

To: Her Worship Mayor McKortoff and Members of Council

From: Christopher Garrish, Planner

Date: February 13, 2024

Subject: Residential Densities – Zoning Bylaw Review / Bill 44

Tracker No: BLW-389

RECOMMENDATION:

That the “Low- to Medium-Density Residential” and “Medium- to High-Density Residential” designations in the Town’s Official Community Plan be replaced with a new Low Density Residential (LR) and Medium Density Residential (MR) designations and that these draft designations be brought forward for consideration at a forthcoming meeting of the Committee of the Whole.

CAO Comments:

Approved for Council consideration.

Executive Summary:

The purpose of this report is to provide Council with options in relation to proposed amendments to the Official Community Plan (OCP) required to facilitate new zonings mandated by recent changes to the *Local Government Act* (i.e. “Bill 44”).

Background:

On November 30, 2023, the provincial Legislature adopted Bill 44, which introduced a number of substantial amendments to the *Local Government Act*, the intent of which was the delivery of “more small-scale, multi-unit housing for people, including townhomes, triplexes and laneway homes, and fix outdated zoning rules to help build more homes faster.”

In order to accommodate these changes to the zoning bylaws, as well as to provide direction in relation to the broader update of the zoning bylaw as well as other land use projects (e.g. Development Cost Charge Bylaw Review), revisions to the Town’s OCP are required.

The Town’s current OCP contains two separate residential land use designations, being the:

- “Low- to Medium-Density Residential” (LMR); and
- “Medium- to High-Density Residential” (MHR).

At present, the LMR permits “densities of no more than 35 units per hectare” in the form of single detached dwellings, accessory dwellings, townhouses, triplexes and four-plexes.

Whereas, the MHR designation permits “densities of no more than 75 units per hectare” in the form of “-plex developments, stacked townhouses, and low-rise and mid-rise apartment buildings (no greater than 4 storeys).”

Analysis:

In light of the recent changes to the *Local Government Act* resulting from the implementation of Bill 44, the current density provisions in the Town's OCP are no longer seen to be appropriate.

For instance, and assuming perfect development efficiency, the requirement that the Town now allow 4 dwelling units on parcels greater than 280 m² in area in the LMR designation could result in a maximum density of 140 units/ha.

In response, Administration is recommending that the LMR designation be replaced within a new Low Density Residential (LR) designation within which maximum density is set as follows:

Supports the use of lands designated as Low Density Residential (LR) as identified in Map '2' (Land Use Designations) for those housing types listed at Section 7.B.2.2(b) to a maximum density of four (4) units per parcel when connected to municipal water and sewer.

Medium Density:

With regard to the MHR designation, Administration is recommending that it be replaced with a new Medium Density Residential (MR) designation within which a maximum density of 75 units per hectare is retained.

In order to support the current policy supporting mid-rise apartment buildings of up to 4 storeys, Administration is recommending that the medium density residential zone in the new Zoning Bylaw permit a maximum building height of 15.0 metres.

High Density:

Although the OCP speaks to the presence of a High-Density Residential designation, and the Zoning Bylaw currently contains zones whose title includes references to "High Density", the current cap of 75 units/ha is seen to preclude the development of truly "high" density residential forms of housing.

By way of comparison, the unincorporated community of Okanagan Falls permits a maximum density in its Town Centre Zone of 150 units/ha to a height of 15.0 metres while the City of Penticton currently considers "high" density to be buildings between 6-10 storeys in height.

It is noted, however, that Council has approved a number of "comprehensive development" zones within which density has exceeded the 75 units/ha specified in the OCP, including:

- Walnut Beach Resort (CD5) comprises a density of 85 units/ha and permits a height of 15.0 metres;
- Osoyoos Lake Resort (CD6) comprises a density of 99 units/ha and permits a height of 21.5 metres; and
- 8000 Cottonwood (CD11) permits a height of 24.0 metres (density is unknown as the site remains undeveloped).

In response, Administration is recommending that the OCP not specify any policies in relation to high density residential zones, although this may need to be revisited in future when Council is required to accommodate a 20-year supply of pre-zoned land by December 31, 2025.

With regard to those CD zones previously approved by Council, Administration is recommending that these be consolidated within an existing zone where possible (e.g. the CD11 and CD12 zones be combined in the RM1 Zone).

Downtown Commercial:

The option is available to Council of encouraging higher residential densities within the Downtown Commercial land use designation. At present, the only applicable policy is seen to be the following:

Allow stand alone medium- to high-density residential uses as per the following conditions:

- i. the parcel does not front onto Main Street;*
- ii. the parcel is greater than 1000 m² – lot consolidation is encouraged to create lots of at least this size or larger;*
- iii. Access to parking is provided via the back land in order to preserve a pedestrian friendly environment fronting on the street; and*
- iv. A comprehensive plan has been prepared for development of the site.*

As can be seen, this policy is silent on permitted densities and maximum building height in the town centre area, but Council consider revisions that speak to allowing densities above 75 units/ha (to distinguish this area from the proposed MR designation).

Options/discussion:

1. That the “Low- to Medium-Density Residential” and “Medium- to High-Density Residential” designations in the Town’s Official Community Plan be replaced with a new Low Density Residential (LR) and Medium Density Residential (MR) designations and that these draft designations be brought forward for consideration at a forthcoming meeting of the Committee of the Whole.
2. That the following revisions to the “Low- to Medium-Density Residential” and “Medium- to High-Density Residential” designations in the Town’s OCP be undertaken.
 - i) TBD

Implications:

- a) Community
 - Increased densities will provide additional housing opportunities. However, it will over time result in increased frustrations pertaining to parking due to the influx of visitors during our peak seasons,
- b) Organizational
 - In the long term parking concerns will increase.
- c) Budget
 - N/A
- d) Financial/Risk Implications
 - Infrastructure such as water and sewer will require upsizing in some areas. The exact number of pipes and associated cost is not known at this time but will be in the millions of dollars.
- e) Significant Dates
 - Zoning Bylaw changes must be made by June 30, 2024.

f) Sustainability

- Increasing densities provides greater long term sustainability as services are within a more confined area.

Others Consulted:

Corporate Services
Operational Services
Protective Services

Attachments

None