



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 3360-20-2402/RZ000081

From: Development Services

Date: June 12, 2024

Subject: Adoption of Zoning Amendment Bylaw No. 3135, 2024 (small-scale, multi-unit housing)

PURPOSE:

For Council to consider adoption of Zoning Amendment Bylaw No. 3135, 2024 (small-scale multi-unit housing).

BACKGROUND:

At the Regular Council meeting on May 22, 2024 Council received a staff report (attachment 2) that provided modifications to Zoning Amendment Bylaw (small scale multi-housing No. 3135, 2024 (small-scale multi-unit housing), and second reading and third reading of Zoning Amendment Bylaw No. 3135, 2024 (small-scale multi-unit housing) as modified. Council passed the resolutions and gave second and third readings to Zoning Amendment (small scale multi-unit housing) Bylaw No. 3135 as modified.

DISCUSSION:

The City of Courtenay Zoning Bylaw No. 2500, 2007 contains sixteen (16) residential zones that meet the provincial definition of “Restricted Zone, being: R-1, R-1B, R-1C, R-1D, R-1E, R-1S, R-2, R-2A, R-2B, RR-1, RR-2, RR-2S, RR-3, RR-4, RR-5, and R-RU zones. A “Restricted Zone” is a residential zone that limits the permitted uses to single residential dwellings and/or duplexes, with or without a second accessory dwelling unit.

The City must comply with Bill 44 and subsequent changes to the *Local Government Act*, which requires that properties that qualify as “Restricted Zones” and have a lot size of under 4050m² be rezoned to permit three (3) dwelling units on lots under 280m² and four (4) dwelling units for lots over 280m² by June 30, 2024. Zoning Amendment Bylaw No. 3135, 2024 (small-scale multi-unit housing) is attached to this report as Attachment 1, and addresses the provincial regulations for Bill 44. Bill 47 Transit Oriented Development Areas (TOD) does not apply to the City of Courtenay and as such the proposed Zoning Amendment Bylaw No. 3135, 2024 (small-scale multi-unit housing) does not permit six (6) dwelling units per lot.

There are 5649 properties that have been identified to be rezoned to R-SSMUH. Figure 1 below identifies the distribution of parcel size ranges that will be rezoned to R-SSMUH by number of properties. This represents approximately 60% of our properties and 22% of the City area. Many of the larger lots could potentially be subdivided into two or even three lots with the 300 m² minimum lot size being proposed in the new R-SSMUH zone.

POLICY ANALYSIS:

The proposed Bylaw Amendments respond to Bill 44 provincial legislation and timelines for adoption, thereby aligning Courtenay bylaws with the new requirements.

In order to fully support the Small-Scale Multi-Unit Housing initiative, other City Bylaws may need to be amended, and staff will bring those amendments forward at the earliest opportunity for the consideration of Council.

FINANCIAL IMPLICATIONS:

The Province has provided funding to each local government to support planning and capacity to meet the new provincial housing legislative requirements. The City of Courtenay received \$286,000 from this fund earlier this year.

ADMINISTRATIVE IMPLICATIONS:

The mandatory timelines imposed by the province are challenging and will require priority to be assigned to this project at the expense of other regular duties. Consultant services will also be required.

STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Buildings and Landscape - Update Zoning Bylaw - review maximum building heights
- Buildings and Landscape - Review and update land use regulations and bylaws for consistency with OCP

PUBLIC ENGAGEMENT:

Bill 44 amendments to the *Local Government Act* prohibits a Council from holding a public hearing for zoning bylaw amendments that are for the purpose of implementing the Small-Scale Multi-Unit Housing legislation.

Staff held an information session with the Development Industry on June 5, 2024 with EKISTICS. The purpose of this meeting was to demonstrate the application of the bylaw and have discussions around interpretation. There will be continued discussion with the Industry as the bylaw is implemented and the Development Permit Areas are amended to have a R-SSMUH Development Permit Area (DPA).

OPTIONS:

1. THAT Council adopt Zoning Amendment Bylaw No. 3135, 2024 (small-scale, multi-unit housing).
2. THAT Council provide alternative direction to staff through resolution.
3. THAT Council not proceed.

ATTACHMENTS:

1. Zoning Amendment Bylaw No. 3135, 2024 (small-scale, multi-unit housing) Final Reading
2. Staff Report May 22 - Zoning Amendment Bylaw No. 3135, 2024 (small-scale, multi-unit housing)

Prepared by: Nancy Gothard, RPP, MCIP, Manager of Community and Sustainability Planning

Reviewed by: Marianne Wade, RPP, MCIP, Director of Development Services

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