

To: His Worship Mayor Harrison and Members of Council
From: Melinda Smyrl, Manager of Planning and Building
Date: February 8, 2024
Subject: *Local Government Act* Bill 44 Housing Statutes (Residential Development)
Summary of Upcoming Bylaw Amendments

For Information

Further to the staff report dated January 15, 2024, this report provides a summary of the various local bylaws affected by the 2023 housing supply related changes made by the Province to the *Local Government Act*. In moving through the many legislative changes staff are at a point in which some direction from Council would greatly assist in completing the necessary bylaw amendments. Staff are requesting that Council review the following policy proposals and provide staff with direction:

1) Single Family Dwelling with Suite as a minimum permitted use

Staff are considering implementing a zone for all new residential subdivisions that would require a suite or Accessory Dwelling Unit (ADU) and Single Family dwelling, effectively eliminating any new Single Family units only. Existing Single Family units would remain legally conforming under a separate zone.

2) Increasing (or removing) the area for Accessory Dwelling Units (ADU)/suites from 90m² (968ft²) to 190m² (2045 ft²) or 140m² (1500 ft²)

Currently, a secondary suite or detached dwelling must be 90m² (98 ft²). In conjunction with other changes in the BC Building Code that allow for suites within multi-family dwellings, the maximum area of a suite was removed. The Zoning Bylaw was not updated to reflect these changes. Increasing or removing the allowable floor area for a suite or ADU would allow for maximum flexibility in design and building massing.

3) Delegation of minor variances to staff

Direction from Council to bring forward a definition of “minor variance” and process for the delegation of these variances to staff will assist in the completion of the Development Procedures Bylaw. The ability to delegate minor variances to staff has been in the *Local Government Act* prior to the Bill 44 changes. Specific to Bill 44, it is anticipated that despite the best efforts to created building setbacks to allow for ADUs staff anticipate that as the industry adapts to the changes minor variances can be expected. Allowing staff to issue these types of variances at the time of building permit would expedite the approvals process and remove un-necessary work from Council meetings.

A timetable of the next steps can be found in the remainder of this report. Council direction to the above policies would allow staff to continue the bylaw reviews and drafting most expediently. It is expected that once the drafted bylaw amendments are presented to Council in their entirety there will be more input from Council and revisions made accordingly.

Staff have made an inventory of the various City bylaws that are to be amended to comply with the *Local Government Act*. Amendments to the Official Community Plan No. 4000 and Zoning Bylaw No. 2303 must be completed by June 30, 2024; however, the other bylaws discussed below affect the processing of applications related to those bylaws so must also be amended.

Development Procedures Bylaw(s)

Development procedures bylaws outline the processes that the City will use to review a development application and determine a decision for Development Permit, Development Variance Permit and Rezoning applications. Currently the City has three bylaws that address these types of applications – the Development Variance Permit Bylaw No. 3024 (2000), Development Permit Bylaw No. 2870 (1998) and zoning amendment application under Sections 3 and 4 Zoning Bylaw No. 2303 (2008). These bylaws stipulate the requirements for a complete application and notice procedures. Adding development procedures for Official Community Plan amendments should also be expected within the upcoming amendments to the procedure bylaws.

Staff are of the opinion that compliance to the *Local Government Act* and streamlining residential development will require the consolidation of these procedures into a single bylaw and modernizing the processes for these applications.

Official Community Plan (OCP) Bylaw No. 4000

Given the recent legislation changes staff anticipate that the sections in the OCP that pertain to Residential Development Permits (form and character), Commercial Development Permits for mixed use proposals (form and character) and existing residential density may require amendments. The OCP identifies Development Permit Areas (DPAs) that affect the development of environmentally sensitive areas, hazard areas, residential and commercial areas (form and character). With regard to residential development, staff are reviewing the exemptions for development permits and determining if development permit guidelines can or should apply to SSMUH sites. Under the current OCP Residential DPA a DP is required when more than three units are proposed and the guidelines are structured to address larger scale development than that expected with the redevelopment of small sites. It is still to be determined if the DPA tool is appropriate for the SSMUH proposed scale of development.

Staff recognize that the OCP review is in the early stages of a comprehensive review; however, given the timeline for the required amendments staff may bring forward amendments under the current OCP and ahead of the OCP review project.

Zoning Bylaw No. 2303

With the implementation of 3 to 4 Accessory Dwelling Units (ADUs), the most anticipated changes will be to the current Zoning Bylaw. Typically, after an OCP review is complete the accompanying zoning bylaw is reviewed and changes made to be consistent with the OCP. The legislative changes necessitate that the Zoning Bylaw amendments must be complete by the June 30, 2024 deadline.

Staff have undertaken a comprehensive review of the current zones which permit residential uses and in considering the Policy Manual provided by the Province it can be expected that proposed amendments to following sections of the Zoning Bylaw shown in Table 1 below. Staff are still processing the scale of the amendments and Table 1 is preliminary and intended to provide Council with a general idea of the upcoming bylaw amendments. Staff are still working through the changes so this should not be considered final.

While staff are working through changes to each of the existing zones in accordance with the legislation and the provincial Policy Manual that is required to be considered, staff must review existing developments to ensure that unnecessary non-conforming issues are avoided with respect to permitted uses and setbacks.

Table 1 – Zoning Bylaw No. 2303 Proposed Amendments

Zoning Bylaw No. 2303 Section	Proposed Change or Scope of Change
Appendix 1 – Offstreet Parking & Loading	Offstreet Parking and Loading: adding or reducing ADU and multifamily parking space requirements
Section 2 – Definitions	Accessory Dwelling Units dwelling units (add), dwelling types (detached dwelling, secondary suite, duplex, house-plex, etc. <i>Amend</i>), building height (<i>Amend</i>), floor area (<i>Amend</i>)
3.0 – Administration	Public hearing procedures, bylaw amendment procedures,
4.0 General Regulations	Detached Suite and building setback exemptions, posting of notice
5.0 Establishment of zones	Introduction of “RX” zone, see below

At the time of writing this report, the “RX” zone is being drafted. The “RX” zone is based in the existing R1 zone but with added permitted uses and setbacks for building type. This zone would allow for a single family dwelling and up to four dwelling units. By consolidating several existing zones into a single zone, setbacks and other components of the zoning would have to be comprehensive.

At this point in the “RX” zone or a new zone would be applied to the following existing zones:

- R1 (Single Family Dwelling Zone)
- R2 (Single Family/Duplex Zone)
- R3 (Waterfront Residential Zone)
- R4 (Medium Density Residential Zone)
- R5 (High Density Residential Zone)
- R7 (Large Lot Single Family Residential Zone) and
- R8 (Residential Suite Zone)

At this point, it does not appear that any significant changes should be expected for the Agricultural or Commercial zones.

Staff note that any bylaw amendments intended to bring current regulations into compliance with the Bill 44 changes, the legislation does not permit a public hearing in adopting those amendments.

Subdivision and Development Servicing Bylaw No. 4293

Staff do not anticipate many changes to the Subdivision and Development Servicing Bylaw because the bylaw already includes provisions for infill development. A review of the bylaw focusses on the triggers for servicing improvements. The changes in the Local Government Act do not impose requirements changes to the Subdivision and Development Servicing Bylaw but staff are undertaking a review to ensure consistency.

Conclusion

As the City transitions bylaws to be compliant with the legislation, staff have been fielding many questions from the public. Attached to this report is a Frequently Asked Questions handout that aims to answer questions from the public. This will be updated as more information becomes known.

With regard to next steps, staff are preparing a comprehensive presentation to Council specific to the considerations regarding the Zoning Bylaw amendments. This presentation is scheduled for the February 27 Council meeting. The first “wave” of draft bylaws would then come to Council at the end of March for a summary review with first reading of the bylaw amendments time lined for April.

At present, staff are proposing to bring the various bylaw amendments to Council as they are developed, and not all at one time. Staff propose to bring all the bylaws to second reading, and then hold all the bylaws for third reading close to the June 30 deadline. A pause at second reading would allow staff to incorporate bylaw edits based on Council input. The reason for this approach is that there are many inter-

relationships between the bylaws and many related complexities. Some of these issues may not become apparent until latter bylaws are prepared, resulting in possible amendments to bylaws that have already received third reading. Once Council has all the relevant and required bylaws at third reading, then they could all be adopted at one time.



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