



REPORT TO THE
COMMITTEE OF THE WHOLE

DATE: April 30, 2024 **REPORT:** DEV 24-029
FROM: Deepa Chandran, Planner **FILE:** 3360-20
**SUBJECT: Proposed Zoning and Official Community Plan (OCP) Bylaw
Amendments to Comply with Provincial Housing Density Legislation**

RECOMMENDATIONS:

THAT Council, based on the Project Consultants’ presentation and list of changes proposed to the Town’s Zoning Bylaw No. 1936 and Official Community Plan Bylaw No. 1935, discuss and provide feedback, prior to the amending bylaws being considered at the May 28th, 2024 Regular Council Meeting.

BACKGROUND:

As part of implementing the action items recommended in the provincial Housing Action Plan, the Province of British Columbia amended the *Local Government Act* (LGA) and introduced and ratified Bill 44 – *Housing Statutes (Residential Development) Amendment Act*, often referred to as Small-Scale and Multi-Unit Housing (SSMUH) legislation. Bill 44 and the new LGA amendments intends to support the diversification and creation of the small-scale, multi-unit housing forms in existing single-family and duplex residential zones –referred to as ‘restrictive zones’ in the legislation.

The new housing legislation -- which came into effect on December 7, 2023 -- also denotes the end of zone(s) exclusively intended to support 1 or 2-unit residential uses across the province and limits local governments’ zoning authority with regard to establishing the density requirements in the restricted zones. As per Bill 44, local governments are required to amend their zoning bylaws by June 30, 2024, to meet the new density requirements established in the *Local Government Act*. In addition to the density-related zoning bylaw updates, the SSMUH legislation also requires completion of an interim housing needs report by January 1, 2025, and the consequent OCP and zoning amendments by December 31, 2025.

CAO ☐	Dir/FIN ☐	PCSO ☐	Agen Date: May 9, 2024 Closed Agen Date: Agenda Placement: Staff 'A' Other:
Dir/CS ☐	Dir/DS ☐	EC/DEV ☐	
EXEC. ASST ☐	Dir/OPS ☐	REC ☐	
HR ☐	Dir/COM ☐	BLDG INS ☐	
MAYOR ☐	AIRPORT ☐	PLANNER ☐	
COUNCIL ☐	FIRE ☐	WEBSITE ☐	

At the February 27, 2024, Regular Meeting, Council, as recommended by staff, awarded the project contract to complete the Small-Scale and Multi-Unit Housing (SSMUH) Legislation Update Project to McElhanney, based in Campbell River, BC, in the amount of \$83,680, excluding GST.

At the May 9th Committee of the Whole (CoW) meeting, the project team intends to present complete lists of proposed zoning and OCP bylaw amendments (see Attachments 1 and 2), for Council's feedback and direction on the bylaw adoption process. The project team requests that Council make separate motion(s) to specify any modifications required to the list of amendments presented. This will enable staff to integrate the changes required to the bylaws and to present the updated bylaws to Council for consideration of 1st, 2nd, and 3rd readings at the May 28th Regular Meeting.

DISCUSSION:

A local government may bring its Zoning Bylaw into compliance with the provincial regulations in a number of ways, such as creating an overlay zone layer where the new regulations will apply, combining multiple zones with similar characteristics, or through a complete update to the zoning designations and regulations. As part of the SSMUH legislation, the Province also has published a [policy manual](#) to guide local governments in completing the update process and establishing site standards for new small-scale multi-unit housing developments. The Province expects that local governments consider the proposed site standards while amending the zoning bylaws, but are not mandatory. Local governments may exclude parcels from complying with the provincial minimum density requirements on various grounds, such as inadequacy of infrastructure, heritage designation, unmitigable environmental impacts, and potential adverse public health and safety impacts arising from the increased density.

Over the last two months, the project team completed the following steps as part of the SSMUH legislation update project:

- a) Reviewed the Town's Zoning and OCP bylaws to determine sections that need to be modified to comply with the new provincial requirements. This also included exploring options for integrating the provincial requirements into the zoning bylaw in a meaningful and functional manner.
- b) Phase 1 Community engagement, which included a community survey, and two engagement- information sessions on April 17th and 18th. The survey was open for four (4) weeks.
- c) Drafted the proposed Zoning and OCP amendment bylaws.

Key Changes proposed: Zoning and OCP Bylaws

The key highlights of the proposed zoning and OCP amendments are:

- a) creation of a new Low Density Residential (LDR) zone, which combines the R-1 Single Detached Dwelling, R-2 Low Density Residential, and R-2A Low Density Multi-Family Residential zones. In accordance with the provincial legislation, parcels that are 280m² or larger in the LDR zone may accommodate up to 4 dwelling units, contained in 1 or 2 buildings. Similarly, parcels smaller than 280m²

in the new zone may accommodate up to 3 dwelling units, contained in 1 or 2 buildings. The R-2A, which was a site-specific zone created to support the 6-unit tiny house development by SCSA on Second Ave across from NWCC, will be treated as a site-specific use under the new LDR zone regulations. For context, the Town's standard 7.62m x 38.1m (25ft x 125ft) lot is 290m².

- b) Flexible mix of housing types: the new LDR zone will permit a range of housing types, enabling property owners to choose the appropriate housing form that best matches the site-specific constraints, personal preferences, and other factors. This will contribute to housing diversity and a streamlined approval process.
- c) In order to support a gradual transition of residential densities across zones, regulating density through a combination of parcel coverage and height is proposed for the R-3 Medium Density Residential zone. The proposed approach will support increased flexibility in the development of multi-unit residential developments in the R-3 zone.
- d) Flexible front and side yard setback requirements for the new zone, depending on the location of the parking provided, supports a wider range of site design options permitting SSMUH developments.
- e) Amendments to the A-1 Agricultural zone to align with the SSMUH density requirements.
- f) The SSMUH legislation does not apply to parcels not connected to either municipal water or sewer services. As such, R-6 Rural Residential, R-7 Rural Hobby Farm Residential zone parcels are exempt from the provincial density minimums.
- g) The SSMUH legislation also does not apply to the manufactured home residential zones R-4 and R-5.
- h) Appropriate density levels for parcels located within the environmentally sensitive areas will be addressed at the Environmental Development Permit (EDP) stage. The report(s) provided by a designated qualified professional will be required to establish the ability of a parcel to support the proposed level of density. As such, the maximum density in the LDR zone is not guaranteed for all parcels.
- i) The titles of the current R-3 to R-7 residential zone designations will remain unchanged to avoid confusion.
- j) The proposed OCP amendments are necessary to reflect the mandatory changes to the Zoning Bylaw, and primarily include expanding the range of housing forms permitted in the Low Density Residential and Medium Density Residential land use designations and eliminating any density limits specified.

Proposed Bylaw Adoption Process:

Bill 44 requires that zoning and OCP amendments initiated by local governments to comply with the provincial housing legislation requirements:

- i. Must not have a public hearing;

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- ii. May incorporate community feedback in establishing the site standards but not in establishing the minimum density;
 - iii. Local governments may exceed the minimum density requirements if found necessary;
 - iv. Requires local governments to obtain approval from referral agencies such as the Ministry of Transportation and Infrastructure (MoTI). Given that the amendments are to comply with the provincially legislated requirements, the referral process with the agencies are primarily for notification purposes, rather than inviting them to participate in an active dialogue process.
 - v. Local governments must apply to the Minister of Housing if an extension to the June 30th, 2024, deadline is needed for any reason; a failure in meeting the deadline without obtaining an extension approval will lead the Minister implementing the minimum density requirements in the jurisdiction until the local government amends the zoning bylaw to meet the required minimum densities.

Staff propose the following timeline for bylaw adoption and does not foresee any issue that will prevent the Town from meeting the legislated June 30th deadline:

- May 9th CoW meeting, to invite Council's feedback on the proposed amendments and seeking direction on any modifications needed; receiving detailed feedback on the amendments will ensure that the bylaws will not need further revisions once presented to Council for readings.
- May 9th-16th: Amending bylaws to incorporate Council feedback.
- May 16th public notice on Interior News, followed by separate notifications on the Town's website and Facebook, advising public about the proposed bylaws and purpose, the intended date for bylaw readings, but without inviting written submissions.
- May 16-28, 2024 Obtaining initial approval from the Ministry of Transportation and Infrastructure (MoTI)
- May 16th-28th: notifications to the School District, Office of Wet'suwet'en, Agricultural Land Commission (ALC), advising about the proposed bylaws and purpose, but without inviting feedback or suggestions;
- May 28, 2024 Regular Council Meeting, where the updated bylaws will be presented to Council for consideration of 1st, 2nd, and 3rd readings. Given the prohibition on public hearing, staff have confirmed with legal experts that all the three readings can be completed at the same meeting;
- June 11, 2024 Regular Council meeting: after obtaining the final approval from MoTI for the proposed zoning amendment bylaw, present the OCP and zoning amendment bylaws to Council for consideration of adoption.
- June 18, 2024: forward the adopted and signed bylaws to the Ministry of Housing for provincial review, to confirm that the Town has 'reasonably' accommodated the requirements of the provincial legislation.

As the proposed amendments are the bare minimum requirements to comply with the provincial legislation, staff don't not foresee the need for undertaking a legal review of the amendment bylaws.

Community Engagement in the Update Process:

Given that the density-related zoning and OCP amendments are mandatory to comply with the provincial requirements, scope for meaningful community engagement was minimal in phase 1 of the OCP-Zoning update process. Nonetheless, community members had a say in establishing the site standards, including setbacks, number of buildings, parcel coverage, parking, height etc. Given the community's strong desire to maintain the town's character as a less-dense, mountain community in the north, at the April 17 & 18 sessions, the proposed amendments, mostly, support maintaining the current site standards except where minor deviations were found to be necessary to 'reasonably' accommodate the SSMUH density requirements.

As the community survey will be open until May 3, 2024, the Phase-1 Community Engagement Summary report was not available at the time of drafting this report. Staff regard that the engagement report will be published as a supplemental agenda item before the May 9th CoW meeting.

Next Steps:

Once phase 1 OCP-Zoning amendments are complete, initiating the Interim Housing Needs Report will be the next step in the SSMUH update project. The new housing report must comply with the provincial template and requirements, including the 5-year and 20-year projection of the housing need, and a detailed analysis of the rental housing, special need, and seniors housing categories in the community. Standardization of the housing need assessment methodology is aimed to support more reliable and comparable housing need projections, enabling communities across the province to effectively plan for housing at the local and regional levels. Once adopted by Council, the new housing needs report will replace the current housing needs report adopted by Council in 2021.

Based on the findings and recommendations of the housing needs report, the project team will complete phase 2 OCP-Zoning amendments in later this year. Primarily, phase 2 amendments will include amending housing / development related OCP policies necessary to support housing development in line with the projected housing needs under various categories. Community and council will be engaged as part of phase 2 amendments, before the bylaws will be presented to Council for adoption.

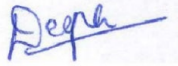
Attachments:

1. List of Zoning Bylaw Amendments-Phase 1
2. List of OCP Bylaw Amendments-Phase 1

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Respectfully submitted:



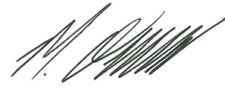
Deepa Chandran
Planner

Reviewed by:



Mark Allen
Director of Development Services

Submission approved by:



Michael Dewar
Chief Administrative Officer

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Bill 44 – June 2024 Deadline – Recommended Zoning Bylaw Revisions

1) **Revise Section 1.2 Definitions to add:**

“Quadplex” means a building containing 4 dwellings, where each dwelling has its principal access from an entrance or common hallway;

2) **Revise Section 1.3 as follows:**

Replace:

R-1 Single Family Residential
R-2 Low Density Residential
R-2A Low Density Multi Family

With:

LDR - Low Density Residential

3) **Revise Section 2.10.2 table as follows:**

Delete R-2A dwellings

Revise Low-rise apartment to low rise apartment /quadplex

4) **Revise Section 3.1 As follows:**

Add number of Buildings: 4 to Table 3.1

5) **Add section 3.1.3 Additional Requirements:**

Where an A-1 parcel is on community water and sewer the following applies:

4 units for fee simple parcels greater than 280 sqm

3 units for fee simple parcels less than 280 sq m

6) **Replace in its entirety Section 4.1, 4.2 and 4.3 with the following:**

4.1 Low Density Residential Zone – LDR-1

Permitted Use

Single Detached Dwelling
Semi- Detached Dwelling
Townhouse Dwelling
Quadplex

Ancillary Use

Secondary Suite
Short Term Rental
Bed and Breakfast within a single detached house

Bill 44 – June 2024 Deadline – Recommended Zoning Bylaw Revisions

	Carriage house
	backyard hen keeping with a single detached house
Parcel Area	460 sq m
Parcel Frontage	15 m
	12 for non rectangular parcels
Lot Coverage	50%
Setbacks	
Front yard	4 m or 6 m where parking is provided in front of the building
Rear yard	6 m
Side yard	1.2 m or 3 where parking is provided beside the building
Building Height	9 m
Density	4 units for fee simple parcels greater than 280 sqm
	3 units for fee simple parcels less than 280 sq m
Number of Buildings	2
Additional Requirements	Notwithstanding section 4.1 on Civic address 3955 Second Avenue legally known as Parcel C, Block 94, Plan PRP1054, District Lot 865, Range 5, Coast Range 5 Land District, (Being a consolidation of Lots 34 & 35, See CA3821798) the following is permitted:
	1)a maximum of 6 (six) buildings each with a single unit are permitted.
	2) The maximum area of a single building

7) **Revise Section 4.4.2 as follows:**

Parcel Area – Delete 153.3 for each townhouse dwelling

Parcel Width – delete – 6 m for each townhouse

Density – delete entire row

8) **Delete Section 4.4.3 Additional Requirement**

9) **In Section 4.7 add 4.7.4 to Additional Requirements:**

Where a R-6 parcel is on community water and sewer the following applies:

4 units for fee simple parcels greater than 280 sqm

3 units for fee simple parcels less than 280 sq m

10) **In Section 4.8 add 4.8.5 to Additional Requirements:**

Where a R-7 parcel is on community water and sewer the following applies:

4 units for fee simple parcels greater than 280 sqm

Bill 44 – June 2024 Deadline – Recommended Zoning Bylaw Revisions

3 units for fee simple parcels less than 280 sq m

11) Revise all number in Section 4 to reflect the above Changes.

12) Replace Schedule A: Zoning as attached.

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Bill 44 – June 2024 Deadline – Draft OCP Amendments		
Requirement	Current OCP	Proposed OCP Change
Minimum four units on lots greater than 280 sq. m in the Zoning Bylaw. OCP amendments to be consistent.	Section 6.1 subsection 6.2.1 Residential (pg. 46) <u>6.2.1.1 Low Density Residential Development:</u> <i>The intent of the low-density residential designation is to encourage single-detached housing development at a range of densities up to 25 units per hectare, to encourage invisible density through the creation of secondary suites and carriage houses, and to add to the community's stock of rental housing. The massing of buildings is envisioned to be one to two storeys in height. Supported uses and housing types include:</i> • Standard single-detached homes; • Small lot (intensive), single detached homes; • Secondary suites and carriage houses; and • Home based businesses. <u>6.2.1.2 Medium Density Residential Development</u> <i>The intent of the medium density residential designation is to encourage a compact mix of housing types and tenures with densities of up to 75 dwellings units per hectare that are along</i>	<u>6.2.1.1 Low Density Residential Development:</u> <i>The intent of the low-density residential designation is to encourage single-detached small-scale, multi-unit housing development at a range of densities up to 25 units per hectare, to encourage invisible density through the creation of secondary suites and carriage houses, and to add to the community's stock of rental housing. The massing of buildings is envisioned to be one to two storeys in height. Supported uses and housing types include:</i> • Standard single-detached homes; • Small lot (intensive), single detached homes; • Secondary suites and carriage houses; • Semi-detached homes; • Quadplexes; • Townhouses; and • Home based businesses. <u>6.2.1.2 Medium Density Residential Development</u> <i>The intent of the medium density residential designation is to encourage a compact mix of housing types and tenures with densities of up to 75 dwellings units per hectare. that are</i>

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	<i>key active transportation corridors or within walking distance of key amenities. Supported uses and housing types include:</i> • <i>Duplexes;</i> • <i>Street fronting townhouses; and</i> • <i>Low-rise apartments.</i> • <i>The massing of buildings is envisioned to be one to three storeys in height.</i>	<i>along key active transportation corridors or within walking distance of key amenities. Supported uses and housing types include:</i> • Secondary suites and carriage houses; • Duplexes Semi-detached homes; • Quadplexes; • Street fronting townhouses; and • Low-rise apartments. • The massing of buildings is envisioned to be one to three storeys in height.
Consistent with Zoning amendments.	Section 7.2 Housing Diversity & Flexibility (page 52): • <i>Policy 1: Reference the Smithers Housing Needs Report (updated every 5 years) for the most current information regarding local housing need.</i> • <i>Policy 2: Support residential intensification on areas designated as low density residential by permitting greater flexibility for constructing rental suites. This includes supporting the construction of both a carriage house and secondary suite on one lot, provided off- street parking is available.</i>	• <i>Policy 1: Reference the Smithers Housing Needs Report (updated every 5 years) for the most current information regarding local housing need.</i> • <i>Policy 2: Support residential intensification on areas designated as low density residential by permitting greater flexibility for constructing rental suites & creative residential intensification. This includes supporting the construction of both a carriage house and secondary suite on one lot in a range of housing types, provided off-street parking is available.</i>
Development Permits must not be exercised in a manner that unreasonably prohibits or restricts use / density.	Review guidelines for multi-family development (refer to community engagement findings for direction).	No change – from community engagement heard neighbourhood character is important.