

Report

Date	February 19, 2025	File: SPP00101
Subject	Correspondence from Ravi Kahlon, Minister of Housing and Municipal Affairs re – Zoning Bylaw Amendments	

PURPOSE

To seek Council endorsement for a response to the letter received from the Honourable Ravi Kahlon, B.C. Minister of Housing and Municipal Affairs, dated January 10, 2025.

BACKGROUND

The letter from the Minister was addressed to Mayor Douglas and referenced compliance with the Bill 44 requirements related to small-scale multi-unit housing. The letter suggests North Cowichan did not adequately meet the legislative requirement to “consider the applicable guidelines, if any, under section 582.” The guidelines are found in the “Small-Scale Multi-Unit Housing Policy Manual and Site Standards”¹, emphasizing the included site standards that the Province established as templates for zoning provisions to permit the new required densities for residential zones. The letter from the Minister of Housing and Municipal Affairs suggests that the zoning provisions adopted in North Cowichan’s Zoning Bylaw did not adequately consider the guidelines and do not provide the flexibility to allow for 3-4 units per parcel.

DISCUSSION

While municipalities are required to consider the applicable guidelines, they are not required to adopt the site standards. Municipalities have the freedom to customize the site standards to local conditions, provided that the zoning standards reasonably allow the required density. The guidelines state: “while local governments may need to make changes to the site standards based on local conditions, the Province expects that they will be given full consideration for implementation.”

One challenge with the site standards developed by the Province is that they have extremely broad categories. In particular, only one set of site standards is intended to apply to all lots smaller than 1,215m² that permit 3-4 units. Consider that in our communities, the typical lot size is between 450m² – 670m². The same set of site standards applies to all these typical lots and to much smaller and much larger lots.

Steps taken to consider the guidelines:

As required by legislation, the “Small-Scale Multi-Unit Housing Policy Manual and Site Standards” were carefully considered in preparation for our Bill 44 SSMUH zoning amendments. Although tailored to our

¹ https://www2.gov.bc.ca/assets/gov/housing-and-tenancy/tools-for-government/local-governments-and-housing/ssmuh_provincial_policy_manual.pdf.

community's context, we used the guidelines as a basis for making changes to site standards for many of our low-density residential zones, including by:

- Removing maximum floor space ratios;
- Reducing minimum setbacks and permitting additional encroachments into front setbacks;
- Increasing maximum parcel coverage; and,
- Reducing minimum parking requirements in many of our low-density residential zones.

More information about the changes that were made to the Zoning Bylaw can be found on the Connect North Cowichan website.²

Where the Provincial guidelines were modified to better suit the North Cowichan context, the changes to our zoning provisions were informed by detailed "stress testing" (see enclosure to the draft letter within Attachment 3) to ensure the provisions are flexible enough to reasonably accommodate the permitted number of units in our typical neighbourhoods, without need for bylaw variances.

The information about the work completed and the rationale for the adopted zoning provisions was provided to Council along with the Provincial guidelines and a prompt for Council to consider the guidelines directly. This meets the legislated requirement that the guidelines be considered.

Impact of SSMMUH Zoning Changes:

To assess the impact of the Zoning Bylaw changes adopted last June, staff reviewed a sample of 30 of the most recent building permit applications received³. Within the 30 building permit files reviewed, there were a total of 13 proposed dwelling units that would not have been permitted under the previous zoning and are now allowed. This shows that the new zoning bylaw provisions are working to permit additional units in many cases.

Next Steps:

Considering the significance of the June 2024 changes to the Zoning Bylaw, it is highly likely that there will be a need to calibrate further and refine some of the site standards. This is expected to occur as staff and the building community work with the bylaw and identify challenges. As an early example of this feedback loop, based on feedback from the building community, staff are working to streamline the development permit requirements for multi-family housing to further reduce barriers to these types of small-scale development. Similarly, if the Ministry of Housing and Municipal Affairs provides more specific information about what zoning provisions are of concern, that can also be used to prompt further review.

OPTIONS

1. **(Recommended Option)** THAT Council authorizes the Mayor to write a letter to the BC Minister of Housing and Municipal Affairs explaining how North Cowichan considered the "Small-Scale Multi-Unit Housing Policy Manual and Site Standards" and requesting further information about what specific concerns the Ministry of Housing and Municipal Affairs has about North Cowichan's Zoning Bylaw.

² <https://www.connectnorthcowichan.ca/bill44>

³ Review conducted January 20, 2025.

- The draft letter is attached but may be modified to further capture the comments and discussion from Council.
 - If the Ministry of Housing and Municipal Affairs provides clarification regarding which provisions of the Zoning Bylaw are of concern, staff can further review those provisions.
2. (No resolution is required if the Committee does not choose to respond to the Minister's letter.)
- The concerns expressed in the letter dated January 10, 2025, are not specific enough for staff to act on their request for further review of the Zoning Bylaw.

IMPLICATIONS

Implications	Concerns or Impacts to North Cowichan
Financial	No significant impacts are anticipated.
Policy/Legislation	By adopting Zoning Amendment Bylaw No. 3964, on June 19, 2024, the Municipality of North Cowichan met the requirements of section 481.3 (zoning bylaws and small-scale multi-family housing), including the requirement to consider the "Small-Scale Multi-Unit Housing Policy Manual and Site Standards".
Strategic Priority	No significant impacts are anticipated.
Governance	No significant impacts are anticipated.
Sustainability	No significant impacts are anticipated.
Communication	No significant impacts are anticipated.
Staffing implications	If required, additional review of the Zoning Bylaw can be incorporated into the larger zoning bylaw review project. Note that, generally speaking, work to comply with Bill 44 has required significant staff effort and has resulted in delays to other priority projects.

RECOMMENDATION

THAT Council authorizes the Mayor to write a letter to the BC Minister of Housing and Municipal Affairs explaining how North Cowichan considered the "Small-Scale Multi-Unit Housing Policy Manual and Site Standards" and requesting further information about what specific concerns that the Ministry of Housing and Municipal Affairs has about North Cowichan's Zoning Bylaw.

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Approved to be forwarded to Council:



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Attachments:

- (1) Letter from Hon. R. Kahlon dated January 10, 2025
- (2) Draft response to Hon. R. Kahlon (to include enclosure – see Attachment [3]):
- (3) Enclosure: Memo – Zoning Bylaw Review and Stress Testing for Bill 44 SSMMUsH Requirements dated May 7, 2024