and development-related impacts align with current expectations.

It is recommended that the following actions, listed below, but not limited to, should be completed in order to better understand the impact of these new OCP growth scenarios on the City's water distribution and sanitary sewer systems and any potential upgrade options:

1. Hydraulic modeling analysis and infrastructure assessment of the existing future scenarios based on revised growth assumptions
    a. Determine the impacts on pressures, flows, and the design criteria governing the water and sewer systems
    b. System upgrades to be reviewed and revised accordingly
    c. Review the existing infrastructure and size the potential proposed upgrades (i.e., storage tanks, pump stations, lift stations, wet wells etc.)
2. Boundary conditions assumptions to be confirmed (i.e., HGLs provided by the CVRD water system)
3. Required fire flow assumptions to be reviewed and FUS calculations to be completed if possible

6.0 CLOSING

This technical memorandum provides a preliminary high-level review of the infrastructure capacity of the water and sewer systems for the City of Courtenay's updated Official Community Plan (OCP). If you have any questions or require further information, please do not hesitate to contact the undersigned at 604-803-3578.

Sincerely,

APLIN & MARTIN CONSULTANTS LTD.

Prepared by:	Reviewed by:
Gilbert Leung, E.I.T.	Ben Loewen, P.Eng., GDBA, PMP Project Manager, Infrastructure Planning

STATEMENT OF LIMITATIONS

Aplin & Martin Consultants Ltd. prepared this technical memorandum for B&A Studios as per the Engineering Design Specifications required by the City of Courtenay. The material in this technical memorandum reflects the best judgment of Aplin & Martin Consultants Ltd. in the light of the information available at the time of preparation. Any use of, or reliance placed upon, the material contained in this report by third parties other than the B&A Studios, or decisions based upon this report are the sole responsibility of those third parties. Aplin & Martin Consultants Ltd. accepts no responsibility for damages suffered by any third parties because of decisions made, or actions taken, based upon information contained within this technical memorandum.

REVISION HISTORY

Revision	Date	Details	Name	Title
1	July 9, 2025	City of Courtenay OCP Update Tech Memo	Ben Loewen P.Eng., GDBA, PMP	Project Manager, Infrastructure Planning

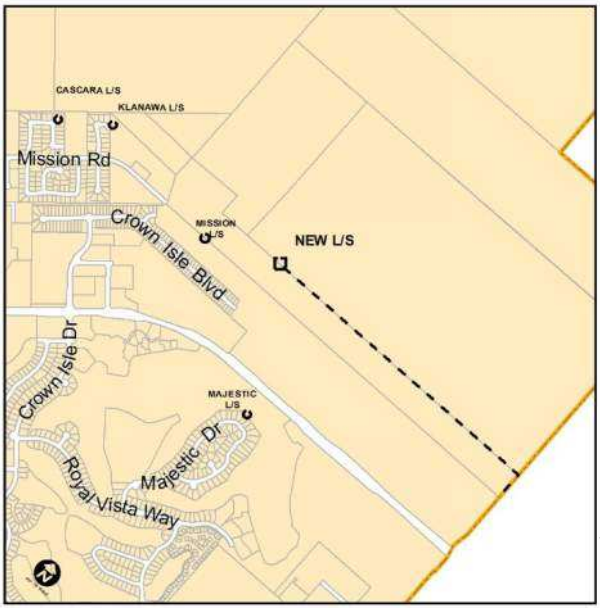
APPENDIX A:

Sanitary Capital Works List

Project ID: SEW 001

GREENWOOD - TRUNK SEWER EXTENSION

Greenwood Trunk



Term: Short-term

Category: Primary Core

Project Description:

The Greenwood Trunk was identified as a growth driven project in the draft version of this plan and has since been under construction and is planned for completion in 2021. As growth continues in East Courtenay, the flows going to the Courtenay Regional Sewer Pump Station on Comox Rd continue to increase as well. This regional pump station receives all flows from West Courtenay and the majority of flows from East Courtenay. With the completion of the Greenwood Trunk Sewer a connection now exists to route flows from portions of East Courtenay to the CVRD Greenwood connection on Anderton Rd creating capacity for the Courtenay Regional Sewer Pump Station.

Estimated Project Budget **$7,950,000**

Project ID: SEW 002

PUNTLEDGE CATCHMENT REDIRECTION

Timing: Short-term

Category: Primary Core

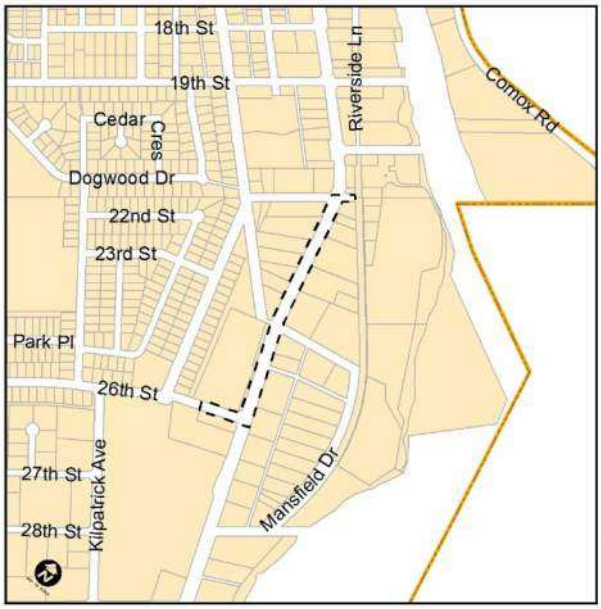
Project Description:

The existing sewer crossing under the Puntledge River to the Anderton Lift Station is no longer feasible due to the age and condition of the pipe. In addition, the nearby Puntledge Lift Station is under capacity and operates under the flood plain. By re-grading the pipe along Puntledge Rd and rerouting flows along Comox Rd toward the East Courtenay Trunk Main it would be possible to remove a sewer lift station and create capacity in the in the Anderton Lift Station.

Estimated Project Budget **$1,700,000**

Project ID: SEW 003

CLIFFE AVE – TRUNK SEWER (26th St. to 21st St.)



Timing: Short-term

Category: Primary Core

Project Description:

All South Courtenay sewer flows are currently routed via the Sandpiper Lift Station to the Mansfield Lift Station and then onto the 20 St CVRD connection via the Riverway Trunk. The Mansfield Lift Station and forcemain along with the Riverway Trunk main currently operate near capacity. In addition, a significant portion of West Courtenay flows (south of 21 St) are routed via 26 St to the Riverway Trunk. By creating a Cliffe Ave trunk main receiving flows at 26 St and routing to the 21 St Trunk Main will allow capacity in the Riverway Trunk and create a receiving point for an extended forcemain from South Courtenay.

Estimated Project Budget **$2,300,000**

Project ID: SEW 004

CLIFFE AVE – SEWER FORCEMAIN (S. Courtenay to 26th St.)

Timing: Short-term

Category: Primary Core

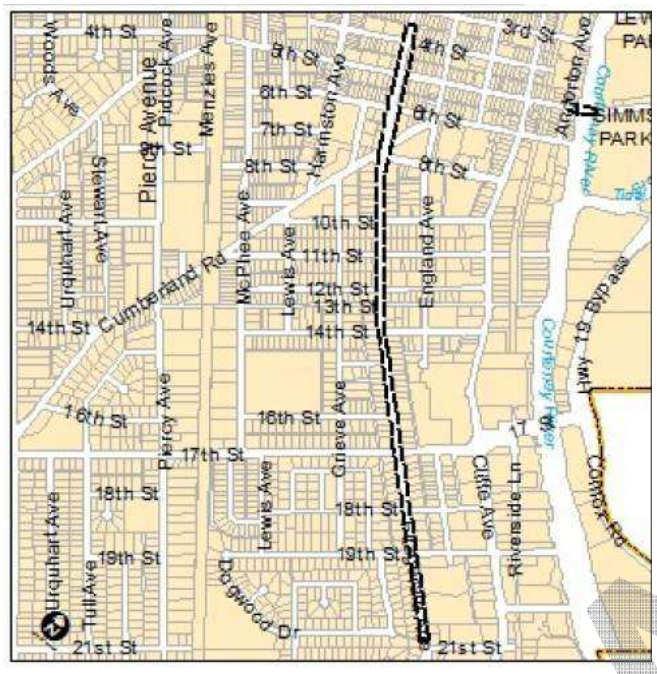
Project Description:

All South Courtenay flows from Sandpiper Lift Station all route into the Mansfield Lift Station and Riverway Trunk, both of which at near capacity. A forcemain extension to the proposed Cliffe Ave Trunk Main at 26 St, would allow capacity at Mansfield Lift Station and the Riverway Trunk Main.

Estimated Project Budget **$2,000,000**

Project ID: SEW 005

FITZGERALD AVE – TRUNK SEWER (4th St. to 21st St.)



Timing: Short-term

Category: Primary Core

Project Description:

Flows in West Courtenay below the rail corridor and north of 21 St are routed at several points into the Riverway Trunk Sewer which currently operates near capacity. Infill growth in this area continues to add sewer flows to the Riverway Trunk. Adding capacity to the Riverway trunk main involves construction challenges and archaeological work. A trunk main along Fitzgerald would allow capacity in the Riverway Trunk and growth potentially in the area serviced in West Courtenay.

Estimated Project Budget **$3,900,000**

Project ID: SEW 006

ARDEN CENTRAL – TRUNK SEWER (Lake Trail Rd. to Cumberland Rd.)

Timing: Short-term

Category: Secondary

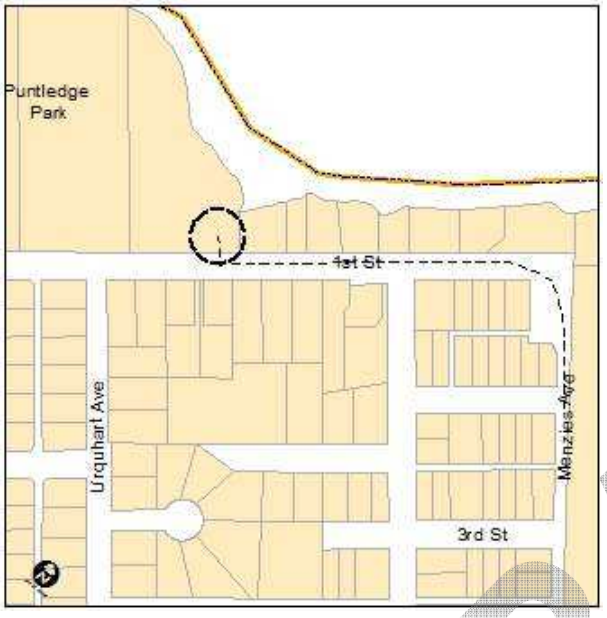
Project Description:

Due to flat pipe grade in the Willemar Ave sewer pipe that receives flows from 15 St, 13 St and Lake Trail Rd, the pipe regularly flows at capacity near the roundabout at Cumberland Rd. Routing flows from these areas through an Arden Central Trunk would allow capacity in the Willemar Ave sewer and future growth in the upper area of this catchment.

Estimated Project Budget **$800,000**

Project ID: SEW 007

1st STREET LIFT STATION & FORCEMAIN UPGRADES



Timing: Short-term

Category: Secondary

Project Description:

The 1st St Lift Station and forcemain were built in 1961 and have been in service since that time with no significant upgrades. Replacing and upgrading the aging 1St Street Lift Station and Forcemain will improve capacity in the 1st Street catchment and meet asset management renewal requirements.

Estimated Project Budget **$2,500,000**

Project ID: SEW 008

EAST COURTENAY LIFT STATION & FORCEMAIN

Timing: Medium-term

Category: Secondary

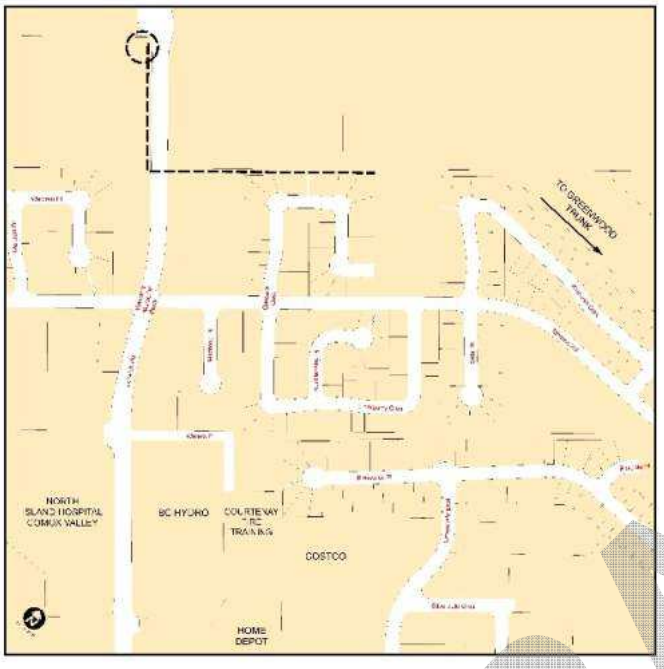
Project Description:

Flows from Costco, the shopping centre including Home Depot and North Island College (NIC) currently flow into the Muir Rd – Carmanah Dr residential collection system. Any future growth in this upstream portion of the catchment would see the downstream sewer increase over-capacity. A Lift Station at the bottom of the NIC collection system would reroute flows to the Greenwood Trunk system and allow capacity in the residential sewer below.

Estimated Project Budget **$2,100,000**

Project ID: SEW 009

VETERANS MEMORIAL PKWY LIFT STATION AND FORCEMAIN



Timing: Medium-term

Category: Secondary

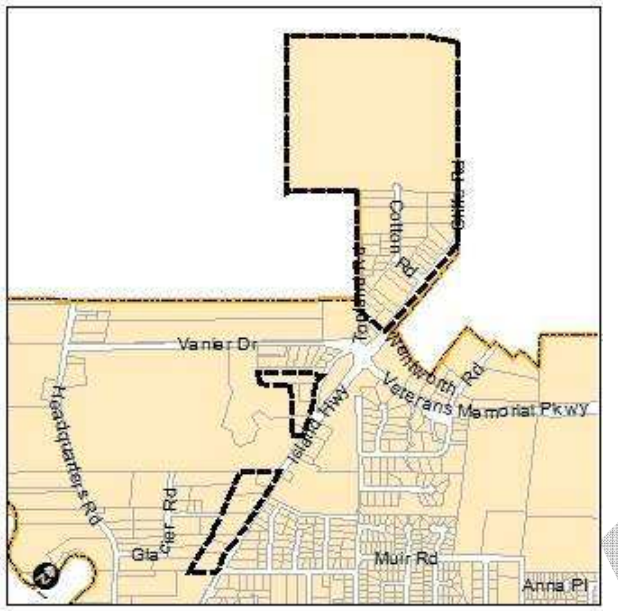
Project Description:

Current flows from the Comox Valley Hospital on Lerwick Rd, along with future multi-family developments to be completed in the 5-year time frame are routed down Veterans Memorial Parkway and then via the East Courtenay Trunk Main to the Courtenay Regional Sewer Pump Station. Installing a lift station at the top of Veterans Memorial Parkway would redirect flows to the Greenwood Trunk and create capacity in the East Courtenay system. A pipe crossing Veterans Memorial Parkway was installed prior to paving in 2020 for the potential forcemain from the lift station.

Estimated Project Budget **$1,600,000**

Project ID: SEW 010

NORTH COURTENAY AREA SERVICING



Timing: Medium-term

Category: Secondary

Project Description:

The North Courtenay area is one of the remaining developed areas in the City not serviced by sewer. Developing a legislative and engineering approach to service the North Courtenay area will meet the City's goal of expanding the level of service in the area.

Estimated Project Budget **$TBD**

Project ID: SEW 011

SOUTH COURTENAY AREA SERVICING

Timing: Medium-term

Category: Secondary

Project Description:

The South Courtenay area was annexed into the City and aside from 'The Ridge' development has not seen sewer servicing. Developing a legislative and engineering approach to service the South Courtenay area will meet the City's goal of expanding the level of service in the area.

Estimated Project Budget **$3,500,000 TBD**

Project ID: SEW 012

ARDEN NORTH – TRUNK SEWER (ARDEN RD. - 1ST ST. TO LAKE TRAIL RD.)

Timing: Medium-term

Category: Secondary

Project Description:

Sewer flows from strata developments at the upstream end of the 1st St Lift Station Catchment could be rerouted to Lake Trail Rd and into the Arden Central Trunk allowing capacity in the downstream catchment and lift station. Should the 1st St Lift Station and forcemain be upgraded, the Arden North Trunk could be redundant, however the pipe could receive flows from areas outside the City should ever the need arise.

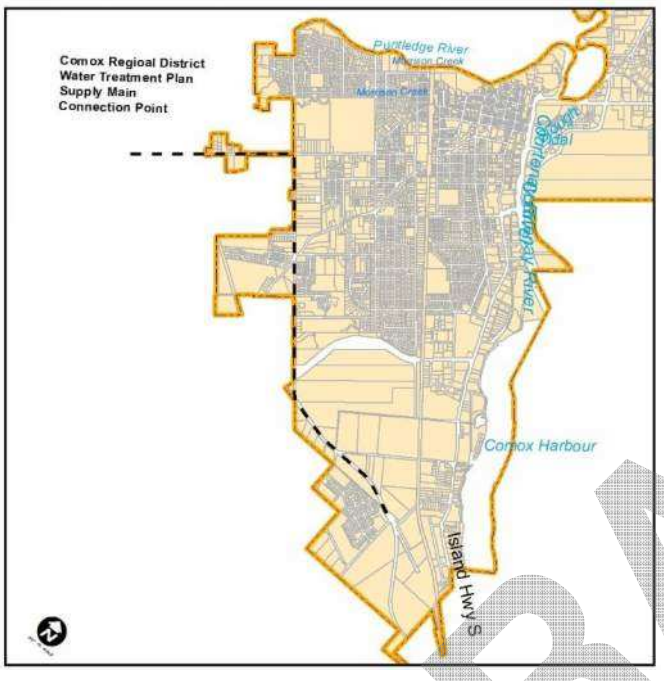
Estimated Project Budget **$2,000,000**

APPENDIX B:

Water Capital Works List

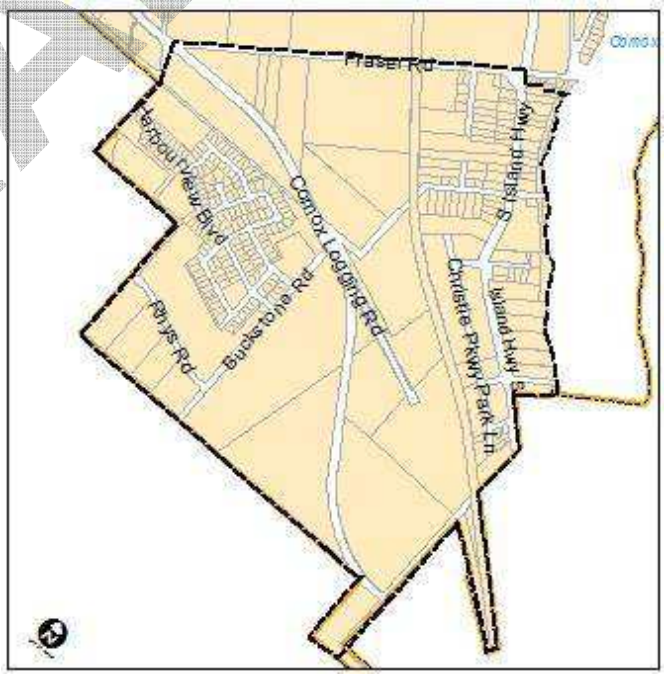
Project ID: WAT 001

SOUTH COURTENAY SECONDARY TRANSMISSION



Project Description:

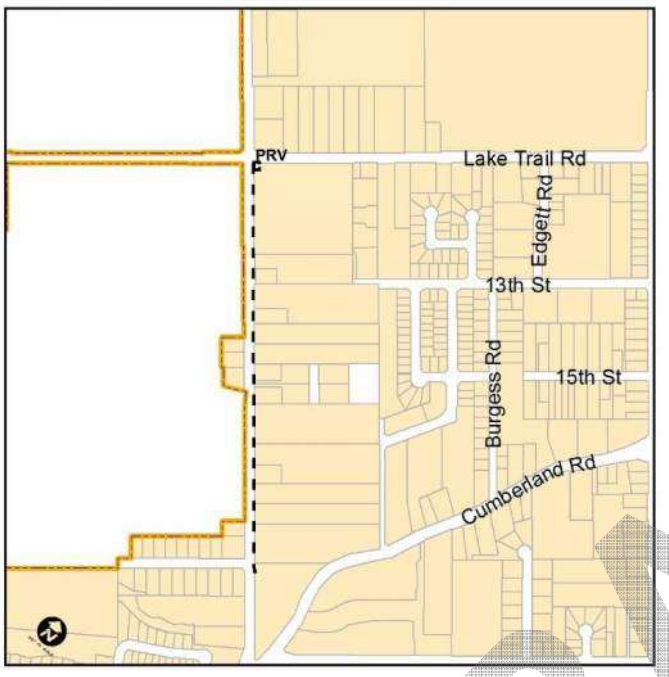
- **TO PROVIDE SECONDARY WATERSUPPLY TO SOUTH COURTENAY AREA**
- **ENSURE FUTURE DEVELOPMENT CAPACITY**



Estimated Project Budget : $3,400,000

Project ID: WAT 003

ARDEN RD – LAKE TRAIL TO COPPERFIELD



Project Description:

- **DEVELOPMENT DEPENDENT**
- **LOCAL DOMESTIC WATER DISTRIBUTION**
- **REPLACE EXISTING UNDERSIZED END OF LIFE WATER MAIN**
- **TO MEET FIREFLOW AND BYLAW REQUIREMENTS**

Estimated Project Budget : $1,600,000

Project ID: WAT 004

ARDEN RD – CUMBERLAND TO BROOKFIELD

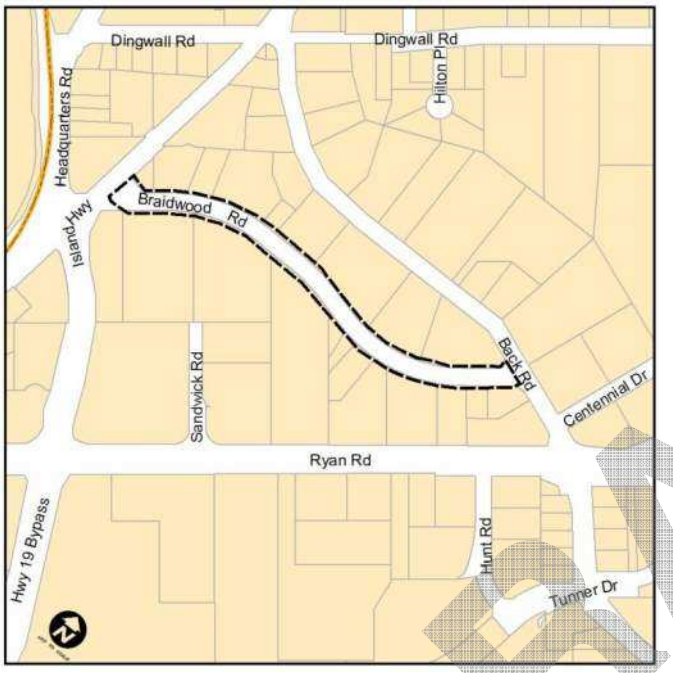
Project Description:

- **REPLACE EXISTING UNDERSIZED END OF LIFE WATER MAIN**
- **TO MEET FIREFLOW AND BYLAW REQUIREMENTS**

Estimated Project Budget : $550,000

Project ID: WAT 005

BRAIDWOOD RD – ROAD & UTILITY – WATER



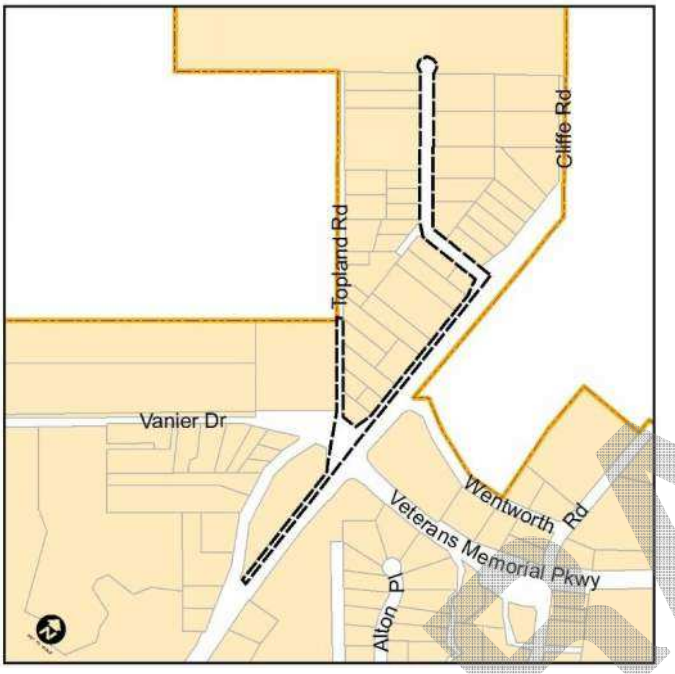
Project Description:

- **REPLACE EXISTING UNDERSIZED END OF LIFE WATER MAIN**
- **TO MEET FIREFLOW AND BYLAW REQUIREMENTS**

Estimated Project Budget : $600,000

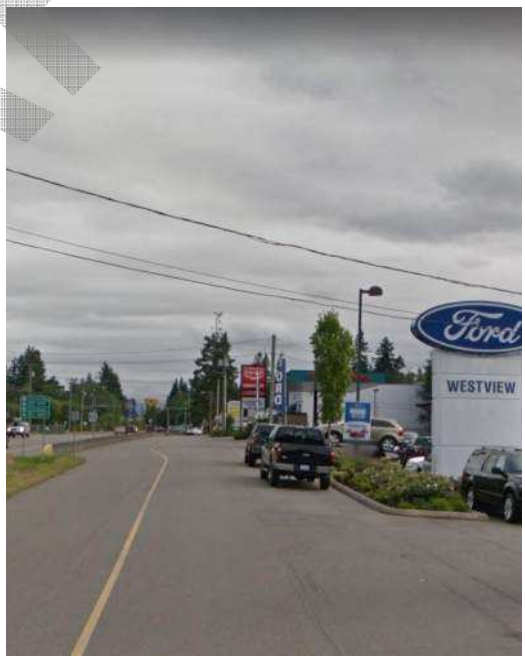
Project ID: WAT 006

NORTH ISLAND HWY, TOPLAND RD & COTTON RD



Project Description:

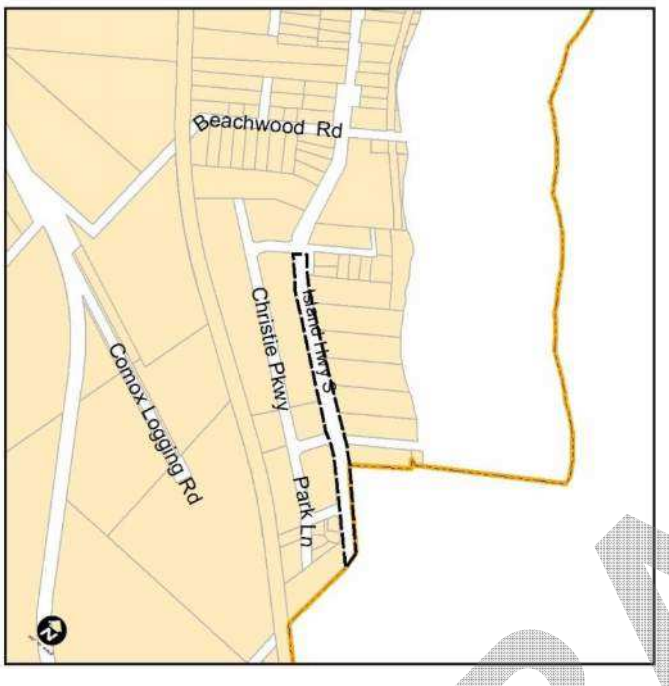
- **REPLACE EXISTING UNDERSIZED END OF LIFE WATER MAIN**
- **TO MEET FIREFLOW AND BYLAW REQUIREMENTS**



Estimated Project Budget : $1,400,000

Project ID: WAT 009

SOUTH ISLAND HWY



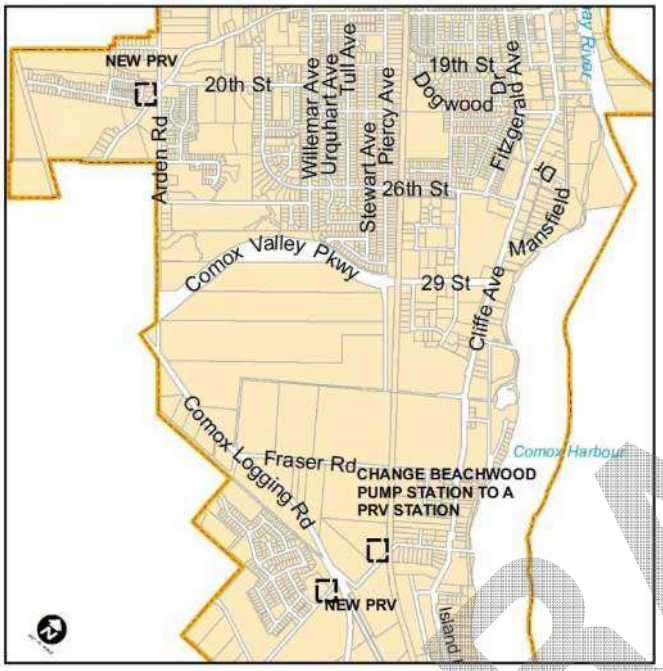
Project Description:

- **SCOPE DEPENDENT ON SOUTH COURTENAY TRANSMISSION MAIN**
- **REPLACE EXISTING UNDERSIZED END OF LIFE WATER MAIN**
- **TO MEET FIREFLOW AND BYLAW REQUIREMENTS**

Estimated Project Budget : $1,600,000

Project ID: WAT 010

FUTURE SOUTH & WEST COURTENAY SUPPLY CONNECTIONS



Project Description:

- **CONTINGENT ON THE SOUTH COURTENAY TRANSMISSION MAIN**
- **CONNECTIONS FROM SOUTH COURTENAY WATER SUPPLY**
- **THREE NEW PRESSURE REDUCING VALVE (PRV) STATIONS TO SUPPLY WEST & SOUTH COURTENAY AREAS**
  - **PRV STATION CUMBERLAND RD & ARDEN RD**
  - **PRV STATION BUCKSTONE RD & COMOX LOGGING RD**
  - **CONVERT BEACHWOOD PUMP STATION TO A PRV STATION**
- **TO MEET FIRE SUPPLY DEMANDS AND BYLAW REQUIREMENTS**
- **PROVIDE SECOND SOURCE TO REMOTE AREAS**

Estimated Project Budget : $800,000

APPENDIX B

TRANSPORTATION CAPACITY TECHNICAL MEMORANDUM

APLIN MARTIN

September 12, 2025
A&M File Number: 25-8007

To: Adam Mattinson, B&A Studios

From: Yuzhu (Margaret) Wang, EIT, Transportation Engineer
Saavin Khurana, P.Eng., PMP, Senior Transportation Engineer
Steve Carney, P.Eng., PTOE, Manager, Capital Works/Transportation

Subject: **The City of Courtenay - OCP Review for Transportation**

This memorandum presents Aplin Martin's review of the transportation and mobility strategies within the City of Courtenay's Official Community Plan (OCP Bylaw 3070, adopted in July 2022).

In 2024, the Province of British Columbia enacted new legislation, Bills 44 and 47, requiring local governments to update their Official Community Plans (OCPs). The purpose of this assessment was tor review and provide transportation-focused strategy and policy recommendations to ensure that the content of Courtenay's OCP remains aligned with current provincial priorities and requirements.

This memo provides an overview of current growth trends within the city, along with an assessment of the existing multi-modal transportation network. It will also outline recommendations and strategies to support future planning and development.

RELEVANT PLANS AND PAST STUDIES

A comprehensive review was completed for the following key documents that inform planning, transportation, housing, accessibility, and development in the City of Courtenay:

- Official Community Plan (2022)
- Transportation Master Plan (2019)
- Cycling Network Plan (2019)
- Parks and Recreation Master Plan (2019)
- Traffic Calming Guide and Policy (2023)
- Connecting Courtenay Engagement Summary (2018)
- Comox Valley local Governments Accessibility Framework (2023)
- Complete Communities Growth Assessment (2024)
- Housing Needs Report (2024)

- Comox Valley Regional Growth Strategy (2010)
- Current Development Applications

The City of Courtenay's Development Application Tracker served as a valuable resource in our review process. This tool provided up-to-date insights into active and pending applications across the city, enabling the team to analyze emerging land use patterns, identify areas of growth and redevelopment potential, and better understand how current proposals align with the City's broader planning goals.

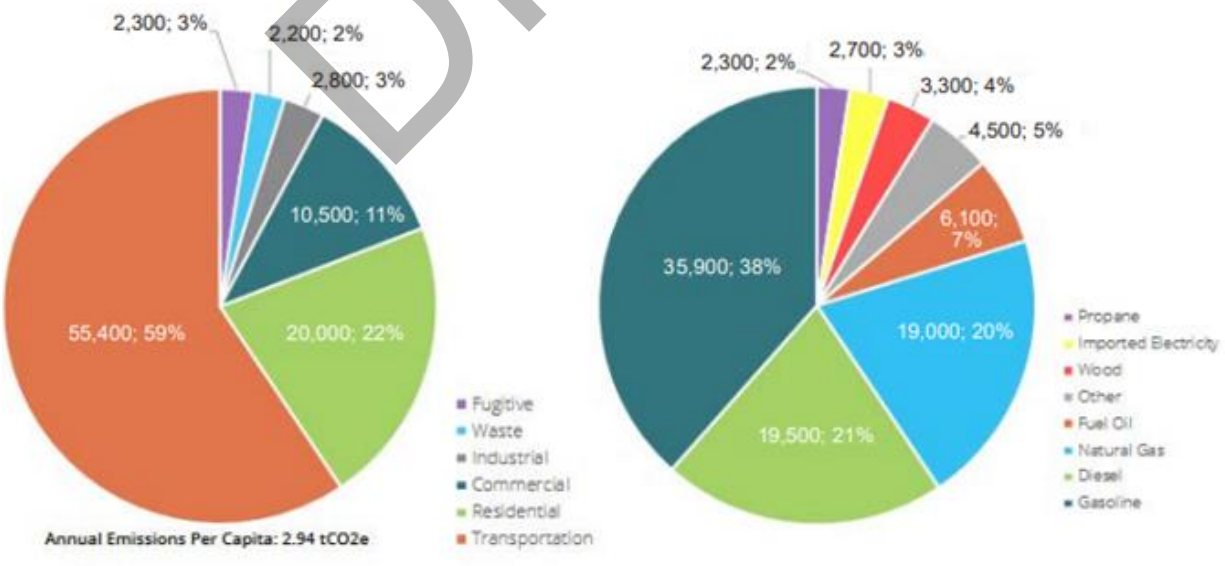
MAIN THEMES FROM THE OCP

This section summarizes key thematic priorities shaping Courtenay's future planning framework, drawing on recent plans, reports, and policy directions. It highlights the City's ongoing efforts to address climate action, housing affordability, transportation, and community well-being in a rapidly growing urban context. These focus areas reflect both provincial mandates and community-driven goals, and they serve as the foundation for strategic planning and infrastructure investment.

CLIMATE ACTION AND SUSTAINABILITY

Courtenay is prioritizing the development of a low-carbon mobility network that emphasizes walking, cycling, and transit over private vehicle use. This shift is important given that transportation represents the largest share of emissions as shown within **Figure 1**.

To address this, Courtenay has established ambitious reduction targets, aiming to cut community-wide emissions by 45% (from 2016 levels) by 2030, with a long-term goal of achieving net-zero emissions by 2050.



Courtenay Emissions By Sector for Baseline Year 2016. Source: Sustainability Solutions Group, 2020.

Courtenay Emissions By Source for Baseline Year 2016. Source: Sustainability Solutions Group, 2020.

Figure 1 – Emissions by Sector and Source in Year 2016

AFFORDABLE HOUSING AND GROWTH MANAGEMENT

The Housing Needs Report projects a 43% population increase over the next 20 years which presents a significant increase from the OCP forecast (27% increase from 2016 to 2051). To accommodate this growth, the City requires approximately 8,350 new housing units, including 3,500 units of secure, supportive, and market urban housing (SSMUH).

Currently, 71% of households in Courtenay are owner-occupied, while 29% are rentals. Projections indicate a growing demand for rental housing. Among current and proposed developments applications, 35% of units are proposed in growth centers and 65% are proposed in urban residential areas, based on information from the Complete Communities Growth Assessment.

Figure 2 presents the distribution of housing types contrasting the 2021 Census housing distributions and the CMHC housing completions between 2018 and 2022.

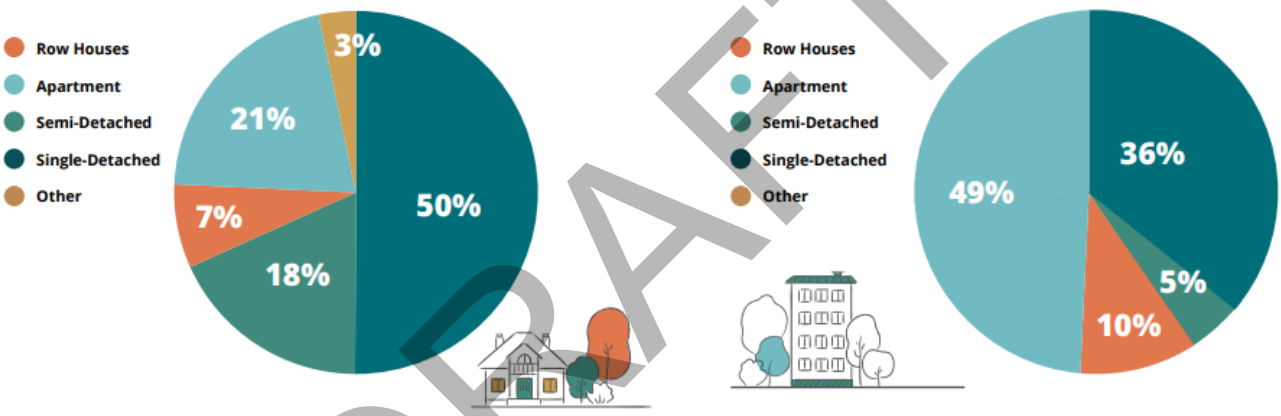


Figure 4: 2021 distribution of housing unit types (source: Census)

Figure 5: Types of housing completed in Courtenay from 2018-2022 (source: CMHC housing completions)

Figure 2 – Distribution of Housing Types and Completed Projects

ACCESSIBILITY AND EQUITY

The Comox Valley Local Governments Accessibility Framework serves as a foundation for local action aimed at removing and preventing accessibility barriers. Courtenay is implementing accessible design standards to foster inclusive public consultation processes. The OCP acknowledges that equity-priority groups may experience disproportionate impacts from planning decisions and includes policies to address these systemic inequities.

In particular, the City is committed to incorporating Indigenous perspectives into decision-making and ensuring services are equitable and inclusive for Indigenous peoples. The OCP also responds to the needs of seniors, with specific attention to accessible transportation, rest areas, and public washroom facilities.

ACITIVE TRANSPORTATION AND MOBILITY

The OCP sets a modal shift target to double the proportion of trips made by walking, cycling, and transit from 15% to 30% by 2030. To support this shift, the City has advanced several key initiatives:

- 10-Minute Neighborhoods: Promoting walkable, mixed-use communities where residents can access daily needs within a 10-minute walking radius (approximately 800 meters)
- All Ages and Abilities (AAA) Bicycle Infrastructure: Developing cycling routes that are safe, comfortable, and accessible for people of all ages, as outlined in the 2019 Cycling Network Plan
- Frequent Transit Network (FTN): Expanding reliable, high-frequency bus service during peak hours, through the implementation of three transit exchanges within the city.

PARKS, RECREATION, AND COMMUNITY WELL-BEING

The Parks and Recreation Master Plan (2019) outlines strategic directions for park expansion, improved trail connectivity, upgrading recreation facilities, and long-term environmental stewardship.

A key focus is on developing green linkages, such as trails and greenways, to better connect neighborhoods with parks and natural areas, encouraging active transportation and access to nature. Parkland acquisition standards are guided by walking distances and the identification of service gaps, ensuring that all residents have convenient access to recreational spaces.

OVERVIEW OF BILLS 44 AND 47

This section provides a summary of the new legislation and their implications for transportation planning in Courtenay.

BILL 44: HOUSING STATUTES (RESIDENTIAL DEVELOPMENT) AMENDMENT ACT

- Allow up to 4 units on most single-family lots (6 units if near frequent transit)
- Remove exclusionary zoning barriers like single-detached-only zones
- Pre-zone land to permit multi-unit housing by default (no rezoning process needed)
- Update OCPs and zoning bylaws to align with provincial SSMUH guidelines

Implications for transportation:

- Eliminates minimum parking supply requirements for qualifying small-scale multi-unit housing developments within 400 metres of a frequent transit stop

- The removal of minimum parking requirements may result in fewer off-street parking spaces being provided, potentially increasing on-street parking pressure in surrounding neighborhoods
- Citywide street improvements may be necessary to enhance walkability, safety, and accessibility, particularly in suburban and car-dependent neighborhoods
- Coordinated land use and transportation planning is essential to ensure that changes in development are supported by appropriate transportation infrastructure
- Without a rezoning process, municipalities have limited ability to secure frontage improvements, public realm enhancements, or off-site infrastructure upgrades as part of development approvals
- Investments in infrastructure need to be spread throughout the city, rather than concentrated solely around key growth centres or transit hubs

BILL 47: HOUSING STATUTES (TRANSIT-ORIENTED AREAS) AMENDMENT ACT

- Establishes Transit-Oriented Areas (TOAs): Requires municipalities to designate land within 400 meters of major bus exchanges as transit-oriented areas
- Local governments must allow higher-density residential and mixed-use developments in these areas
- Removes most off-street parking mandates for developments in transit-oriented zones to encourage public transit use
- Bypasses local rezoning processes to speed up housing approvals near transit

Implications for Transportation:

- Bill 47 establishes transit-oriented development (TOD) as a formal provincial policy direction, prioritizing public transit as the central focus for land use planning within designated Transit-Oriented Areas (TOAs)
    - While Courtenay is not currently subject to these requirements, future transit service improvements such as enhanced frequency or infrastructure at key exchange locations could bring areas like Downtown Courtenay closer to the thresholds set by the legislation
    - Enhancing pedestrian and cycling infrastructure around existing exchanges (e.g., Cliffe/4th) remains aligned with TOD principles and supports long-term transit readiness
- Properties within 15-minute walking radius of the downtown core, or town centres, or urban corridor, be reduced by one stall per property

- Courtenay will need to manage on-street parking pressures and support transportation alternatives by encouraging active transportation infrastructure, improving public transit, and enabling shared mobility options such as bike-share and car-sharing services
- Provincial transit funding is more likely to prioritize regional transit systems that support and align with the principles established under Bill 47, such as higher-density development near transit and integrated land use planning

GROWTH AND DEVELOPMENT IN COURTENAY

Through our review, there appears to be some misalignment between population density and growth centres, which suggests that transit and active transportation infrastructure may not be optimally located to serve the areas with the highest concentration of people, thereby reducing overall efficiency and effectiveness. In addition, medium to low densities in certain areas with high transit accessibility (especially those along the FTN) may indicate that these areas are underutilized from a transportation efficiency perspective. Meanwhile, existing clusters of density tend to rely more heavily on personal vehicles for meeting basic needs, limiting the potential for active transportation and public transit to serve as viable alternatives. These patterns are illustrated in the graphics provided in **Appendix I**.

Adding to these challenges, some of the City's new residential developments and designated growth areas are located at considerable distances from the FTN. Crown Isle, a master-planned community in East Courtenay, is an example where urban planning issues are a focal point. Higher density has led to increased traffic volumes on certain routes such as Idiens Way becoming main thoroughfares. This shift in traffic patterns has prompted discussions about the adequacy of existing infrastructure and need for potential traffic calming measures. The City launched a pilot project in 2022 in response to safety concerns to reduce the posted speed limit from 50 km/h to 40 km/h[1]. Copperfield Road in West Courtenay (the location of a new 39-unit subdivision on a six-acre site) is another area with connectivity issues and significant dependence on private vehicles due to dispersed land use.

The Complete Communities Growth Assessment (2024) states that the existing urban containment boundary has sufficient capacity to accommodate the housing required to meet population projections and demand over the next 20 years. Emphasizing developing within the current growth centers within the FTN helps to limit urban sprawl, preserving surrounding natural and agricultural lands while promoting more compact and efficient urban growth.

Transit use is typically higher among lower income households as noted within **Figure 3**. The rapid development of high-density housing near transit hubs can lead to the displacement of existing low-income renters. As property value rises, landlords may choose to redevelop properties, evicting tenants who can longer afford the increased rents. Without strong inclusionary zoning policies, the

[1] Pilot Project Reducing Road Speeds in Crown Isle | City of Courtenay

new developments may not include enough affordable units to meet the needs of low-income households.

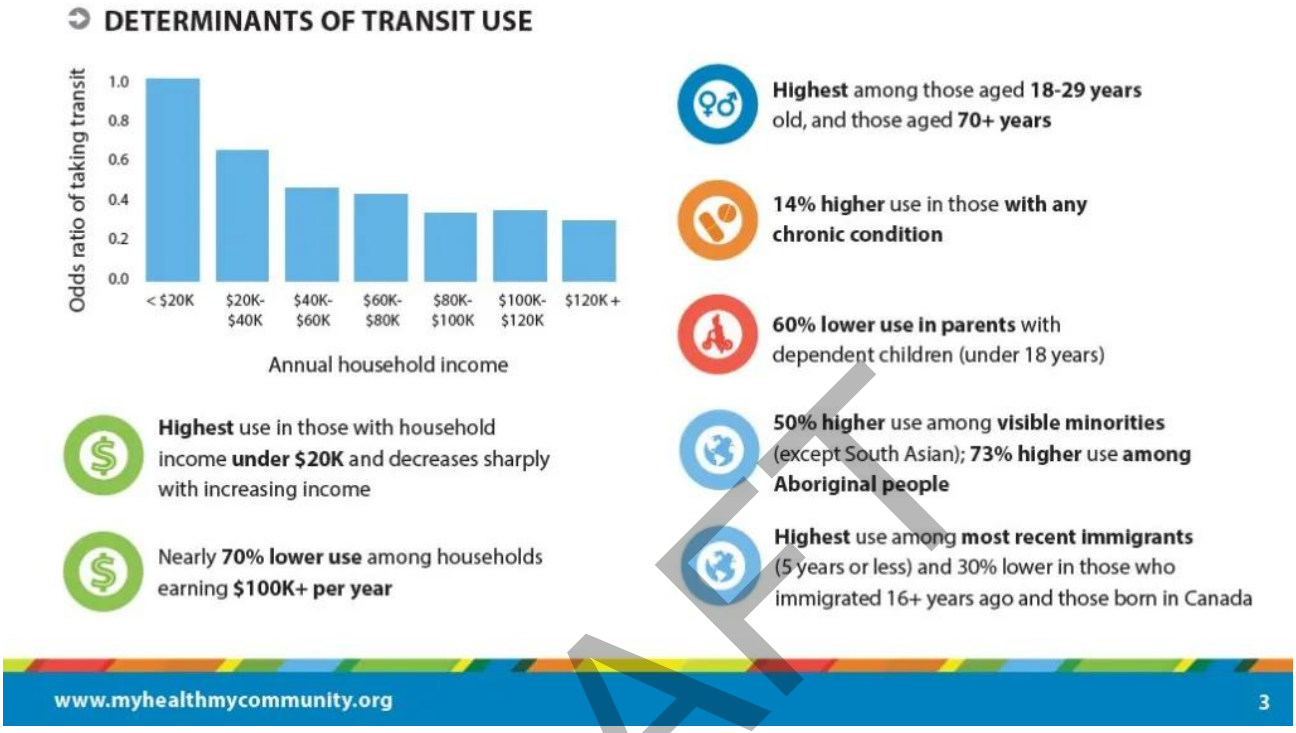


Figure 3 – Results From Transportation Survey in Metro Vancouver[2]

ROADS, EAST AND WEST COURTENAY

Courtenay's street network faces a range of challenges that impact mobility and overall transportation efficiency. Natural barriers such as the Puntledge and Tsolum Rivers limit east-west connectivity and concentrate traffic onto a few key corridors. As a result, major routes like Ryan Road, Highway 19A, and the city's limited river crossings often experience significant congestion, particularly during peak periods. As presented in **Figure 4**, several intersections within the network have been identified as collision hotspots, raising safety concerns for drivers, cyclists, and pedestrians.

While Bill 44 reduces minimum parking requirements, particularly near public transit, actual parking demand may still increase due to population growth, potentially leading to on-street parking pressures. Currently, parking in Downtown Courtenay is free, and the City is exploring the feasibility of implementing residential on-street parking options to help manage parking demand that may not be met on-site within the R-SSMUH zone.

[2] Transit use is highest among lower income households « Fraseropolis

Upgrading roads in areas experiencing increased density often necessitates significant changes to existing infrastructure. These projects can have substantial implications for underground utilities such as water, sewer, and electrical systems, as relocating these services is often costly and time-consuming. In addition to lane closures, detours, delays, and impacts to local businesses, upgrades also require careful coordination with key stakeholders, including emergency services, public transit providers, municipal departments, and utility companies, to minimize disruption and ensure continued access and safety during construction.

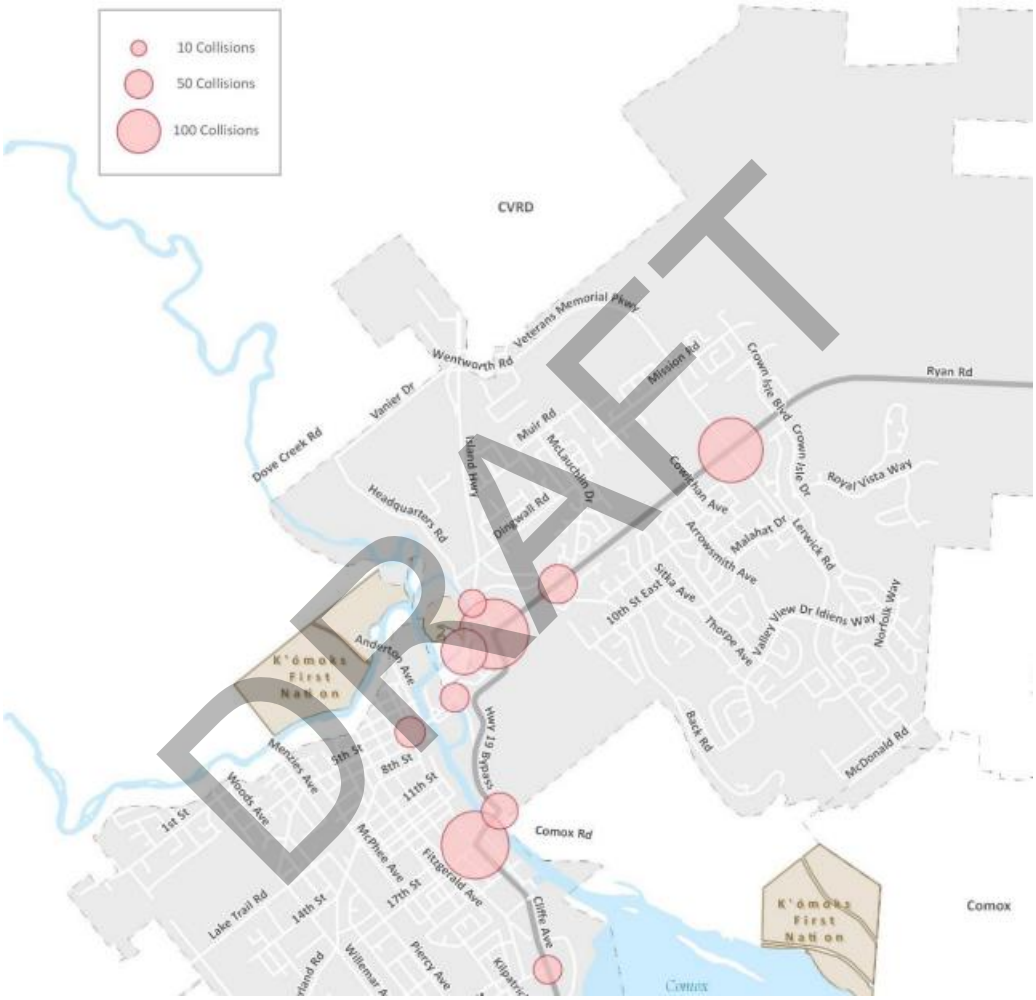


Figure 4 – Top Collision Locations From the Transportation Master Plan

THE DIVIDE OF EAST AND WEST COURTENAY

The issue of separation between East and West Courtenay primarily revolves around the limited number of river crossings, especially for pedestrians and cyclists. Courtenay is split by the Courtenay River, with two vehicle bridges (i.e. the 5th and 17th Street bridges). This has led to reduced connectivity for non-drivers, social and economic separation between neighborhoods, and limited access to downtown-area services for East Courtenay residents.

The 21st Street and 29th Street bridge proposals have been reviewed in the past as potential long-term solutions to improve connectivity between East and West Courtenay, especially for vehicle traffic. As of 2025, neither of these projects is currently moving forward due to planning constraints, environmental and community impacts.

Figure 5 presents the crossing options reviewed to connect east and west Courtenay.

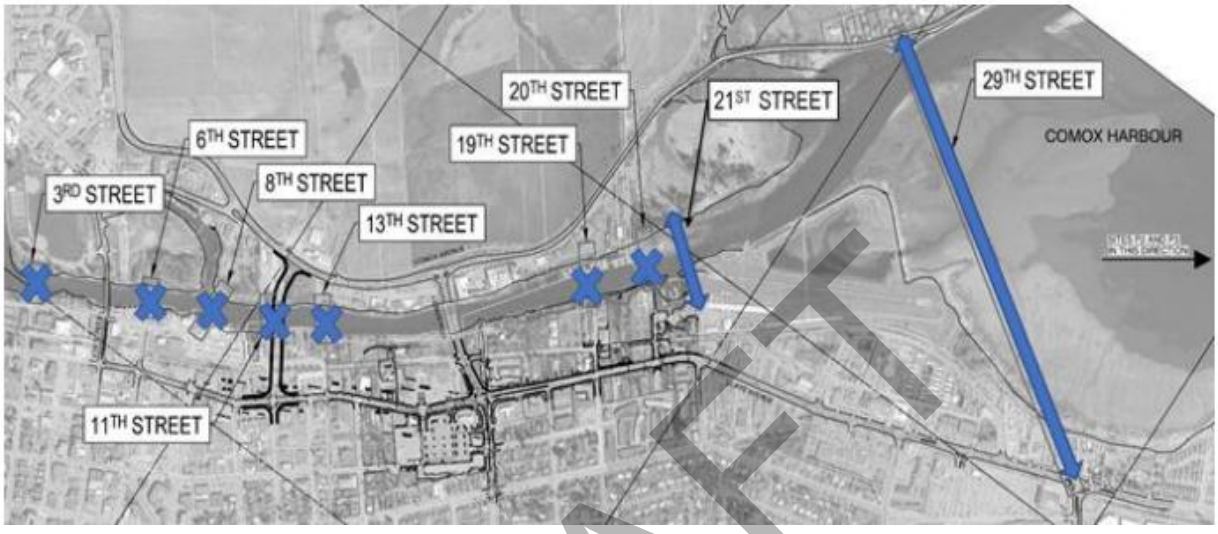


Figure 5 – Historical Crossing Options From the Transportation Master Plan

RECOMMENDATIONS FOR IMPROVING STREETS AND CONNECTIVITY

- Prioritize capital investments in street infrastructure within high-density areas and along the Frequent Transit Network (FTN), with special attention to neighborhoods anticipated to support small-scale multi-unit housing
- Improve traffic flow and multimodal accessibility by expanding smart signal infrastructure:
    - Support implementation of adaptive signal control on Ryan Road and Highway 19A in coordination with the Ministry of Transportation and Transit, and continue exploring signal coordination improvements along Cliffe Avenue at 8th, 6th, and 5th Streets
    - Install transit signal priority at additional intersections along Ryan Road and Cliffe Avenue to support faster, more reliable bus service
    - Upgrade pedestrian infrastructure with countdown timers and audible signals near recreational and institutional facilities to enhance accessibility and safety
- Investigate the feasibility of integrating bioswales and permeable surfaces into street and corridor upgrades, aligning infrastructure development with the City's sustainability goals
- Continue to develop east-west transportation links to improve access across the City

- Identify and protect potential right-of-way to support long-term network resilience and future capacity upgrades, including potential improvements to the 5th Street Bridge corridor
- Advance the construction of the 6th Street Active Transportation Bridge, which will create a central, safe, and inviting pedestrian route across the Courtenay River
- Consider the feasibility of a seasonal passenger ferry along the Courtenay River with multiple passenger terminals to support longer term riverfront redevelopment

PUBLIC TRANSPORTATION NETWORK

Public transit in Courtenay is provided by the Comox Valley Transit System, operated by BC Transit, with a network of bus routes connecting the City with neighboring communities (i.e. Comox, Cumberland, Royston, and Fanny Bay). Currently, Courtenay does not have rapid transit systems such as light rail. Transit accounts for approximately 3% of all commute trips in Courtenay. The city aims to double the share of sustainable transportation modes from 15% to 30% of all trips (6% for transit). For a region with approximately 70,000 residents, the 16-route transit network provides a high level of coverage. However, within Courtenay specifically (population 28,000[3]), there appear to be inefficiencies in how local routes serve key destinations and travel patterns. **Figure 6** presents the existing transit network within the City of Courtenay.

To enhance transit services, five new transit exchanges are being developed across the Comox Valley including three in Courtenay[4]. These exchanges will feature new amenities such as bus bays, shelters, bike racks, and wider sidewalks. While construction at some sites, such as Comox and North Island College (NIC), is expected to begin shortly, others may follow over the next couple of years, with phased completion anticipated through 2026.

Over 75% of surveyed residents reported never using transit, and the system is severely underutilized relative to its coverage and the number of routes. Public perception of transit efficiency is low, with a majority (60%) of respondents consider the current transit system to be inefficient. Additional issues include:

- Infrequent and inconsistent service, as most routes operate with hourly frequency, even during peak hours
- Indirect and complex routing, as many transit routes loop through neighborhoods or take circuitous paths to serve multiple areas in one trip
- Transit driver shortages and service disruptions

[3] Profile table, Census Profile, 2021 Census of Population - Courtenay, City (CY) [Census subdivision], British Columbia
[4] Comox Valley Transit Exchange - Comox Valley Regional Transit

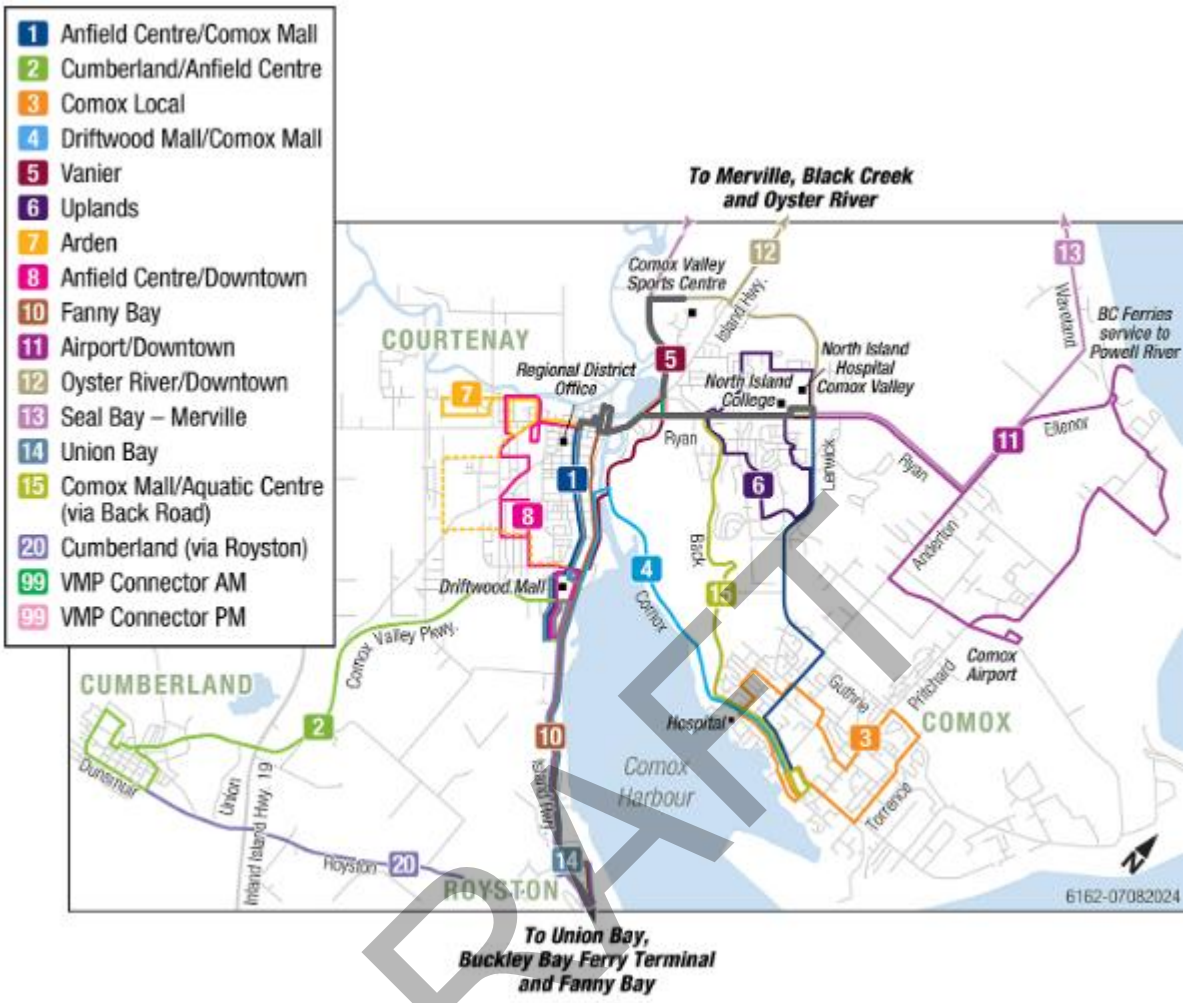


Figure 6 – Transit Routes Within the Courtenay Region

RECOMMENDATIONS FOR IMPROVING TRANSIT

- Conduct a comprehensive review of current transit operations
    - This should include an analysis of boarding and alighting data to identify opportunities for route consolidation, optimize stop locations, and prioritize service areas based on existing community demand
    - Use community input, especially seniors and students, to understand transit constraints for the noted demographic groups
- Reduce redundant route lines to streamline services by eliminating overlapping or underused routes, while optimizing network efficiency to improve service reliability and reduce operational costs
- Reduce or eliminate one-way (circuitous) routes or multi-destination circuits
- Replace infrequent loops in far neighborhoods with on-demand shuttles or microtransit

- Prioritize increasing transit services that cross the 5th and 17th Street bridges to improve connectivity between East and West Courtenay
    - Services Over 5th Street Bridge: Routes 1, 5, 6, 11, 12, 13, VMP Connector
    - Services Over 17th Street Bridge: Routes 4, 5

CYCLING NETWORK

Cycling accounts for 4% of all commute trips to/from work and school in Courtenay (Cycling Network Plan), well below the 10% target set by the OCP. From public engagement insight, 32% of survey respondents cycle at least once a week and 58% of respondents support increased investment in cycling infrastructure. These findings suggest that with targeted improvements (particularly in safety, connectivity, and comfort), the cycling network has the potential to be significantly more effective in encouraging mode shift. This supports the feasibility of achieving the OCP's goal to double the mode share for cycling.

There is a strong base of off-street paths for cyclists, as approximately 44% of the existing network consists of paved off-street multi-use pathways. The 5th Street Complete Streets Pilot Project introduced Courtenay's first protected bike lanes, setting a precedent for future Triple A (All Ages and Abilities) infrastructure. The existing cycling network in Courtenay includes painted bicycle lanes on both sides of Fitzgerald Avenue (between Cumberland Road and 21st Street) and signed paved shoulders on routes such as Lerwick Road and Cumberland Road. Additional bikeways exist in East Courtenay, including along Back Road, and 17th Street serves as a key east-west connection across the City, supporting both commuter and recreational cycling.

Several key issues were identified with the existing cycling network:

- Current routes do not adequately connect to key destinations like schools and commercial areas
    - A network of both formal and informal paved and unpaved trails connects schools, North Island College, and North Island Hospital, may not be accessible for users of all ages and abilities
    - The schools in west Courtenay are not connected to comfortable and protected cycling facilities
- The 5th and 17th Street bridges are not designed for safe, comfortable cycling (riders must dismount or share narrow lanes with vehicles)
- Highways and arterials (such as Ryan Road) are not protected nor bike-friendly

RECOMMENDATIONS FOR IMPROVING CYCLING INFRASTRUCTURE

- Expand the cycling network with focus on:
    - Connecting existing cycling routes (**Appendix II**)

    - Consider opportunities to enhance multi-modal connectivity by improving cycling infrastructure along or near select Frequent Transit Network (FTN) corridors, where feasible, such as Fitzgerald Avenue
    - Prioritizing buildout between urban centers (UC-UC) and connecting growth areas to employment hubs to support mode shift and reduce vehicle occupancy
- Implement AAA infrastructure, emphasizing protected bike lanes, multi-use pathways, and well-lit routes to ensure comfort and safety
- Upgrade unpaved multi-use pathways, such as the segment along Veterans Memorial Parkway to paved, all-weather surfaces that are suitable for those using mobility devices
- Explore rapid implementation strategies to rapidly deploy cycling infrastructure between key missing links
- Leverage the existing Courtenay Riverway and Rotary Trail active transportation corridors to expand the network with new perpendicular routes along low traffic volume corridors
- Align cycling infrastructure improvements with the City's Safe and Active School Travel Planning efforts by prioritizing routes to schools and improving connections around school zones to enhance safety and encourage walking and biking for students

SIDEWALK AND PEDESTRIAN NETWORK

Walking accounts for 8% of all commute trips in Courtenay, and the city has about 173 km of sidewalks, with 65% of streets having sidewalks on at least one side. Refer to **Appendix II** for the sidewalk network map. There are gaps in the sidewalk network, especially on major roads and near transit routes. From community feedback, key concerns include unsafe or incomplete sidewalks, difficult crossings on major roads, and lack of accessibility for people with mobility challenges. The following summarizes existing sidewalk coverage in Courtenay:

- Arterial Roads: Nearly half (48%) lack any sidewalks
- Provincial Roads: 45% lack any sidewalks
- Frequent Transit Network: Contains several sidewalk gaps
- Collector Roads: Over half (52%) either have no sidewalks or only on one side
- Local Roads: A majority (71%) either have no sidewalks or only on one side

RECOMMENDATIONS FOR IMPROVING PEDESTRIAN INFRASTRUCTURE

Considering the new provincial legislation, enhancing walkability in Courtenay is imperative. Supporting walking not only aligns with local land use and transportation goals but also reinforces broader provincial priorities such as reducing greenhouse gas emissions, improving public health,

and fostering vibrant urban environments. Walking is not only a sustainable transportation choice, but also the primary and often only viable form of independent mobility for young children, seniors, and individuals with disabilities. Unlike other modes of transportation that may require specialized infrastructure, equipment, or licensing, walking is universally accessible when environments are designed inclusively.

Some goals for walking in Courtenay that align with both local planning and provincial priorities may include:

- Promoting walking as the primary mode for short trips (under 2 kilometres)
- Increasing walking trips to key destinations and transit
- Completing sidewalk coverage along the FTN
- Enhancing connectivity within and between urban centers, major destinations, and the FTN
- Establish crosswalk improvement program to deliver new/improved crosswalk infrastructure

PARKS AND TRAILS

The Courtenay Parks and Recreation Master Plan is a comprehensive 10-year strategic document to guide planning, developing, and managing of parks. As noted in the executive summary of the plan, "The greatest improvements wanted for parks and outdoor recreation are more trails for walking and cycling".

There are 35 kilometers of mapped trails in Courtenay, including multi-use and nature trails (gravel/dirt). Multi-use trails consist of the Valley View Greenway (in East Courtenay), the Courtenay Riverway Trail, and the E&N Rotary Trail (in West Courtenay).

Figure 7 presents survey results of the most visited parks and trails within Courtenay.

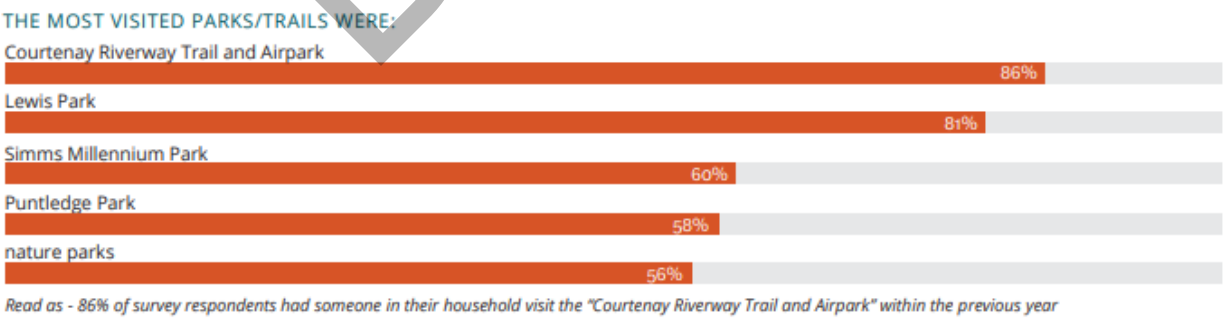


Figure 7 – Survey Results From Parks and Recreation Master Plan

Links between popular trails are lacking and expansion of the existing system will provide connectivity. Some trails are difficult to reach or poorly signed. There are some missing links between parks, schools, and neighborhoods.

RECOMMENDATIONS FOR IMPROVING THE TRAIL NETWORK

Courtenay should continue to pursue the study, planning, and potential development of a continuous trail connection along the Puntledge River, linking Bear James Park, Puntledge Park, McPhee Meadows, and Condensory Park. While recognizing the challenges posed by private land ownership and unstable terrain, this corridor represents a high-value opportunity for nature-based recreation, ecological connectivity, and community access to the river. Future efforts should include:

- Feasibility assessments and environmental studies
- Engagement with landowners and stakeholders
- Identification of interim improvements (e.g., signage, sidewalks)
- Exploration of funding and partnership opportunities

Pursue regional trail expansion with a focus on:

- Connecting to Comox through safe, continuous multi-use paths
- Extending trails north and south to serve growing residential areas
- Enhancing the river corridor with trails that provide scenic, ecological, and recreational value
- Improved connectivity to Comox Valley Regional District (CVRD) greenways and trail systems

Explore the opportunity to extend the Rotary Trail as an active transportation greenway, with the long-term goal of connecting it to Puntledge Park and the McPhee Meadows area. This alignment could follow the existing, non-operational rail corridor where feasible, enhancing east-west connectivity and linking key parks, neighbourhoods, and natural areas. This connection would support broader goals for a continuous trail network along the Puntledge River corridor. The ongoing Island Rail Corridor visioning process may influence future access to this corridor and should be monitored as part of long-term planning.

THEMATIC POLICIES FOR STREETS AND TRANSPORTATION

Section C from the City of Courtenay's OCP is organized into thematic policy areas, each addressing a key aspect of community planning and development. Aplin Martin has reviewed the transportation-related strategies, particularly as they relate to housing, land use, and infrastructure planning. In light of recent provincial legislation, Aplin has provided additional recommendations and points for consideration to ensure alignment with new requirements. These recommendations aim to support the City's efforts in promoting housing diversity, streamlining approval processes, and enhancing the OCP's capacity to responding to evolving community needs.

The City should proactively plan for potential Transit-Oriented Area (TOA) designations within 400 metres of key transit exchanges, in alignment with the requirements of Bill 47. This includes

identifying candidate areas and updating the Official Community Plan (OCP) and zoning bylaws to reflect minimum allowable densities and building heights, where appropriate. Although Courtenay's transit exchanges have not yet been formally designated by the Province, early alignment with TOA principles can support future eligibility and funding opportunities. The following policies were drawn from the "Streets and Transportation" section.

ST 3: Support and participate in a regional approach to multi-modal transportation planning, delivery of infrastructure and services in accordance with this plan.

- Courtenay should coordinate its efforts and planning with the Town of Comox, the Comox Valley Regional District, and other regional authorities to ensure alignment and efficiency in shared initiatives and regional development

ST 9: Establish and promote incentive programs to support uptake of electric bikes in partnership and in relation to others developing such programs to cover gaps and maximize rebate uptake.

- Focus on closing equity gaps by prioritizing rebates for low-income households, seniors, students, and residents of affordable housing
- Target implementation in Transit-Oriented Areas (TOAs), town centers, and high-density neighborhoods to maximize practical uptake
- Be paired with investments in secure bike parking, e-bike charging infrastructure, and protected cycling routes
- Include outreach and education programs (e.g. test rides, e-bike safety courses, and maintenance workshops)

ST 10: Supplement public amenity spaces within road rights of way in Downtown, Town, and Neighbourhood Centres by providing more places for people to gather…

- Coordinate with private redevelopment projects and business districts to leverage public realm improvements as part of growth in densifying areas

ST 12: Amend the Subdivision and Development Servicing Bylaw to incorporate wherever feasible the BC Active Transportation Design Guide recommendations…

- Coordinate design standards with objectives in the Parks and Recreation Master Plan, the Transportation Master Plan, and Transit Future Plan to ensure cohesive infrastructure delivery

ST 13: Develop a strategy to increase bike parking throughout Courtenay.

- Prioritize high-density areas, Transit-Oriented Areas (TOAs), Town Centers, Neighborhood Centers, and destinations along the FTN

- Include a range of bike parking types, including short-term racks, long-term secure lockers, and weather-protected facilities
- Ensure infrastructure supports e-bikes, cargo bikes, and adaptive bikes, including options for charging and oversized parking
- Integrate equity considerations, ensuring equitable access to bike parking across all neighborhoods and income levels

ST 14: Create an electric vehicle (EV) public charging network plan to ensure that public electric vehicle (including electric bike) charging and parking facilities are conveniently distributed throughout the city…

- Ensure that EV charging infrastructure is prioritized in high-density areas, especially those designated as Transit-Oriented Areas (TOAs), to support the reduction of parking minimums and encourage sustainable transportation in these zones
- Incorporate infrastructure for electric bikes (e-bikes) alongside electric vehicle charging, especially in multi-use areas, to support the integration of sustainable active transportation options
- Establish a structured framework for public-private partnerships (PPPs) to encourage businesses and property owners to invest in EV infrastructure, including incentive programs and grant opportunities to reduce installation costs

ST 15: Establish and/or promote incentive programs including rebates, bulk purchasing and financing mechanisms to install EV charging stations…

- Ensure incentive programs target low-income communities and affordable housing
- Link EV charging incentives with green building standards to promote sustainability

ST 16: Amend off -street parking requirements in the Zoning Bylaw…

- Include requirements for dedicated car share spaces in medium- and high-density residential or mixed-use developments, particularly in urban centers and TOAs
- Study policy opportunities to introduce parking maximums
- Introduce a framework to monitor and review parking demand, mode shift, and land use impacts at regular intervals, and adjust bylaws accordingly
- Coordinate with BC Housing and non-profit providers to ensure parking changes do not burden affordable or supportive housing developments

IMPLEMENTATION STRATEGIES

To effectively support the recommendations outlined in this review and ensure alignment with the City's strategic goals and legislative obligations, implementation should be approached in a phased manner. For many of the initiatives identified, costing and/or feasibility analysis will be required so that the City's financial plan can be updated to incorporate the supported recommendations. Revisiting the Development Cost Charges (DCCs) bylaw to reflect the updated policy directions will be necessary to support implementation without placing undue burden on existing taxpayers. Urban Systems is currently working with the City of Courtenay and the draft report titled "Development Cost Charge Bylaw 2025 – Draft Background Report" was shared with Aplin.

To assist with planning and execution, the strategies listed below have been categorized into short-term (S), medium-term (M), and long-term (L) actions. These definitions were based on anticipated complexity, required coordination, and delivery timelines. Timeframes are intended as a general guideline and may shift depending on available resources, funding, and emerging priorities.

STRATEGIES FOR ROAD NETWORK

- (M) Integrate complete streets principles by adding protected bike lanes, accessible sidewalks, and safe crossings for all new streets (especially along the FTN) as standard elements in intersection design
- (S) Require that street upgrades prioritize sustainable modes (walking, cycling, transit) before expanding vehicle capacity
- (M) Update the OCP growth areas and land use designations to match the long-term street network, and require TIAs for new developments that consider multi-modal access and connectivity
- (S) Include a policy to acquire rights of way for future corridor upgrades and extensions
- (L) Strengthen east-west and north-south connectivity to reduce pressure on key corridors and improve access between neighborhoods, especially across natural barriers

STRATEGIES FOR PUBLIC TRANSIT

- (S) Ensure new developments are located near or integrated with the FTN
- Enhance connectivity to growth areas
    - (S) Prioritize development in areas identified for population or employment growth
    - (M) Strengthen links between new developments and existing or planned urban centers
- Maintain route directness to major destinations
    - (M) Design transit routes that minimize detours and travel time

    - (M) Focus on efficient connections to major destinations such as downtown, institutions, the hospital, ferry terminals, and commercial centers

- (L) Reduce redundant route lines to streamline services by eliminating overlapping or underused routes, while optimizing network efficiency to improve service reliability and reduce operational costs

STRATEGIES FOR CYCLING NETWORK

- In addition to expanding the cycling network, the city should prioritize improvements to existing infrastructure to enhance safety and usability
    - (M) Upgrading unpaved multi-use pathways, such as the segment along Veterans Memorial Parkway to paved, all-weather surfaces that are accessible year-round and suitable for those using mobility devices
- (S) Leverage DCCs to build out the missing links between FTN, UC-UC, growth areas and key destinations
- A strong partnership with School District 71 will help ensure that cycling is an attractive option for students and their families
    - (M) Providing secure bike parking and end-of-trip facilities at all elementary and secondary schools
    - (M) Coordinate infrastructure improvements near schools such as protected bike lanes and safe crossings, in alignment with the City's Safe and Active School Travel Planning initiative
    - (S) Exploring potential opportunities to use school property for pathway connections or cycling amenities where appropriate

STRATEGIES FOR PEDESESTRIAN NETWORK

- (M) Create a stable funding stream to support the phased build-out of the city's pedestrian network, with a focus on filling critical sidewalk gaps, crosswalk improvements, enhancing accessibility, and implementing Safe Routes to School programs
- (M) Focus early investments on key FTN corridors with missing links, such as Ryan Road and Cliffe Avenue, to support transit access and active transportation
- (S) Prioritize pedestrian infrastructure improvements within 400 meters of transit stops
- (S) Require new developments to consider natural pedestrian movement patterns and connectivity to surrounding destinations as part of the site design and subdivision process
- Prioritize curb letdowns, tactile surfaces, and other accessibility features

- (S) Within urban centers
- (S) Along the FTN
- (S) Near recreational, educational, and institutional facilities

STRATEGIES FOR TRAIL NETWORK

- (S) Establish a policy to protect and acquire rights-of-way for future park and trail connections as opportunities arise through development or land acquisition
- (M) Improve integration and connectivity with CVRD Regional Greenways (multi-use trails through parks/green spaces/river front)
- (S) Dedicate public space for community use through rapid implementation strategies: low-cost, temporary installations that can be piloted, evaluated, and potentially made permanent based on community uptake and success.
- (M) Explore the potential to reallocate portions of existing vehicle lanes to expand sidewalks or create multi-use paths

DCC OVERVIEW FOR TRANSPORTATION PROJECTS

The 2025 Development Cost Charge (DCC) Background Report for the City of Courtenay includes a detailed section on transportation, which outlines how transportation-related infrastructure costs are calculated and allocated to new developments. The cost allocation is summarized below:

- Total Transportation Capital Cost: $73 million
- DCC Recoverable Portion: $30 million (42-100% benefit to new development)
- Municipal Contribution: $42 million
- Municipal Assist Factor: 1%

Land Use	Unit of Charge	Transportation	Water	Drainage	Sewer	Parks	Fire	Proposed Rate (2025)
Low Density Residential	lot / dwelling unit	$3,537.00	$654.00	$1,192.00	$4,727.00	$9,149.00	$2,475.00	**$21,734.00**
Medium Density Residential	dwelling unit	$1,987.00	$356.00	$953.00	$2,574.00	$4,983.00	$1,348.00	**$12,201.00**
High Density Residential	m² gross floor area	$26.51	$4.18	$4.82	$30.29	$58.62	$15.86	**$140.28**
Commercial	m² gross floor area	$46.56	$1.36	$5.36	$9.85	$19.06	$5.16	**$87.35**
Institutional	m² gross floor area	$46.56	$1.36	$5.36	$9.85	$0.00	$5.16	**$68.29**
Industrial	m² gross floor area	$3.80	$0.88	$2.03	$6.33	$0.00	$3.31	**$16.35**

Figure 8 – Proposed DCC Rates From Development Cost Charge Bylaw 2025 (Draft, Urban Systems)

Moreover, costs are distributed based on trip generation rates for each land use type, using data from the ITE Trip Generation Manual. Key major projects included in the DCC program include:

- Ryan Road widening
- Intersection upgrades
- Protected bike lanes
- Sidewalk improvements
- 6th Street bridge

Refer to **Appendix III** for the complete DCC transportation program and calculations.

AVAILABLE FUNDING STREAMS

- The Federation of Canadian Municipalities (FCM) supports active transportation infrastructure through various funding programs.
- The Green Municipal Fund (GMF), a partnership between FCM and the Government of Canada, provides funding and resources for sustainable community projects, including those related to active transportation.
- The Municipal Asset Management Program (MAMP) assists municipalities in making informed investment decisions about their infrastructure needs.
- The B.C. Active Transportation Infrastructure Grants Program provides funding to municipalities, regional districts, and Indigenous communities to plan and build infrastructure that supports walking, cycling, and other forms of active transportation.
    - The program offers up to $500,000 per infrastructure project and up to $50,000 for network planning. However, network planning grants are only available to communities with populations under 25,000 and with network plans at least five years old (provincial contribution is capped at 50% of eligible project costs).
    - Projects must align with an approved active transportation network plan and support the goals of CleanBC by promoting sustainable, low-carbon travel.
    - For the 2024/25 intake, $20 million is available, with applications for local governments open from September 3 to October 31, 2024, and Indigenous or partnership applicants able to apply year-round.
- The Insurance Corporation of British Columbia (ICBC) offers funding through its Road Improvement Program, which supports municipalities in enhancing road safety infrastructure. This program funds a variety of safety measures, including traffic signal upgrades, pedestrian crosswalk enhancements, and anti-skid treatments. It's important to note that ICBC's Community Grants Program primarily supports community organizations focused on road safety education and injury recovery initiatives. This program does not fund infrastructure projects directly.

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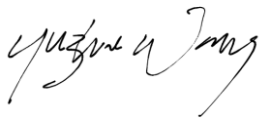
By integrating current trends, legislative changes, and infrastructure needs, this report offers a strategic framework for updating the OCP to support a more connected, sustainable, and inclusive transportation network. As Courtenay continues to evolve, ongoing coordination between transportation planning, housing development, and accessibility initiatives will be essential to building a resilient and connected community.

If you have any questions, please do not hesitate to reach out to the undersigned.

Yours truly,
APLIN & MARTIN CONSULTANTS LTD.

Prepared By:



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Enclosures:
Appendix I: Density and Redevelopment in Courtenay
Appendix II: Bicycle and Sidewalk Network in Courtenay
Appendix III: Development Cost Charge for Projects

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APPENDIX I

Density and Redevelopment in Courtenay

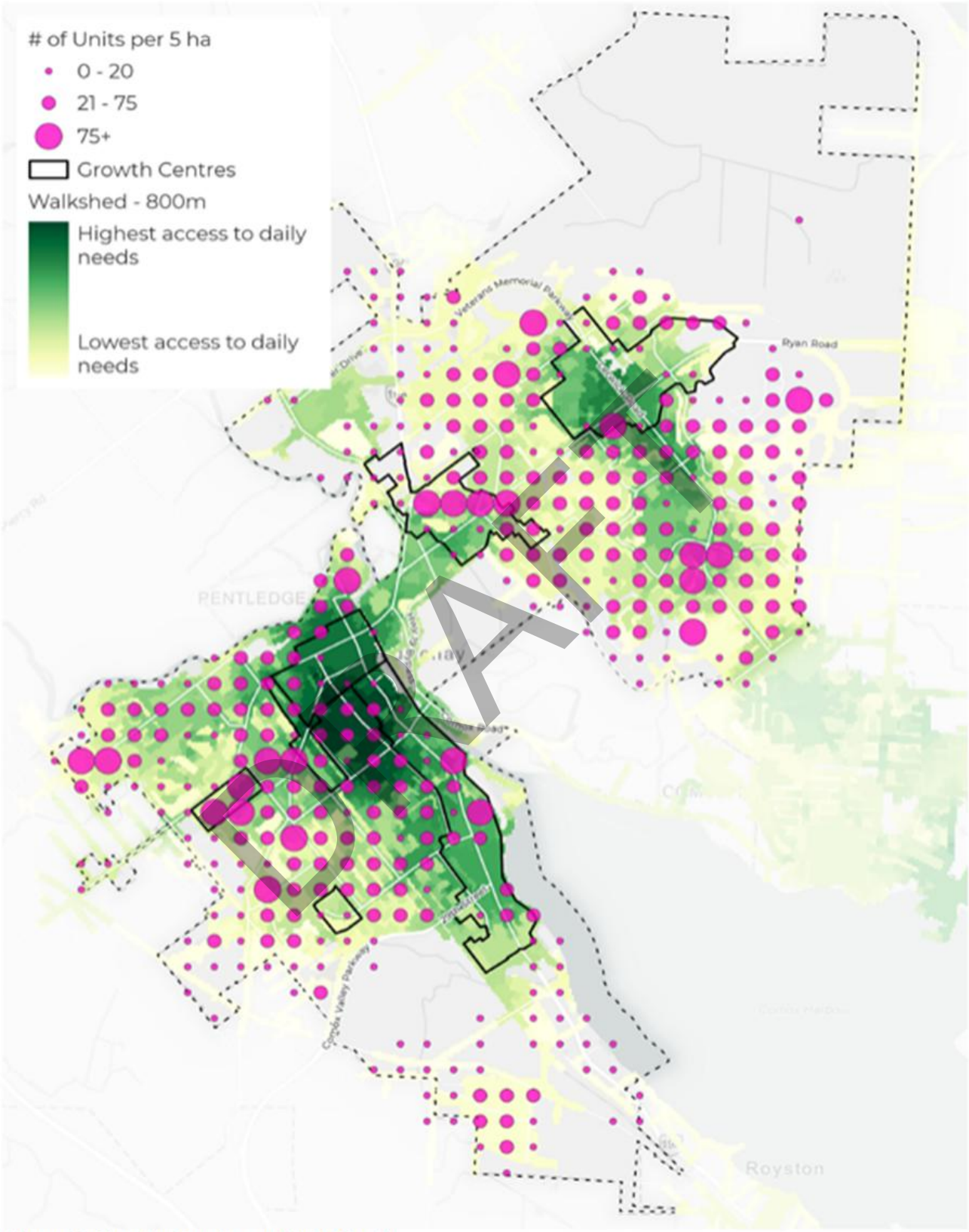

Figure 11: Housing Density and Daily Needs

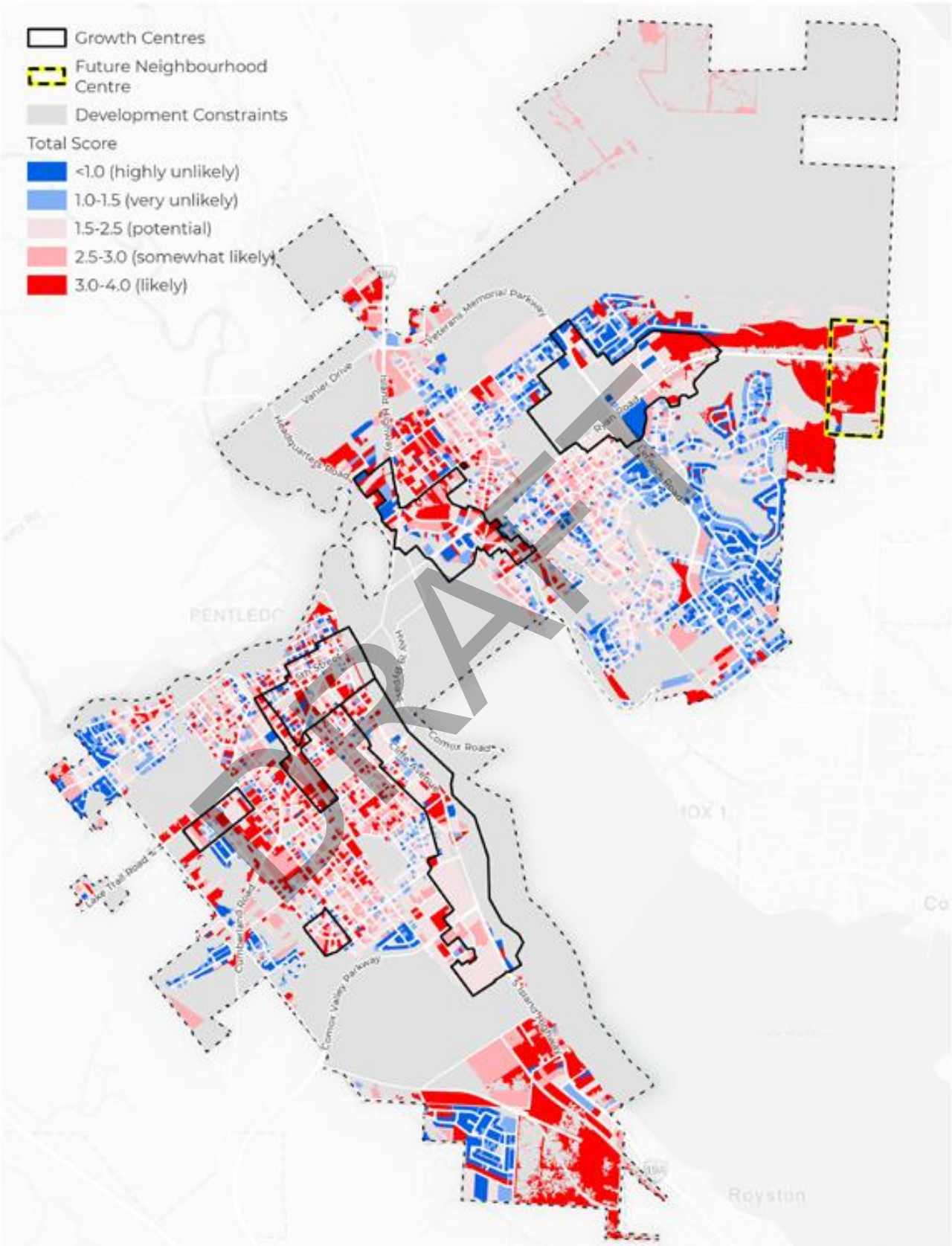

Figure 10: Likelihood of redevelopment scores across Courtenay, with OCP Growth Centres shown in black

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APPENDIX II

Bicycle and Sidewalk Network in Courtenay

Figure 1: Existing Bicycle Network

Figure 5-1: Sidewalk Inventory and Key Gaps

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APPENDIX III

Development Cost Charge for Projects

CITY OF COURTENAY
TRANSPORTATION DCC PROGRAM

DCC Project ID	Col. (1)	Col. (2)		Col. (2)	Col. (3)	Col. (4) = Col. (2) x Col. (3)	Col. (5) = Col. (4) x MAF	Col. (6) = Col. (5) - Col. (4)	Col. (7) = Col. (2) - Col. (6)
	Project Name	Cost Estimate (Excl. Grants 2024$)	Grants	Cost Estimate (2024$)	Benefit Factor %	Benefit to New Development	Municipal Assist Factor 1%	DCC Recoverable	Total Municipal Responsibility
T-001	Transportation Master Plan	$750,000		$750,000	42%	$315,000	$3,150	$311,850	$438,150
Road Upgrades									
T-002	Signal upgrade & improvement program	$2,300,000		$2,300,000	42%	$966,000	$9,660	$956,340	$1,343,660
T-003	5 year Intersection controls & upgrades progam	$2,200,000		$2,200,000	42%	$924,000	$9,240	$914,760	$1,285,240
T-004	Ryan Road Widening	$3,000,000		$3,000,000	42%	$1,260,000	$12,600	$1,247,400	$1,752,600
T-005	10 year Intersection control & Upgrade Program	$3,700,000		$3,700,000	42%	$1,554,000	$15,540	$1,538,460	$2,161,540
T-006	Lerwick Road	$3,600,000		$3,600,000	42%	$1,512,000	$15,120	$1,496,880	$2,103,120
T-007	Intersection Improvements - VMP and Old Island Highway	$1,000,000		$1,000,000	42%	$420,000	$4,200	$415,800	$584,200
T-008	Intersection Improvments - Mansfield Road and Cliffe Ave.	$606,959		$606,959	42%	$254,923	$2,549	$252,374	$354,585
T-009	Intersection Improvements - Old Island Highway and Muir Road	$606,959		$606,959	42%	$254,923	$2,549	$252,374	$354,585
T-010	Ryan Road Road Widening (MoTI jurisdiction)	$3,000,000		$3,000,000	42%	$1,260,000	$12,600	$1,247,400	$1,752,600
T-011	Back Rd. from South City limit to Ryan Rd.	$2,654,219		$2,654,219	42%	$1,114,772	$11,148	$1,103,624	$1,550,595
T-012	Lerwick Rd. from McDonald to Ryan Rd.	$2,461,302		$2,461,302	42%	$1,033,747	$10,337	$1,023,409	$1,437,893
T-013	Intersection Island Hwy and Fraser Rd	$674,399		$674,399	42%	$283,248	$2,832	$280,415	$393,984
Cycling Upgrades									
T-014	6th Street Pedestrian / Bicycle Bridge	$6,900,000	$3,540,000	$3,360,000	42%	$1,411,200	$14,112	$1,397,088	$1,962,912
T-015	6th Street	$8,682,847		$8,682,847	42%	$3,646,796	$36,468	$3,610,328	$5,072,519
T-016	Lake Trail Road	$1,660,000	$686,000	$974,000	42%	$409,080	$4,091	$404,989	$569,011
T-017	Fitzgerald Ave Protected Bike Lanes	$5,800,000		$5,800,000	42%	$2,436,000	$24,360	$2,411,640	$3,388,360
T-018	Lerwick Road Protected Bike Lanes	$10,230,000		$10,230,000	42%	$4,296,600	$42,966	$4,253,634	$5,976,366
T-019	Old Island Hwy Protected Bike Lanes	$3,120,000		$3,120,000	42%	$1,310,400	$13,104	$1,297,296	$1,822,704
T-020	Back Road Protected Bike Lanes	$2,090,000		$2,090,000	42%	$877,800	$8,778	$869,022	$1,220,978
T-021	Cycling Plan Update	$150,000		$150,000	42%	$63,000	$630	$62,370	$87,630
Pedestrian Upgrades									
T-022	Ryan Road Sidewalk	$2,000,000		$2,000,000	42%	$840,000	$8,400	$831,600	$1,168,400
T-023	1st Street	$1,440,000		$1,440,000	42%	$604,800	$6,048	$598,752	$841,248
T-024	Cumberland Road	$300,000		$300,000	42%	$126,000	$1,260	$124,740	$175,260
T-025	Cumberland Road	$710,000		$710,000	42%	$298,200	$2,982	$295,218	$414,782
T-026	Back Road	$1,000,000		$1,000,000	42%	$420,000	$4,200	$415,800	$584,200
T-027	10th Street	$300,000		$300,000	42%	$126,000	$1,260	$124,740	$175,260
T-028	Kilpatrick Avenue	$440,000		$440,000	42%	$184,800	$1,848	$182,952	$257,048
T-029	Fitzgerald Avenue	$470,000		$470,000	42%	$197,400	$1,974	$195,426	$274,574
T-030	Valley View Drive	$680,000		$680,000	42%	$285,600	$2,856	$282,744	$397,256
T-031	Lerwick Road	$530,000		$530,000	42%	$222,600	$2,226	$220,374	$309,626
T-032	Pedestrian Network Plan	$150,000		$150,000	100%	$150,000	$1,500	$148,500	$1,500
T-033	Morrison Creek / Arden Road crossing	$3,880,000		$3,880,000	42%	$1,629,600	$16,296	$1,613,304	$2,266,696
TOTALS		**$77,086,685**		**$72,860,685**		**$30,688,488**		**$30,381,603**	**$42,479,082**

CITY OF COURTENAY
TRANSPORTATION DCC CALCULATIONS

A: Transportation DCC Calculation					
Land Use	Col. (1) Estimated New Development	Col. (2) Unit	Col. (3) Wt. Trip Rate	Col. (4) = (1) x (3) Trip Ends	Col. (5) = (4) / (a) % Trip Ends
Low Density Residential	650	lot or dwelling unit	10.43	6,780	10%
Medium Density Residential	2,600	unit	5.86	15,236	22%
High Density Residential	3,200	unit	5.81	18,592	27%
Commercial	159,300	sq. m. gross floor area	0.1373	21,872	32%
Institutional	27,100	sq. m. gross floor area	0.1373	3,721	5%
Industrial	190,700	sq. m. gross floor area	0.0112	2,136	3%
			Total Trip Ends	68,336 (a)	100%

B: Unit Transportation DCC Calculation		
Net Transportation DCC Program Recoverable	$30,381,603	(b)
Existing DCC Reserve Monies	$7,207,276	(c)
Net Amount to be Paid by DCCs	$23,174,327	(d) = (b) - (c)
DCC per Trip End	$339.12	(e) = (d) / (a)

C: Resulting Transportation DCCs				DCC Revenue Estimates
Low Density Residential	$3,537.00	per lot or dwelling unit	(e) x Col. (3)	$2,299,050
Medium Density Residential	$1,987.00	per dwelling unit	(e) x Col. (3)	$5,166,200
High Density Residential	$1,970.00 *$26.51*	per dwelling unit *per sq. m. gross floor area*	(e) x Col. (3)	$6,304,000
Commercial	$46.56	per sq. m. gross floor area	(e) x Col. (3)	$7,417,008
Institutional	$46.56	per sq. m. gross floor area	(e) x Col. (3)	$1,261,776
Industrial	$3.80	per sq. m. gross floor area	(e) x Col. (3)	$724,660

APPENDIX C

FINANCIAL TESTING TECHNICAL MEMORANDUM

city squared.

City of Courtenay – Financial Testing of Amenity Cost Charges (ACC), Inclusionary Zoning (IZ) and Density Bonus (DB)

September 2025

Contents

1 Introduction

1.1 Overview

City Squared Consulting undertook financial feasibility testing of case studies to understand whether proposed amenity cost charges (ACCs), inclusionary zoning (IZ) and density bonus charges (DB) are supportable in the City of Courtenay. This includes:

(1) Determining whether DCC and ACC charges are supportable at a base density and that the charges do not deter development, as required by Bill 46. This involves making recommendations for the minimum density where development is viable by use and area without requiring a rezoning.
(2) Determining whether additional development rights (FSR) above the base density have value and whether a density bonus charge or inclusionary zoning can be levied. Density bonus charges would be applied to floorspace in excess of base density. Inclusionary zoning would require increasing the base density to offset the cost of providing affordable units. Any funds collected through a density bonus charge could be placed in an affordable housing reserve.

The overarching goal is to ensure that both (1) revenue is collected for amenities and affordable housing and (2) levies and charges do not deter development, as required by provincial legislation. The *Amenity Cost Charges Best Practice Guide* and *Inclusionary Zoning and Density Bonusing Comprehensive Guide* require a financial evaluation to test whether the bylaw meets this condition.

1.1.1 Amenity Cost Charge and Density Bonus Prioritization

There has generally been some discussion about prioritization of charges and whether amenity cost charges or density bonus should be used to capture the land value that is created through pre-zoning/rezoning in the City of Courtenay. Amenity cost charges are used for community amenities, but cannot be used for affordable housing. Density bonus charges can be put towards an affordable housing reserve and used to fund projects. The question is therefore: *Given limited opportunity to extract land value from projects in Courtenay, what should take priority, community amenities (ACC) or affordable housing (DB)?* While this discussion is ongoing, the following analysis intended to make recommendations that **strike a balance between collecting both charges**. Since the ACCs are included in the financial analysis of each case study by area, the density bonus charges may potentially be more modest. However, **the ACCs proposed are relatively low per unit.** It is not anticipated that removing the ACCs would significantly impact the amount of the density bonus charge. However, reducing either regional or city-wide DCCs could have a larger impact, particularly in areas where development viability is challenging (downtown, rental projects).

As taken from the *Inclusionary Zoning and Density Bonusing Comprehensive Guide:* "Inclusionary zoning is typically most effective in creating new affordable housing in high density, urban areas, where the higher land costs support its use and there is often the greatest need for more affordable housing." Generally speaking, these conditions do not apply in Courtenay and inclusionary zoning is not recommended. Pre-zoning to upper densities in the best case scenarios allows projects to deliver just one or two affordable units, which is not operationally efficient. This is with the exception of one case study in Lower Ryan Road. In this area, a significant increase in development rights is contemplated through pre-zoning, allowing a contribution of 20% below market units without impacting development viability. This will be discussed later in the report.

1.1.2 Amenity Cost Charges, DB and Zoning Bylaw Update Sequencing

Once regional and local DCCs, ACCs and base densities are finalized, it is anticipated that the interim density bonus rates proposed here should be reassessed and finalized. If ACCs are updated, the **recommendation at this stage would be to keep ACCs modest,** allowing density bonus rates that are similar to those proposed to be levied on development, generating funds for affordable housing projects.

2 Case Studies

The ACC, DB and IZ provincial guidebooks stipulate that case studies must represent a good cross-section of sites where growth is occurring or anticipated to occur in a municipality. ACCs, density bonus or IZ cannot be set at a level that deters development on these types of sites. Using the Complete Communities Growth Assessment, case studies were selected to represent areas where the bulk of growth is anticipated to occur in Courtenay. The number of case studies by area is shown in the exhibit below.

Exhibit 1: City of Courtenay Complete Communities Guide – 20 Year Population Growth

	Expected 20 Yr Pop Growth	Share of 20 Year Pop Growth	Case Studies Tested
Downtown Town Centre	2,247	15%	4
Cliff Avenue Urban Corridor	1,191	8%	2
Lake Trail Neighbourhood Centre	678	5%	2
Lower Ryan Road Town Centre	292	2%	0
Lower Ryan Road Multi-Residential Area	790	5%	1
McPhee Neighbourhood Centre	569	4%	1
Tin Town Neighbourhood Centre	358	2%	0
Upper Ryan Road Town Centre	177	3%	0
Town Centres Growth	**6,302**		
Urban Residential SSMUH	7,036	47%	3
Urban Residential Single Res / Single Res w/ SS	1,692	11%	
Total Population Growth	**15,030**		**13**

Source: Complete Communities Guide

Case studies were selected from all Town Centre growth areas, with the exception of Tin Town and Upper Ryan Road Town Centre. Upper Ryan Road Town Centre was excluded as the Complete Communities Growth Assessment showed a small amount of growth occurring in this area. However, a forthcoming masterplan associated with undeveloped Crown Isle lands north of Ryan Road that includes portions of Upper Ryan Road and Urban Residential land that could accommodate a significant amount of growth, as well a proposed growth centre along Anderton Road, all could have considerable growth potential within the next 20 years.

Given these areas have not been financially tested, pre-zoning and density bonusing is not recommended at this stage. Not all areas must be pre-zoned, particularly where there is wide variation in lot size, zoning and development economics (Upper Ryan Road, areas outside of Town Centres). Pre-zoning has the potential to significantly impact land values, so testing is recommended before it is undertaken.

2.1 Low-Rise Apartment Redevelopment Case Studies (4 to 6 storeys)

Case studies from each area include:

- **Cliffe Avenue Corridor:** Two (2) case studies were selected from Cliffe Avenue Corridor. This area is ideal for redevelopment based on large parcel sizes and relatively low density improvements. Two sites with one storey commercial buildings on large lots were selected for testing as these would be the most attractive to a developer.
- **Downtown:** Four (4) case studies were selected from the Downtown Plan Area. Case studies selected represented a cross-section of types, including an assembly of single family dwellings, a one storey commercial building on a large lot in the core, a one storey commercial building on a large lot on the periphery of the downtown and an assembly of smaller commercial buildings in the core. Each of these case studies will have different redevelopment economics and standards of viability so it is important to understand the spectrum of impacts of levies and charges.
- **Lower Ryan Road:** Lastly, a case study on Lower Ryan Road was selected to test the impact of charges and levies on development viability in a suburban context.

Exhibit 2: City of Courtenay Cliffe Avenue, Downtown and LRRMR Case Studies

Case Studies			Existing Use	Assessed Value	Square Metres	Square Feet	Assessed Value PSF	Designation	Zoning
1	Cliffe Ave Corridor	1175 Cliff Avenue	One Storey Commercial	$1,189,900	3,637	39,152	$30.39	Urban Corridor	MU-2
2	Cliffe Ave Corridor	2355 Mansfield Drive	One Storey Commercial	$1,369,000	2,821	30,367	$45.08	Urban Corridor	CD-28
4	Downtown	670 McPhee, 783, 775,767 7th Street	3 Single Family Dwellings	$1,480,000	1,895	20,393	$72.57	Downtown	R4-B
5		407 5th Street	One Storey Commercial	$1,478,000	0.342	14,898	$99.21	Downtown	C-1
6		367, 355, 351 6th Street	One or Two Storey Commercial	$3,206,800	1,764	18,990	$168.87	Downtown	C-1
7		960 England Avenue	One Storey Commercial	$1,818,000	1,555	16,740	$108.60	Downtown	C-1
8	Lower Ryan Road Multi Residential	1551 Dingwall Road	Single Family Dwelling	$1,267,300	2.427	105,720	$11.99	Multi-Residential	R-1A

Source: City Squared Consulting

2.2 SSMUH, Townhouse and Industrial Case Studies

Exhibit 2 summarizes Small Scale Multi Unit Housing (SSMUH), townhouse and industrial case studies for financial testing.

- **Small Scale Multi Unit Housing (SSMUH)** Three (3) SSMUH case studies were selected for testing. A range of lot sizes were selected to test the ability of SSMUH sites to support the amenity cost charge. Typical lots sizes were reviewed in Courtenay, with examples selected that represent the most common lot sizes.
- **Lake Trail Neighbourhood Centre**: Lake Trail Neighbourhood Centre has been designated to accommodate higher density development. A townhouse and strata apartment case study was selected for this area to understand the ability of sites in suburban neighbourhood centres to support levies and charges.
- **McPhee Neighbourhood Centre:** One case study that is zoned for industrial development was selected for a residential rezoning.

Exhibit 3: City of Courtenay SSMUH, Townhouse and Industrial Case Studies

Case Studies			Existing Use	Assessed Value	Acres	Square Feet	Assessed Value PSF	Designation	Zoning
9	SSMUH	786 Stewart Avenue	Single Family Dwelling	$701,000	0.239	10,411	$67.33	Urban Residential	R-SSMUH
10		1115 10th Street	Single Family Dwelling	$702,000	0.201	8,756	$80.18	Urban Residential	R-SSMUH
11		1370 10th Street	Single Family Dwelling	$631,000	0.369	16,074	$39.26	Urban Residential	R-SSMUH
12	Lake Trail Neighb Centre	1060 Edgett Road	Single Family Dwelling	$737,000	0.482	20,996	$35.10	Town Centre	R-SSMUH
13	McPhee Neighb Centre	850 11TH Street	Warehouse	$871,000	0.82	35,719	$24.38	Town Centre	I-2

Source: City Squared Consulting

3 Results of the Financial Analysis

3.1 Summary of Results

- Amenity cost charge (ACC), density bonus (DB) and inclusionary zoning (IZ) testing was undertaken for the Downtown, Cliffe Avenue Corridor, Lake Trail and Lower Ryan Road, for building forms which represent envisioned development for each area.
- Further testing is recommended for SSMUH subdivision and SSMUH six-plex in all areas to determine supportable charges and levies. Further testing is recommended for Upper Ryan Road Town Centre, and in all areas outside of Town Centres that are experiencing development, should pre-zoning be considered for these areas.
- Recommended base densities are suggested for case study typologies tested. Base densities represent the minimum densities that a development project requires to support financial viability, ***without requiring a rezoning***, and can also support the ACC and DCC (these projects will no longer need to be rezoned to 'pencil out'). The availability of **viable development sites** is a key component in pre-zoning for 20 years of housing growth, as required by provincial legislation.
- Not all areas must be pre-zoned, particularly where there is wide variation in lot size, zoning and development economics (Upper Ryan Road, areas outside of Town Centres). Pre-zoning has the potential to significantly impact land values, so testing is recommended before it is undertaken.
- It is recommended that a density bonus charge be levied on floorspace over and above the base density. An upper density is recommended for each case study and an estimated interim bonus density rate. Suggested density bonus rates range from $10 to $20 per square foot on additional density above the base density.
- Density bonus funds can be placed in an affordable housing reserve fund and used as equity to fund affordable housing projects. There are several government funding programs that require a modest share of equity to finance below market projects including the Community Housing Fund (BC Housing), BC Builds (BC Housing, Affordable Construction Loan Program (CMHC), with more anticipated to be announced through the federal government.
- Inclusionary zoning is difficult to support in Courtenay as land values for multifamily development are low. The requirement to build just one below market unit has a significant impact on project revenues and costs. Analysis showed that case studies could generally support a maximum of 1 to 2 units at upper densities. This share of affordable units is not operationally practical.
- Lower Ryan Road Multi-residential is one area where inclusionary zoning is supported. This is an area where large sites are improved with low value uses (single family dwellings) and experience significant land lift through rezoning. Further study regarding the number of remaining development sites with these characteristics is recommended. This is important to understand before an inclusionary zoning policy is implemented in Lower Ryan Road (i.e. if few development sites remain, a policy may not be warranted/effective).
- Off-site cost estimates have been included in each financial analysis to reflect the differential in servicing costs in each region. Existing infrastructure varies widely in Courtenay, and therefore the cost of infrastructure upgrades to proceed with development varies. Off-site costs function similar to a development cost charge but are more specific to each individual development site.
- Testing was not undertaken for purpose-built rental projects. It is not recommended that ACC's or density bonus charges are levied on rental projects due to the more challenging economics of this tenure. Amenity cost charge and development cost charge exemptions/reductions are recommended for purpose-built rental projects, particularly in the Downtown.

3.2 Pre-zoning

- The impact to profit margin of pre-zoning depends on the land value supported by existing use and zoning. For example, pre-zoning in Cliffe Avenue Corridor contemplates an increase in density from existing zones of either 0.6 FSR (C-2) and 1.2 FSR (MU) to the suggested pre-zoned density of 2.0 FSR.
- This represents additional density granted between 0.8 FSR to 1.4 FSR, depending on the existing zone. Since each additional square foot of buildable space has value, the improvement to financial performance of the project will depend on the density permitted under the existing zone.
- This differs from the Downtown, where existing zoning already allows up to 4 storeys (theoretically up to 4.0 FSR). Pre-zoning in this area does not provide the opportunity to grant significant additional density, so there is no impact to profit margin (with the exception of additional height through a volumetric approach).
- It is important to remember that the key metric for assessing the success of pre-zoning is not whether profit margin has increased, but rather, does the increase in density change the highest and best use from the existing use (one storey commercial building, house) to a development site (developer can afford to outbid an buyer of the existing use, should the property be sold). If the highest and best use is a development site, development is much more likely to occur. This is the overarching goal of provincial legislation aimed at increasing the housing supply.

3.3 Density Bonus and IZ Recommendations

The following chart shows recommended base and upper densities, along with any inclusionary zoning recommendations for the case studies tested:

Exhibit 4: Recommended Inclusionary Zoning and Interim Density Bonus Rates

	Existing Use	Existing Zones	Proposed Use	Base Density	Upper Density	Potential Bonus Density	Density Bonus / IZ *Interim Rate*
Downtown	Commercial/SFD	C-1	Mixed Use and Strata Apartment	4 storeys	5 storeys	varies	$10 PSF
Cliffe Avenue Corridor	Commercial	C-2, MU-2	Mixed Use Strata Apartment	2.0 FSR	2.5 FSR	0.5 FSR	$20 PSF
Lake Trail - Large Site *20,000 - 30,000 SF*	Single Family	SSMUH	Townhouse	0.8 FSR	1.0 FSR	0.2 FSR	$20 PSF
	Single Family	SSMUH	Strata Apartment	1.3 FSR	2.0 FSR	0.7 FSR	$20 PSF
Lake Trail - Small Site *Less than 20,000 SF*	Single Family	SSMUH	Townhouse	0.8 FSR	1.0 FSR	0.2 FSR	$10 PSF
McPhee Town Centre	Warehouse	I-2	Strata Apartment	1.5 FSR	2.0 FSR	0.5 FSR	$20 PSF
Lower Ryan Road	Single Family	SSMUH	Strata Apartment	0.8 FSR	1.5 FSR	0.7 FSR	$60 PSF or 20% Below Market

Source: City Squared Consulting

Conclusions for each area are summarized below.

3.3.1 Downtown

- Redevelopment is financially challenging in the Downtown. This is due to smaller lots with higher value uses, leading to high land acquisition costs. Profit margins for projects proceeding under existing zoning range from 2% to 8% assuming the proposed ACC and DCC are levied.[1] Since the Downtown is anticipated to accommodate a large share of growth, it is recommended that the area receive DCC and ACC exemptions to support viability. These exemptions have potential to increase profit margins by 1% to 4%, depending on the project.
- Pre-zoning is not as effective at improving viability in the Downtown as in other areas. This is because the existing C-1 zoning already permits up to 4.0 FSR (theoretically) and four storeys. Increasing height permissions to 5 storeys improves financial performance only marginally.
- However, there is an opportunity to charge a nominal density bonus charge for developers who would like the flexibility of increasing project height to 5 storeys. Density bonus could be levied on any floorspace on the fifth floor. **A nominal density bonus charge of $10 per square foot is recommended** for any floorspace accommodated on the fifth floor.[2]
- Given marginal viability, it is not recommended that in-lieu parking costs be increased above $6,500 per stall to $20,000 per stall in the Downtown. While accommodating parking is an issue, increasing the parking contribution

[1] This also assumes parking in lieu of $6,500. If underground parking is required, profit margins will be negative. These projects cannot support underground parking construction costs.

[2] Case studies tested show multifamily development land value outside of the downtown has a value of roughly $20 per square foot buildable. In other words, a developer can afford to pay $20 per square foot for floorspace rights and proceed with a viable project. Therefore $10 represents a 50% of supportable land value per square foot buildable.

will further erode development viability in the Downtown (2% to 4% impact to profit margins) leading to cancelled or stalled projects.

- Projects continue to proceed in the Downtown despite challenging economics. Interviews with developers indicate projects are possible only when the developer is also the contractor, eliminating the need for development management fees and reducing the price of trades through long term relationships. Properties have also been acquired in the past at lower prices. While these projects are proceeding, it is important to remember that the test for viability must assume land is acquired at today's prices. Under these conditions, partial or full DCCs and ACC exemptions are recommended for the Downtown, and a nominal bonus density rate.

3.3.2 Cliffe Avenue Corridor

- Both case studies analysed in the Cliffe Avenue Corridor under MU-2 and C-2 zoning show a minimum density of 2.0 FSR is needed to support financial viability with the updated DCC and ACCs. This is the density recommended for pre-zoning in the corridor. There is no ability to support inclusionary zoning at the base density or upper density.
- Project performance is better in Cliffe Avenue Corridor than the Downtown as lots are large, with smaller existing commercial buildings, meaning land acquisition costs are lower.
- A density bonus charge can be levied on any floorspace proposed above 2.0 FSR. **The analysis shows the value of this floorspace is roughly $20 per square foot,** which is proposed as the interim density bonus rate. This is subject to change depending on changes to ACCs, DCCs, off-site servicing costs. The analysis also assumes no underground parking is required, and parking is accommodated on lower levels. If underground parking is required, no density bonus charge can be levied.

3.3.3 Lake Trail Neighbourhood Centre

- Townhouse and low-rise apartment case studies were tested in the Lake Trail Neighbourhood Centre. This is the form of development envisioned in the OCP, where ground-oriented and low-rise buildings are expected.
- Off-site servicing costs are relatively high in Lake Trail, which impacts the ability of projects to support charges and levies. Costs are estimated at $7,300 per unit, compared with $2,200 in the Downtown and $4,400 per unit in the Cliffe Avenue Corridor.
- There are some larger lots in the area, with case studies testing the redevelopment of single family dwelling lots in the 15,000 to 30,000 square foot range. The size of the lot also impacts the ability of projects to support charges and levies. Larger lots perform better as the land acquisition cost typically falls per square foot as the lot size increases.
- A base density of 0.8 FSR is recommended for townhouse projects in Lake Trail Neighbourhood Centre across all lot sizes.[3] An upper density of up to 1.0 FSR (or possibly 1.2 FSR, depending on form and design requirements) is also recommended. For lots less than 20,000 square feet, a bonus density charge of $10 per square foot of additional floorspace between 0.8 FSR and the upper density is recommended. For lots greater than 20,000 square feet, a bonus density charge of $20 per square foot of additional floorspace between 0.8 FSR and the upper density is recommended
- A base density of 1.3 FSR is recommended for strata apartment projects (no ground floor retail). A bonus density charge of $20 per square foot of additional floorspace above 1.3 FSR is recommended.

[3] This is the recommended maximum density of SSMUH, or 0.8 FSR. Allowing a higher FSR for SSMUH will reduce incentive for bonus density purchase amongst townhouse, depending on lot size.

3.3.4 McPhee Town Centre

- The McPhee case study tested the base density and bonus density opportunity for sites zoned 1-2. The existing use of the site tested was an industrial warehouse/storage unit. The minimum density needed to support viability at this site is 1.5 FSR. There is potential for a bonus density charge of $20 per square foot on additional density up to 2.0 FSR, or higher if design and building form requirements allow.
- As there are relatively limited I-2 sites in Courtenay, any pre-zoning to residential uses should be limited to sites that are not serving an important warehousing or industrial function. This could be in key locations where residential uses are more suitable for the context. However, this should be limited as industrial, storage and warehousing serves an important use. Once land is converted to residential, it will not be financially viable to rezone lands to industrial uses at a later date.

3.3.5 Lower Ryan Road

- Lower Ryan Road Multi-residential area is characterized by very large lots improved with single family dwellings. However, the area seems to be predominantly built-out with few development sites remaining.
- The case study reviewed had a lot size of 105,000 square feet. Pre-zoning to multifamily development in this case added significant value. A density bonus charge for density between 0.8 FSR and 1.5 FSR of $60 per square foot could be supportable. However, this is dependant on required off-site upgrades.
- If the site is pre-zoned to 1.5 FSR, an inclusionary zoning requirement of 20% below market rental could also be supportable. These below market units are assumed to have rents that are 30% below market.

3.3.6 Small Scale Multi Unit Housing

- Three SSMUH case studies were reviewed, all assessing the ability of four-plex redevelopment to support the proposed ACC. All case studies showed profit margins in the 9% to 11%, depending on lot size. The larger the lot size, the greater the anticipated return. This analysis indicates that SSMUH can support the ACC and development is likely across lot sizes. However, the ACC should be kept modest, particularly because off-site upgrades range significantly for SSMUH, and projects are not yet achieving an industry standard profit margin of 13%.
- A base density of 0.6 FSR is recommended, but could be as high as 0.8 FSR if more flexibility is required. An FSR of 0.6 FSR would allow smaller lots to proceed with a four plex that has units at 1,300 square feet.
- It is not recommended that an FSR above 0.8 FSR be contemplated for SSMUH as this is the base density recommended for townhouse. A base density higher than 0.8 FSR could result in units that are too large and could also discourage acquisition of density bonus floorspace for townhouse.

	Existing Use	Base Density	Upper Density
SSMUH 4 Plex	Single Family	0.6 - 0.8 FSR	n/a
SSMUH 6 Plex	Single Family	further testing required	
SSMUH Subdivision	Single Family	further testing required	

- Additional case studies are recommended for SSMUH zoning which permits six units, and subdivision of land which allows owners to retain their existing single family dwelling. Six-plex and subdivision has significant potential to impact land values, and density bonus charges or increased ACCs will be recommended. Density bonus or increased ACCs will serve two functions: (1) to ensure no wide-spread land value appreciation in Courtenay and (2) collect funds for the amenities needed in the community due to the increased residents.

3.4 Conclusions

- Multifamily development is financially challenging in the City of Courtenay, particularly in areas that are built up with existing uses which increases land acquisition costs. Supportable land values are low, given modest sales prices and high construction costs.
- Despite challenging economics, developers in the community are completing projects through savvy development management and long term trades relationships, which is keeping construction costs lower than other markets.
- It is important to maintain this viability and to not overly burden strata projects with additional fees and levies, particularly when regional and local DCCs are increasing. Our main recommendation is to keep ACCs and other levies modest, particularly in this challenging economic market of high interest rates and depressed demand, leading to downward pressures on rents and sales prices. However, the market continues to deliver multifamily supply, limiting sales price appreciation and keeping the strata market affordable. Increased levies beyond what is supportable could stall delivery of housing, inadvertently leading to price appreciation and eroding affordability.
- Interim ACCs have been tested in this report. Minimum base densities which allow projects to support the ACC without deterring development have been recommended. If ACCs are updated, our main recommendation is that they remain modest.
- Density bonus rates have been recommended for uses and areas tested. Inclusionary zoning is not recommended with the exception of Lower Ryan Road. Further analysis of the number of remaining development sites in this area will determine if a policy is warranted.
- Pre-zoning to minimum viable densities has also been recommended assuming modest parking costs. Efforts should be made to limit any requirement for underground parking.
- Once the zoning bylaw, ACCs and DCCs are updated, another round of testing is recommended to replace interim density bonus rates with established rates.
- It is recommended that SSMUH six-plex and SSMUH subdivision not be permitted through pre-zoning until further study of financial impacts by lot size and servicing area is undertaken.
- Development patterns in Upper Ryan Road should be assessed to determine if there is sufficient homogeneity in lot sizes and building forms to merit pre-zoning or density bonus in this area. This area was not flagged as accommodating a large share of growth in the Complete Communities Guide, but the servicing study indicates a large share is being accommodated in this area.