

Report

Date August 16, 2023

File: 3360-20 21.14

Subject **Zoning Amendment Bylaw No. 3920 for first and second reading**

PURPOSE

To consider an amendment to the Zoning Bylaw to reclassify 3351 Auchinachie Road from Residential One and Two-Family Zone (R3) to facilitate a proposed two-lot subdivision and future residential development under the following zoning:

- Residential Small Lot Single-Family Zone (R3-S), and
- Village Residential Infill Comprehensive Development Zone (CD24).

BACKGROUND

The 834 m² (0.20 acres) subject property (PID: 001-893-661) is located at 3351 Auchinachie Road in the Berkey's Corner neighbourhood (Attachments 1 & 2). The property is situated in the Village Residential land use designation within the Urban Containment Boundary (UCB) of the Official Community Plan (OCP) and within the Residential One and Two-Family (R3) Zone (Attachment 3 & 4).

Land uses surrounding the subject property are primarily one and two-family dwellings. The subject property is within walking distance of the Cowichan Valley Trail, schools, and recreation services.

Proposal

The property owner proposes to rezone the west side of the subject property from R3 to R3-S (Residential Small Lot Single Family Zone) and the east side from R3 to CD24 (Village Residential Infill Comprehensive Development Zone) to realize the property's residential infill potential given the land use policy direction of the Village Residential designation.

A split zone of the subject property (i.e., R3-S/CD24) would permit the property owner to:

- Apply to subdivide to create an approximately 318 m² lot for future small-lot residential development in the R3-S zone (Proposed Lot A); and,
- Retain the existing single-family dwelling on a 494 m² lot under a new comprehensive development zone, which could allow the current property owner to construct multiple suites within the existing residential dwelling pending zoning and BC Building Code compliance (Proposed Lot B) or redevelop the lot to the full potential of the CD24 Zone.

Upward to 6-9 multi-family units could be realized from the comprehensive re-development of proposed Lot B in the future, which is not being contemplated by the property owner at this time. The current owner is interested in renovating the existing structure to achieve higher residential density, i.e., three new units, including the existing residence for four units in total. The property owner may consider constructing more units in the future.

It should be noted that the property owner, prior to Official Community Plan No. 3900 taking effect in August 2022, applied to rezone the subject property to facilitate an R3-S small lot while retaining the existing dwelling within the existing R3 zone. This original proposal could have yielded one (1) additional residential dwelling on the subject property. It was the opinion of staff that the R3-S small-lot residential proposal was aligned with aspects of the Village Residential land use designation for "... a range of residential unit types and sizes ... (OCP, p. 44)". However, it was staff's opinion that the proposal was *insufficiently* aligned with the land use policy for "... significant new housing growth ..." (OCP, p. 44) and that a greater density of development would respond better to the OCP's policy context.

Having been advised by staff that the OCP seeks to maximise the development potential of land in the Village Residential designation, the property owner expressed their interest and willingness to pursue the higher residential density option on proposed Lot B. This led to the creation of the proposed CD24 Zone, developed by staff to align with the Village Residential designation in this location.

The current R3 Zone (Residential One and Two-Family) is provided in Attachment 5. The proposed R3-S Zone (Residential Small Lot Single-Family) is provided in Attachment 6.

The applicant's Rationale is provided in Attachment 7. The Site Plan is provided in Attachment 8, and Site Photos are provided in Attachment 9.

The draft zoning amendment bylaw No. 3920, which includes the CD24 Zone, is provided in Attachment 10.

DISCUSSION

Official Community Plan

Key *Growth Management & Housing* policies relevant to this proposal are:

- ❖ *The Objective of the Village Residential Designation (sec. 3.2) includes that:
Urban areas are capable of accommodating significant new housing growth ... (p. 44 Preamble)*
- ❖ *A range of residential unit types and sizes is contemplated, but low-density subdivisions will not be supported (p. 44 Preamble).*
- ❖ *The Objective of Diverse Housing Mix (sec 5.1) includes to:
Encourage a variety of housing types (by size, type, tenure, density) integrated into villages, neighbourhoods, and rural areas that meet the anticipated needs of the whole community in quality and quantity (p. 99; also 5.1.2(f)).*

A zoning amendment proposal to facilitate a small-lot residential development (proposed Lot A), as well as future comprehensive development for multi-family housing (proposed Lot B), aligns with the OCP goals that underpin the Village Residential land use designation to:

- Focus on growth and development in areas within walking distance of community/recreation services (sec. 3.2, p. 44) and the commercial uses of Berkey's Corner.
- Provide a more diverse mix of housing type/tenure options (sec. 5.1, 5.1.2(f), p. 99) by providing a fee simple small-lot residential option.
- Provide zoning potential for multi-family housing toward "significant new housing growth ..." (sec. 3.2, p. 44) in this urban neighbourhood by providing a potential estimated total of 10 residential units.

While the OCP land use policy for the subject property clearly discourages "low-density subdivisions" (p.44), it is not the opinion of staff that a proposed Lot A under R3-S small lot zoning represents this 'low density' category, particularly when viewed in context with the proposed zoning for the remainder of the parcel. Rather, it would provide housing diversity within the designation in this neighbourhood (per sec. 5.1/5.1.2(f), p. 99). Additionally, the small lot proposal immediately adjacent to the Cowichan Valley Trail provides a gentle transition between it and the higher residential density of the proposed Lot B under CD24 zoning, thus reducing potential land use conflicts between these uses.

While the original proposal would have been more consistent with the Neighbourhood Residential land use densification (blue) for 'gentle infill' with one (1) extra unit, the subject property is situated within the Village Residential land use designation (yellow), which is applied to both sides of Auchinachie Road (see Figure 1) where higher residential density can take advantage its proximity Berkey's Corner.

The R3-S/CD24 zones can realize small lot development and an estimated 6-9 multi-family residential units on the subject property, which aligns with the Village Residential land use policy.

Figure 1. Village Residential designation land use context



Community Amenity Contributions

In the absence of a Council approved affordable housing policy, the draft affordable housing policy (Committee of the Whole agenda July 11, 2023) offers a formula-based approach that seeks 2% of the total market value of future multi-family development, i.e., defined as *housing development projects* that result in "... a total of more than three (3) new units ..." (p. 3), according to benchmark prices as determined by the Vancouver Island Real Estate Board (VIREB).

The current property owner's intention is to add *only three (3) new units* to the existing dwelling such that the proposal would not require a commitment toward affordable housing. However, should the current or a future property owner wish to comprehensively develop the site such that requisite units are achieved (i.e., four or more new units), the covenant agreement registered on the title would secure a financial contribution based on an appraisal or 2% of the apartment unit's value as described in the emerging draft affordable housing policy.

The current property owner is willing to secure this commitment on the title of the property with a section 219 *Land Titles Act* covenant agreement. With successful rezoning, the agreement would secure a financial commitment from the developer/property owner for each unit constructed of a *housing development project*, i.e., four or more new units. The contributions would be collected at the time of building permit issuance and would be placed in North Cowichan's Affordable Housing Fund. This form of "pre-zoning" provides a mechanism to recover amenity contributions (in the form of Affordable Housing contributions) only if and when future development of the site passes the threshold.

Variations & Proposed Subdivision & Future Permits

For the owner to seek a subdivision of the property, an application would need to be submitted to the Municipality. As presented, the proposed Lot A (small lot) would not meet the frontage or minimum lot size requirements of the proposed R3-S zone. However, these requirements would be formally considered by the municipal Approving Officer (Subdivision Bylaw No. 1851 & Delegation of Authority Bylaw No. 3814). For this rezoning, the municipal Approving Officer has reviewed and provided comment to the applicant on the associated proposal for subdivision.

For the owner to maintain and/or add additional suites to the existing dwelling on proposed Lot B (multi-family) in the proposed CD24 zone, an application requesting to relax the side and rear yard principal building/heat pump setbacks would be required.

An approved Development Permit would be required for the form and character of the multi-family dwelling (DPA1) prior to building permit issuance. An approved Building Permit would be required prior to the commencement of construction.

Alterations to the dwelling would be required to accommodate setbacks from the property boundary as proposed (see Site Plan in Attachment 8).

Conclusion

This rezoning proposal for R3-S and CD24 zoning for future small-lot residential and multi-family residential development on the subject property within the Village Residential land use designation would align with the OCP for new housing growth within walkable distances from shopping and/or community services, improved housing diversity, and increased residential density.

The property owner is willing to enter into a section 219 covenant agreement under the *Land Titles Act*, which would secure from a property owner a financial contribution at such time the site is redeveloped to result in four (4) or more new residential units. This financial contribution would be placed in the Municipality's Affordable Housing Fund for future allocation toward affordable housing and would be required prior to building permit issuance.

The Draft Zoning Amendment Bylaw No. 3920 is provided in Attachment 10.

OPTIONS

1. **(Recommended Option)** THAT Council:
 - (1) Gives first and second readings to Zoning Amendment Bylaw No. 3920, 2023; and,
 - (2) Authorize a Public Hearing for Zoning Amendment Bylaw No. 3920, 2023.
2. THAT Council denies application ZB000165 to amend Zoning Bylaw No. 2950, 1997, to permit the reclassification of proposed Lot A of 3351 Auchinachie Road from R3 to R3-S and CD24 zone.

IMPLICATIONS

Should the zoning amendment application be denied, residential development would be restricted to the provisions of the R3 zone. Small lot and multi-family housing would not be achieved.

Should Council adopt Zoning Amendment Bylaw No. 3920, the property would be split-zoned R3-S/CD24 until such time as a subdivision of the property is achieved. Any future development of the property would need to adhere to the provisions of the R3-S and CD24 zones over the areas to which they apply.

RECOMMENDATION

THAT Council:

- (1) Gives first and second readings to Zoning Amendment Bylaw No. 3920, 2023; and,
- (2) Authorize a Public Hearing for Zoning Amendment Bylaw No. 3920, 2023.

Report prepared by:

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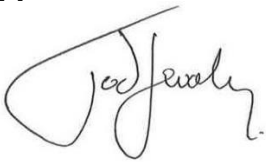
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Attachments:

- (1) Location Map
- (2) Orthophoto
- (3) OCP Map
- (4) Zoning Map
- (5) R3 Zone
- (6) R3-S Zone
- (7) Rationale
- (8) Site Plan
- (9) Site Photos
- (10) Draft Zoning Amendment Bylaw 3920