



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 1407-20

From: Acting Director of Development Services

Date: February 25, 2026

Subject: Downtown Vitalization Local Area Plan – Phase 3 Scope of Work

PURPOSE:

To seek Council approval of the third and final phase of the Downtown Vitalization Local Area Plan (DVLAP) process.

BACKGROUND:

The DVLAP process has been underway since October 2024, structured into three phases. Project phasing milestone reports are identified for each phase below (included in Attachments 2-5).

- **Phase 1: Planning Context & Design Foundations - *Completed***
 - Update Local Area Plan Harmston Civic Precinct and Downtown Centre (July 17, 2024 - Staff Report)
 - DVLAP Communication Strategy (October 23, 2024 - Staff Report)
 - DVLAP Phase 1 Update (February 12, 2025 - Briefing Note)
- **Phase 2: Key Directions & Concept Plan – *Completed***
 - DVLAP Phase 2 and Harmston Park Plan – What We Heard Reports (November 19, 2025 - Staff Report)
- **Phase 3: Refinement & Draft Plans – *Current/Final Phase***

Building on the engagement outcomes and technical information from Phases 1 and 2, the final phase of the DVLAP process refines and selects proposals deemed promising for further development in Phase 3.

DISCUSSION:

The initial DVLAP scoping identified that the terms of reference for Phase 3 would have to be determined. Since the DVLAP process started, LAP policies have been drafted and now included in the updated Official Community Plan Bylaw No. 3206. With the OCP LAP policies now presented, and a focused timeline to complete the drafting of the DVLAP, staff present the proposed DVLAP table of contents for Council's consideration and approval as follows:

- Introduction
 - Project Purpose and Background
 - Planning Area and Horizon - Define the study area and its relationship to adjacent areas, along with an appropriate planning horizon that aligns with overall OCP timelines.
- Vision and Objectives
 - Articulate a broad vision and objectives for the area that reflect the OCP's core directions and community priorities.
- Land Use and Development

- Provide guidance on the intended land use pattern, development form, and general density considerations suitable for the area context.
- Housing Choices and Accessibility: unit mix, universal design targets, and small-scale infill typologies consistent with OCP policies.
- Directions for key public properties with strategic importance.
- Intensity and Transitions - Detailed directions on density ranges, height, and massing, with clear transition strategies to adjacent neighbourhoods.
- Natural Systems and Environmental Management
 - Address environmental features and constraints, including approaches to protect sensitive areas and manage flood or hazard risks.
 - Coordinate with vision for the Anderton Avenue riverbank restoration and 6th Street Bridge.
 - Identify opportunities for enhanced tree canopy, landscaping and green infrastructure.
- Mobility and Access
 - Outline strategies for a connected, multimodal transportation network that enhances walking, cycling, transit, and efficient access that is coordinated with the ongoing city-wide Strategic Transportation Plan.
 - Identify targeted walking, cycling, and transit improvements, curb space management, and placemaking projects that support 10-minute neighbourhoods.
- Municipal Servicing and Utilities
 - Identify servicing considerations at a conceptual level, including infrastructure needs and opportunities for sustainable design.
 - Servicing readiness - capacity assessments and upgrade strategies for water, sanitary, and rainwater systems, including green infrastructure retrofits.
- Public Realm and Community Amenities
 - Consider where parks, open spaces, and amenities should be provided to respond to anticipated growth and enhance livability.
 - Fine-Grain Public Realm - specific locations and types of parks, pocket plazas, play spaces, pathway connections, and local connectors.
 - Clear policy direction for Harmston Park capital improvements.
- Character and Design
 - Character and Design Quality - detailed built form directions, frontage and streetscape treatments for key streets within each planning district, and guidelines for day-to-day livability.
 - Heritage and Identity - exploration of protections for heritage features, and place-keeping or Indigenous design elements that reflect neighbourhood identity.
- Implementation: Phasing, Monitoring and Adaptation
 - High-level approach to sequencing development, infrastructure delivery, and cost-sharing mechanisms.

- Refined Development Permit Area guidelines, recommendations for zoning adjustments, and an action list for near-term public realm improvements in the form of scoped project sheets to inform future budget deliberations.
- Include a framework for tracking progress and adapting the plan over time as conditions change.

The proposed OCP Bylaw No. 3206 policy for LAPs provides consistent guidance for all LAPs including how scoping for each LAP is undertaken. Not all LAPs will require the same rigor of analysis and detail, depending on the objectives of the LAP. Some topics that are contained with the LAP policy are proposed not to be included in the DVLAP, for the listed reasons, and will be addressed through other identified future activities:

- **Detailed development incentive tools: Pre-zoning, density benefits and Revitalization Tax**

- **Exemption**

- The LAP will identify whether pre-zoning should be explored in the upcoming Zoning Bylaw comprehensive update (Phase 2 of the Zoning Bylaw update), but will not provide detailed direction on what those zoning parameters may be or specific guidance on density benefits.
- These topics are more suitable when in done in context of the City-wide Zoning Bylaw update. Density benefits frameworks will also benefit from additional financial testing which should be done as close to the time of the Zoning Bylaw and density benefit calculations to align more closely with contemporary development market conditions.
- The Downtown Revitalization Tax Exemption Bylaw will be reviewed closer to the Zoning Bylaw Phae 2 update as well to ensure incentives are aligned with the package of other development incentives being considered (pre-zoning and density benefits).

- **Heritage protection**

- Bill 44 has limited certain abilities for formal heritage protection, however has not eliminated these opportunities. Heritage protection is particularly of interest for the Old Orchard and Terminal Addition neighbourhoods immediately to the north of the DVLAP plan boundaries. While the DVLAP will identify what tools remain available and recommended, the DVLAP will not provide new heritage protection powers.
- Heritage protection designation occurs through a separate approval process and may be identified for priority as per the recommendations of the DVLAP and Council's direction.

- **Implementation strategy**

- As part of an OCP, the LAP will be used immediately once adopted to inform development applications, and will be used as a source of ideas for future Council strategic priority setting and budget deliberations. The new proposed OCP Bylaw No. 3206 identifies the need to develop and invest in a framework that assigns responsibility to coordinate and implement the proactive planning cycle across departments and jurisdictions to achieve OCP and provincial legislative directions of 5-year planning cycles. This includes implementation of strategic land use plans such as the DVLAP. As such the implementation plan and planning cycle that will support the OCP will address implementation of DVLAP.

Figure 1: 5-year Proactive Planning Cycle implementation direction included in the OCP

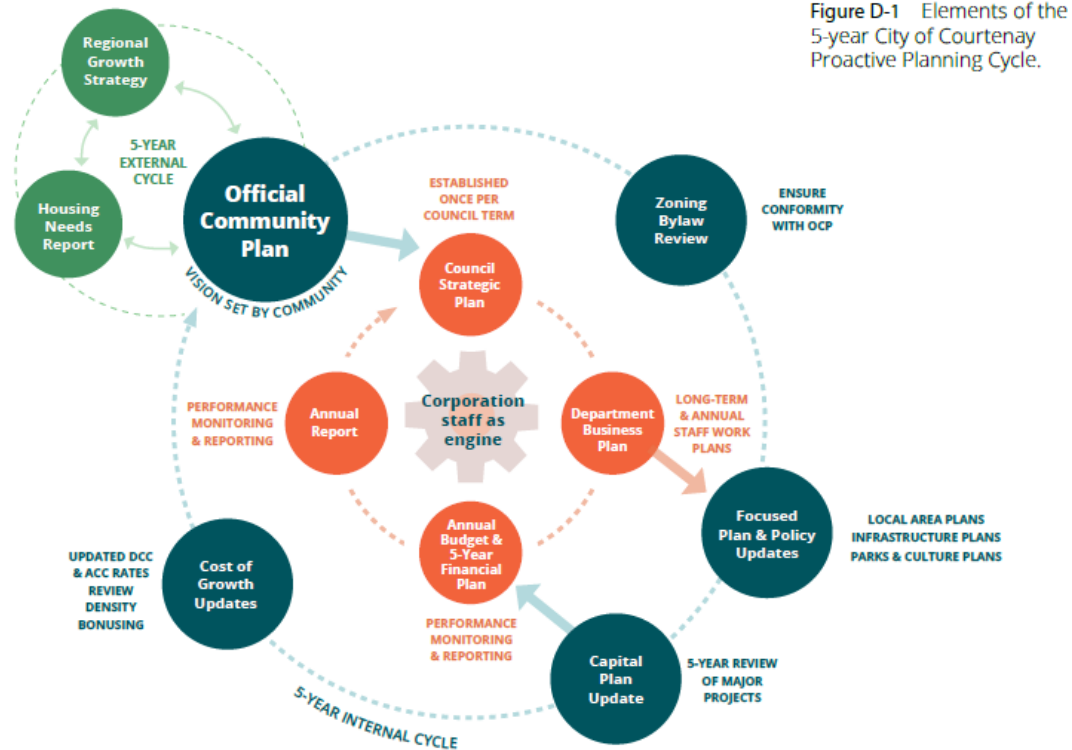


Figure D-1 Elements of the 5-year City of Courtenay Proactive Planning Cycle.

POLICY ANALYSIS:

At the time of this report, *Official Community Plan Bylaw No. 3070, 2022* is the governing land use policy bylaw in effect and includes the following policies as relates to the DVLAP:

- As a specific land use designation, development within the Downtown is guided by detailed vision and policies to inform the DVLAP (pages 59-63).
- There is OCP policy support for the vision and programmatic themes identified for the Harmston Park Plan in the following chapters: Building and Landscapes, Parks and Recreation, and Social Infrastructure.

Official Community Plan Bylaw No. 3206, 2026 is separately being presented to Council for consideration and contains a new detailed policy framework on the role, content and process of developing LAPs as implementation support to the OCP in Part D, Section D of the proposed amended OCP. These policies are contained within Attachment 1 – DVLAP Phase 3 Scope of Work.

Downtown Courtenay Playbook, 2016

- Provides direction and inspiration for a number of proposals being explored for implementation in the DVLAP.

Parks and Recreation Masterplan (PRMP), 2019

- The proposed concept plans and proposed park programmatic themes align with design guidelines identified in section 3.2.1 of the PRMP.

FINANCIAL IMPLICATIONS:

\$180,000 had been allocated for the DVLAP. Two of the three project phases are now complete with remaining funds of \$50,000. Additional funds of \$25,000 are proposed in the 2026 budget to complete Phase 3.

Project costs to support the development of the Harmston Park Plan are in the 2025 operating budget. The project costs to develop the detailed design and capital improvement costs for Harmston Park will be included the proposed 2026-2030 Capital Financial Plan.

ADMINISTRATIVE IMPLICATIONS:

This project is being delivered with a combination of staff resources from Development Services and external consultants (EKISTICS and MODUS). This project will include input and support from all city departments in the development, communication and implementation of the DVLAP. The Harmston Park Plan is being led by the Recreation, Culture and Community Services Department with input from other internal departments with overlapping service areas.

The DVLAP is projected to be complete by Q2 2026 with a public hearing projected for June 17. This will follow closely the projected adoption date of the OCP (Q1) and will require an amendment to the OCP, and corresponding Public Hearing, in order to be adopted within it.

The Harmston Park Plan project has been coordinated with the DVLAP. A vision has been established for Harmston Park as part of the DVLAP Phase 2 process. Upon adoption of the DVLAP the Harmston Park Plan development process will continue including refinement of concept plans and detailed parks planning later in 2026 and the beginning of construction of phase 1 of the multi-phased Harmston Park improvements anticipated for 2027.

The DVLAP was projected to be complete and adopted in 2025. Extension of project into 2026 affects the ability to start the Airpark Local Area Plan which has been budgeted for and will be scoped and terms of reference brought for Council’s approval following the municipal elections in fall 2026.

STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Buildings and Landscape - Develop a local area plan for Harmston Avenue Civic Precinct
- Buildings and Landscape - Implement Duncan Commons/Downtown Courtenay Playbook, 5th Street staging/phasing
- Buildings and Landscape - Review and update land use regulations and bylaws for consistency with OCP
- Buildings and Landscape - Update Zoning Bylaw - review maximum building heights
- Buildings and Landscape - Support investment and redevelopment in downtown core: Review and evaluate Downtown development incentives e.g. fast tracking/density bonuses/DCC
- Parks and Recreation - Optimize active public spaces to respond to density increases and increased park use

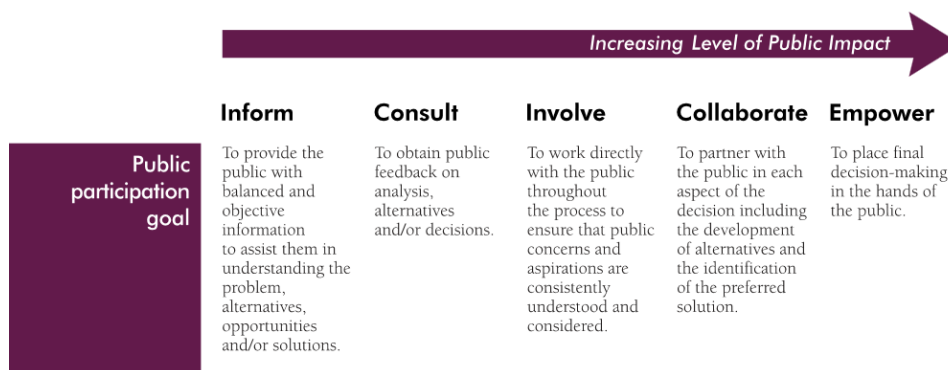
PUBLIC ENGAGEMENT:

As the LAP is prepared for final drafting, communications and engagement will fall on the inform end of the public based on the IAP2 Spectrum of Public Participation. As LAPs are intended to form part of the OCP, a public hearing will be required to formally amend the DVLAP into the new incoming OCP.

Phase 3 communications and engagement will include:

- Staff will engage directly with K’ómoks First Nation to identify how they would like to be involved and in light of the number of City projects within the downtown and along the Courtenay River.
- Virtual communication and engagement via Social Pinpoint webpage to ensure people are informed and some consultation opportunities <https://engagecomoxvalley.ca/courtenay-downtown-plan>
- Public Open House to inform and consult
- Interest-holders and intergovernmental workshop(s) to inform and consult
- Phase 3 What We Heard Report presented to Council for information
- Public Hearing

As the LAP will be a policy tool, implementation of the LAP will require additional communications and engagement including confirming the public participation goal and approach for each implementation action.



© International Association for Public Participation www.iap2.org

OPTIONS:

1. THAT staff proceed with the Downtown Vitalization Local Area Plan – Phase 3 Scope of Work presented in Attachment 1 as part of the February 11, 2026 staff report.
2. THAT Council provide alternative direction to staff.

ATTACHMENTS:

1. Downtown Vitalization Local Area Plan - Phase 3 Scope of Work
2. Update Local Area Plan Harmston Civic Precinct and Downtown Centre, July 17, 2024, Staff Report
3. DVLAP Communication Strategy, October 23, 2024 Staff Report
4. DVLAP Phase 1 Update, February 12, 2025 Briefing Note
5. DVLAP Phase 2 and Harmston Park Plan – What We Heard Reports, November 19, 2025 Staff Report

Prepared by: Nancy Gothard, RPP MCIP, Manager of Community and Sustainability Planning
Reviewed by: Joy Chan, Manager of Business Administration, Recreation, Culture and Community Services
Kate O’Connell, Acting Director of Development Services
Concurrence: Geoff Garbutt, M.PI., MCIP, RPP, City Manager (CAO)