

---

**FROM:** BRUCE GREIG, DIRECTOR OF COMMUNITY PLANNING **FILE NO:** RZ22-06  
**SUBJECT:** ZONING AMENDMENTS: HOUSING VS. SHORT TERM RENTALS **REPORT NO:** 22- 68  
**ATTACHMENT(S):** APPENDIX A – DRAFT ZONING AMENDMENT BYLAW NO. 1310, 2022  
APPENDIX B – DRAFT ZONING AMENDMENT BYLAW NO. 1311, 2022  
APPENDIX C – STAFF REPORT SEPTEMBER 21, 2021  
APPENDIX D – DRAFT DP GUIDELINES FOR ADU’S

---

**RECOMMENDATION(S):**

**THAT** Council initiate Zoning Bylaw changes to prioritize housing options in Ucluelet while recognizing existing *Bed and Breakfast* (B&B) businesses, by adopting the following:

1. THAT Council give first reading to Ucluelet Zoning Amendment Bylaw No. 1310, 2022, that would remove *Bed and Breakfast* and add a detached *Accessory Residential Dwelling Unit* as a permitted accessory use in most single-family residential zones in the community;
2. THAT Council give second reading to Ucluelet Zoning Amendment Bylaw No. 1310, 2022;
3. THAT Council refer Ucluelet Zoning Amendment Bylaw No. 1310, 2022, to a public hearing;
4. THAT Council give first reading to Ucluelet Zoning Amendment Bylaw No. 1311, 2022, to create a new Schedule “D” B&B Overlay specific to those properties with established, licensed *Bed and Breakfast* operations as of June 1, 2022;
5. THAT Council direct staff to update the draft table and map amendments designating the properties in the new R-1B zone to include, in addition to those B&B operations already holding a valid business licence, properties that can provide the following as of June 10, 2022:
  - a. proof of owner occupancy of the property as their principal residence prior to June 1, 2022, and a complete business licence application, demonstrating compliance with all municipal bylaws, for a new *Bed and Breakfast* operation;
  - b. proof of ownership of the property prior to June 1, 2022, and a complete building permit application for construction of a new house or renovation of an existing house to contain new *Bed and Breakfast* rooms; or,
  - c. proof of ownership of the property prior to June 1, 2022, and proof of building plans underway for a new house containing *Bed and Breakfast* rooms (including

site plan, floor plans, contract and/or correspondence with house designer showing design to include *Bed and Breakfast* uses);

6. THAT Council direct staff to bring Ucluelet Zoning Amendment Bylaw No. 1311, 2022, back for consideration of second reading after any amendments to the table and map of subject properties in the draft Schedule “D” has been updated following June 10, 2022;
7. THAT Council advise potential applicants that after June 10, 2022, it will consider - under section 463 of the *Local Government Act* - directing staff to withhold building permits for any renovation, new construction or change of use for new *Bed and Breakfast* rooms or suites while Ucluelet Zoning Amendment Bylaw No. 1310, 2022, is under preparation;
8. THAT Council direct staff to use all District communication platforms to advise community members and property owners of the proposed zoning changes and process to consider Bylaw Nos. 1310 and 1311;
9. THAT Council direct staff to create a page on the District website containing links to all past staff reports and research into short term vacation rental (STR) uses and their impacts on housing supply, property values and community;
10. THAT Council direct staff to prepare an Official Community Plan bylaw amendment to create a new “Intensive Residential Development” designation and guidelines for a new Development Permit Area applying to the construction of new detached Accessory Residential Dwelling Units, for consideration at a future Committee-of-the-Whole meeting; and,
11. THAT Council direct staff to include a report to the Committee-of-the-Whole discussing options for creating permit-ready plans and/or a program to streamline construction of new detached Accessory Residential Dwelling Units on residential properties.

**BACKGROUND:**

On September 21, 2021, Council received a staff report on housing issues (see **Appendix “C”**) and passed the following motions:

1. *THAT Council adopt the following goals aimed at improving the availability and affordability of housing in the community:*
  - a. *prioritize long-term residential housing;*
  - b. *slow and contain the proliferation of short-term vacation rentals within residential neighbourhoods;*
  - c. *create opportunities for more diverse and new forms of housing, with a priority on more affordable forms of housing; and,*
  - d. *create opportunities for the development of new rental housing.*
2. *THAT Council direct staff to further explore regulatory and development strategies to action Council’s goals for addressing housing availability and affordability in the community.*

The attached bylaws are proposed to take action on the above goals. This report and the attached bylaws result from staff research into housing pressures and the responses by numerous other communities in BC and the rest of Canada. Housing affordability and pressures brought in part by the growth of short-term vacation rentals are not challenges unique to Ucluelet. While many municipalities are grappling with these issues (see sidebar), there is no one-size solution. The bylaws discussed below and attached to this report are tailored in response to the unique structure of the current *District of Ucluelet Zoning Bylaw No. 1160, 2013*, (the “Zoning Bylaw”), and the history of land use, regulations and changes that are particular to this community.

We are aware of no single municipality that can claim to have its housing issues “solved”. Addressing housing affordability will be an ongoing and evolving effort.

The attached bylaws would enact a housing first approach: the zoning regulations would allow for more long-term housing in residential zones rather than more short-term vacation rentals. The wider allowance for ADU’s (a.k.a. cottages, cabins, carriage houses) is expected to diversify the housing stock in the community over time. Long-term rental tenants in secondary suites or detached cottages can provide a “mortgage helper” to homeowners – without the added financialization that comes from having AirBnB in the mix. Adding secondary rental housing options can improve the quality of life for many residents who are finding themselves squeezed out of housing in our town. These zoning amendments are proposed as a measure for counterbalancing the housing pressures Ucluelet has

### **The Effect of Short-term Accommodations<sup>1</sup>**

“Canadian research indicates that the profitability of short-term rentals has caused both commercial and individual landlords to leave the long-term rental market, thus resulting in a depleted supply of long-term housing. Notwithstanding local survey responses and public meeting attendance, researchers have shown that, rather, it is the commercial operators who manage multiple listings that generated over 50% of all Airbnb revenue in 2019. A number that has surely risen since the pandemic. In Canada this revenue is concentrated amongst the top 10% of hosting companies<sup>2</sup>, and contradictory to the marketing rhetoric that the industry is, “...powered by local hosts”.

Global research has concluded that the continued growth of the industry has happened to the detriment of affordability and availability in cities throughout the world by not only encouraging the conversion of apartments and homes into dedicated short-term rentals, but also by increasing the economic value of properties that can host STAs either full time or part-time.

“(t)he impact of short-term rentals on housing... functions similarly to gentrification: these rentals slowly increase the value of an area to the detriment of its original residents. The growth of short-term rentals has contributed to housing shortages across cities, as dwindling supply of homes for sale and rent have artificially driven up prices.

While it is difficult to directly link the cause and effect of these occurrences in the local market, there is evidence. The average price of a home, and the average cost of rent in London has increased, with the average rent is hitting all-time highs.”

<sup>1</sup> Excerpt from March, 2022, Council report by Deputy City Manager, London, ON

<sup>2</sup> Canadian Journal of Urban Research, Summer 2020, Vol. 29, Issue 1, p119-134 (online article)

experienced in an effort to preserve community.

Note that, instead of attaching hundreds of pages of reference material to this report, staff have begun creating a page on the District website containing links to past staff reports, Council motions, District policy and numerous references to research on housing affordability, short-term vacation rentals and related topics. Staff recommend that this page be used as part of efforts to raise awareness and provide context for community members on housing issues and the District's response.

#### DISCUSSION:

The following are discussed below, for Council consideration:

- removing *Bed and Breakfast (B&B)* as an accessory use in residential zones;
- adding *Accessory Residential Dwelling Unit (ADU)* as an accessory use in those residential zones;
- creating a B&B Overlay within the zoning bylaw to allow the continued operation of existing licensed short-term rental businesses;
- providing a brief transition period to minimize the chances that residents might be caught unaware by these bylaw changes;

#### A. REPLACING B&B WITH ADU AS AN ACCESSORY USE IN RESIDENTIAL ZONES;

Ucluelet Zoning Amendment Bylaw No. 1310, 2022 ("**Bylaw No. 1310**" see **Appendix "A"**), would enact 3 major changes within the zoning bylaw:

1. **remove Bed and Breakfast** from the list of permitted secondary uses in the following zones:

R-1 Single Family Residential  
R-2 Medium Density Residential  
R-4 Small Lot Single Family Residential  
RU Rural Residential  
CD-1 Eco-Industrial Park  
CD-2A Big Beach - District Lot 281  
CD-3A Rainforest - District Lot 282  
CD-5B Former Weyco Forest Lands – Development Area #2 (Central Park)  
CD-5C Former Weyco Forest Lands – Development Area #3 (Ocean West)

This would remove the B&B short-term vacation rental use as a default accessory use in residential neighbourhoods. With this change, if a property owner wished to start a new vacation rental business, they could still apply for a site- specific zoning amendment or Temporary Use Permit to allow the B&B use. That process would allow for Council consideration and public comment before granting expanded B&B uses.

2. **insert Accessory Residential Dwelling Unit** in the list of permitted secondary uses in the same zones listed above (also in the GH – Guest House zone).

In place of the B&B use, Bylaw No. 1310 would add the ability to build or possibly convert a building into a legal cottage or cabin on residential properties. These ADU's could house family members, long-term tenants or non-paying family guests; they could not be used for commercial short-term vacation rentals.

3. Add a new section 408 **supplemental regulations** applying to Accessory Residential Dwelling Units.

These regulations would provide parameters for the size, siting and use of an ADU.

Bylaw No. 1310 would also clarify the following definitions and regulations:

4. Clarify the definition of *Accessory Residential Dwelling Unit*.
5. Clarify the regulation requiring that the full-time resident be present and responsible for the operation of a B&B secondary use.

B. CREATING A NEW B&B OVERLAY WITHIN THE ZONING BYLAW TO ENABLE THE CONTINUED OPERATION OF EXISTING LICENCED B&B'S:

Ucluelet Zoning Amendment Bylaw No. 1311, 2022 ("**Bylaw No. 1311**" see **Appendix "B"**), would add a table and map identifying the individual properties with existing licensed B&B operations, and permit B&B as a permitted secondary use on those properties instead of ADU's. All other aspects of those properties' residential zoning regulations would remain unchanged from the underlying neighbourhood zoning (setbacks, height, density, etc.).

The adoption of Bylaw No. 1310 in itself would put pre-existing licensed B&B's in a "lawfully non-conforming" status; the adoption of the amendments in Bylaw No. 1311 would make those B&B's fully lawful under the zoning bylaw. By placing the amendments in two separate bylaws, there is some flexibility for timing – enabling Bylaw No. 1311 to be adopted after Bylaw No. 1310 to give time for a transition period to adjust the details of properties in the B&B overlay (see below).

If a property owner wished to discontinue the B&B use and instead use their property for a secondary suite or ADU, they could apply to be removed from the B&B list. Council could indicate that this be a process of request by letter (rather than submitting a rezoning application and fee) and that staff periodically bring forward a District-initiated zoning amendment to make such changes, when warranted.

C. PROVIDING A BRIEF TRANSITION PERIOD:

There may be a handful of current residents who have plans in the works or applications underway to start a new B&B business. There may also be a number of people who have purchased property in Ucluelet recently and who either have a new house under construction or are in the design stage with new B&B rooms integral to their plans (both physical and financial). The recommended Council motion #5 at the outset of this report would give a 10-day period for such persons to identify their situation and request inclusion in the B&B zoning overlay. This would enable such cases to scoot in before the bylaw is adopted.

A brief and clearly defined transition period would allow Council to adjust the B&B overlay to suit these situations. This would enable those who have already made a significant effort toward establishing a B&B to carry on with their plans. A longer period is not recommended; that might result in a flurry of activity as property purchasers or owners rush to put plans together to establish new B&B's just to get their property within the overlay. A rush on B&B's would be contrary to the intent of getting back to zoning that allows residential properties to be used primarily for residential uses.

At any time in the future, a property owner would have the option to apply for a zoning amendment to have their property included in the B&B overlay. Council could consider such applications on their merits and the details of their particular situation.

ANALYSIS OF OPTIONS

A	<p>Give first readings to Bylaws Nos. 1310 &amp; 1311; refer Bylaw No. 1310 to a public hearing; allow a brief transition period for Bylaw No. 1311; communicate housing issues and regulatory options to the community; develop and discuss new DP guidelines for infill ADU's and explore incentives for creating new accessory housing units.</p>	<b>Pros</b>	<ul style="list-style-type: none"> <li>limits the spread of B&amp;B vacation rentals in residential zones.</li> <li>Initiates a return to <u>housing</u> as the primary use and value for residential properties.</li> <li>provides a more diverse set of accessory housing options on residential properties.</li> <li>creates opportunity to build more rental housing in residential neighbourhoods.</li> <li>a public hearing on the bylaws would provide opportunity for community input and discussion of the bylaws and housing options.</li> </ul>
		<b>Cons</b>	<ul style="list-style-type: none"> <li>some property owners and investors may take issue with changes that could affect the speculative value of properties which they assumed could always be used for commercial short-term vacation rentals.</li> </ul>
		<b>Implications</b>	<ul style="list-style-type: none"> <li>this is a direct regulatory step that the District could take to positively affect the residential housing market and supply in the community.</li> </ul>
		<b>Suggested Motion</b>	No motion is required.
B	<p>Refer Bylaw Nos. 1310 and 1311 to a Committee-of-the-Whole meeting for further discussion.</p>	<b>Pros</b>	<ul style="list-style-type: none"> <li>taking a slower approach could enable more public input.</li> </ul>
		<b>Cons</b>	<ul style="list-style-type: none"> <li>could fuel speculation and drive property owners to quickly establish new B&amp;B operations on residential properties to "get their foot in the door".</li> </ul>
		<b>Implications</b>	<ul style="list-style-type: none"> <li>timing of additional meetings and discussion would likely mean that bylaw amendments addressing B&amp;B's in residential zones would not be completed in this Council term.</li> </ul>
		<b>Suggested Motion</b>	THAT Council refer the staff report of May 31, 2022 titled "Zoning Amendments: Housing vs. Short Term Rentals" to a future Committee-of-the-Whole meeting.
C	<p>Take no action.</p>	<b>Pros</b>	<ul style="list-style-type: none"> <li>Council and staff time could focus on other matters.</li> </ul>
		<b>Cons</b>	<ul style="list-style-type: none"> <li>no change to the housing situation.</li> <li>the conversion of residential properties for commercial tourist accommodation and investment value would be expected to continue unchecked.</li> </ul>
		<b>Implications</b>	<ul style="list-style-type: none"> <li>taking no action would leave it unclear how Council wishes to move forward on the goals for improving housing supply and affordability.</li> </ul>
		<b>Suggested Motion</b>	No motion is required.

### RELATED ACTIONS:

The amendments contemplated in Bylaws 1310 and 1311 follow the goals established by Council and the recommendations of the 2021 Ucluelet Housing Needs Report. Some other related steps that the District could take to improve housing availability and affordability include:

- consider creating a new DP area designation within the OCP with guidelines for constructing new ADU's as intensive residential development (see initial draft in **Appendix "D"**). This could be used as a mechanism for smoothing the creation of more housing in existing residential neighbourhoods and avoiding conflicts with neighbours.
- explore the creation of "permit ready plans". To expedite approvals and encourage development of new infill housing ADU's, the municipality could explore a process of developing a series of pre-approved permit plans. Some jurisdictions have used design competitions and then a licensing agreement to offer building plans that can be purchased along with a building permit. This approach could expedite approvals and provide a clear path for a homeowner to budget and construct an ADU on their property in Ucluelet.
- invite conversation with local First Nations to better understand the housing needs of Indigenous community members, and to explore areas of mutual housing challenges and opportunities.
- consider amendments to the *Business Regulation and Licencing Bylaw* to clarify the community expectations and enable efficient identification of short-term rental business activity.
- consider amending the *Fees and Charges Bylaw* to align the cost of a B&B business licence with the cost of maintaining a program for monitoring and enforcement necessitated by the existence of these businesses.
- consider other zoning amendments first discussed and following the direction of the September 21, 2021, staff report.
- continue discussions with regional agencies on coordinated efforts to advance housing affordability and availability on the west coast.

These are ongoing and future efforts. Improving Ucluelet's housing situation will require changes to regulations, encouraging development of the right kinds of new housing, investment and partnerships to fill non-market gaps in the housing continuum, and working with others in the region to share resources and alignment efforts. Some of the above items are explored in a separate report that is also being prepared for Council's agenda.

### NEXT STEPS

Should Council adopt the motions recommended at the outset of this report, staff would schedule and give notice of a public hearing on Bylaw No. 1310, likely to be held in late June. Staff would also immediately finalize and publish a new page on the District website providing background to these housing efforts and research links to explore. Over the next ten days, staff anticipate receiving inquiries and applications from property owners seeking to clarify and/or justify their inclusion in the B&B overlay in Bylaw No. 1311. After that ten-day period, staff would update the draft bylaw and bring it back for Council consideration of second reading as amended.



**DISTRICT OF UCLUELET**

**Zoning Bylaw Amendment Bylaw No. 1310, 2022**

A bylaw to amend the “District of Ucluelet Zoning Bylaw No. 1160, 2013”.

(Zoning amendments to replace *Bed & Breakfast* with *Accessory Residential Dwelling Unit* uses in most residential zones).

---

**WHEREAS** Section 479 and other parts of the *Local Government Act* authorize zoning and other development regulations;

**NOW THEREFORE** the Council of the District of Ucluelet, in open meeting assembled, enacts as follows;

**1. Text Amendments:**

Schedule “B” of the District of Ucluelet Zoning Bylaw No. 1160, 2013, as amended, is hereby further amended as follows:

- A. By replacing within Division 100 – Enactment and Interpretation, Section 103 Definitions the definition of *Accessory Residential Dwelling Unit* so that the new definition reads as follows:

“Accessory Residential Dwelling Unit” (“ADU”) means one *accessory building* used as a *dwelling unit* for *residential* purposes only, accessory to a *single family dwelling* on the same *lot*, and may be occupied by the property owners, their family members, caretakers, tenants or non-paying guests.”

- B. By amending Division 400 – Supplemental Regulations to make the following changes:

- i. within Section 401 - Accessory Buildings and Structures by adding in alphanumerical order a new subsection 401.4(2)(c) containing the following:

“(c) an *accessory residential dwelling unit* in a Zone that lists such as a permitted use.”

- ii. within Section 404 - Bed & Breakfasts by replacing subsection 404.1(1)(a) with the following:

“(a) in a *single family dwelling* on a lot identified in the B&B Overlay as set out in Schedule “D” ”

- iii. within Section 404 - Bed & Breakfasts by replacing subsection 404.1(2) with the following:
 

“(2) A maximum of three (3) guest rooms may be used for the *bed and breakfast* with a maximum occupancy of two (2) guests per room.”
- iv. within Section 404 - Bed & Breakfasts by adding in alphanumerical order a new subsection 404.1(6) containing the following:
 

“(6) A *bed and breakfast* must be administered by a permanent resident of the *single family dwelling* for whom the *single family dwelling* is their principal residence.”
- v. within Section 404 - Bed & Breakfasts by adding in alphanumerical order a new subsection 404.1(7) containing the following:
 

“(7) The gross floor area devoted to the *bed and breakfast* use must not exceed 35% of the habitable area of the *single family dwelling* in which it is located.”
- vi. within Section 405 – Guest Houses and Guest Cottages by deleting “*accessory residential dwelling unit*” from subsection 405.3(3); and,
- vii. by adding a new Section 408 – Accessory Residential Dwelling Units in alphanumerical order containing the following:

**“408 ACCESSORY RESIDENTIAL DWELLING UNIT (ADU)**

408.1 Where a Zone specifically includes an *Accessory Residential Dwelling Unit* as a permitted secondary use, one *Accessory Residential Dwelling Unit* use is permitted if all the following conditions are satisfied for the establishment and continued use of the *Accessory Residential Dwelling Unit*.

- (1) *Accessory Residential Dwelling Units* are only permitted in the *Zones* where *single family dwelling* is listed as a *principal permitted use* and *Accessory Residential Dwelling Unit* is identified as a *secondary permitted use*.
- (2) The *gross floor area* of the *Accessory Residential Dwelling Unit* must not exceed 7% of the lot area to a maximum of 90 m<sup>2</sup>.
- (3) The *gross floor area* of the *Accessory Residential Dwelling Unit* can be excluded from the calculation of maximum size for accessory buildings in the regulations specific to each zone.
- (4) An *Accessory Residential Dwelling Unit* shall only be located to rear of a principal *single family dwelling*.

- (5) A minimum outdoor space equal to the gross floor area of the *Accessory Residential Dwelling Unit* shall be provided as a dedicated space for use by residents of the *Accessory Residential Dwelling Unit*.
- (6) An *Accessory Residential Dwelling Unit* must not have more than 2 bedrooms.
- (7) A clear pathway with a minimum width of 1.0m shall be provided from the sidewalk or street to the front door of the *Accessory Residential Dwelling Unit*.
- (8) Cantilevered balconies are not permitted on the interior side or rear faces of an *Accessory Residential Dwelling Unit*.
- (9) An *Accessory Residential Dwelling Unit* is only permitted where the owner of the lot has registered a covenant under section 219 of the *Land Title Act* against the title of the lot, in favour of the District of Ucluelet and satisfactory in its form and priority of registration, providing that the *Accessory Residential Dwelling Unit* must not be subdivided from the lot containing the principal building, whether pursuant to the *Strata Property Act*, the *Land Title Act*, or otherwise.
- (10) Off-street parking must be provided in accordance with Division 500.
- (11) An *Accessory Residential Dwelling Unit* must be located a minimum of 3m from any lot line and a minimum 4m from the principal dwelling.
- (12) Despite subsection (1) *Accessory Residential Dwelling Units* are also permitted in some Industrial and Commercial zones according to the regulations of those zones.

408.2 In addition to minimum height requirements of other parts of this bylaw:

- (1) For an *Accessory Residential Dwelling Unit* whose roof pitch is equal to or greater than 3:12, the maximum height shall not exceed 4.2m.
- (2) For an *Accessory Residential Dwelling Unit* with flat roofs or roofs with a pitch less than 3:12, the maximum height shall not exceed 3.75m.
- (3) The height of an *Accessory Residential Dwelling Unit* may be increased by 0.3m vertical distance for every 0.6m increase in excess of the minimum setbacks established by this bylaw, to a maximum height of 6.5m.
- (4) For an *Accessory Residential Dwelling Unit* with flat roofs or roofs with a pitch less than 3:12, the area of a second floor shall be no greater than 60% of the total floor area beneath it.

408.3 For greater certainty, notwithstanding other provisions of this Bylaw, an *Accessory Residential Dwelling Unit* :

- (1) Must not contain a *home occupation* if the principal *single family dwelling* contains a *home occupation*.
- (2) Must not be established or operate on a property where the principal *single family dwelling* contains a *Secondary Suite*, or has been issued a business licence for a *Bed & Breakfast*.
- (3) Must not contain any type of *commercial tourist accommodation* use.
- (4) Must not be established or operate in addition to the maximum number of *dwelling units* in the form of *Guest Cottages* on a property in the GH – Guest House zone.”

C. By deleting “*Bed and Breakfast*” as a permitted secondary use from the list of permitted uses in the following subsections within the Zones:

- i. R-1.1.1.1(2)(a) [R-1 Single Family Residential]
- ii. R-2.1.1(2)(a) [R-2 Medium Density Residential]
- iii. R-4.1.1(2)(a) [R-4 Small Lot Single Family Residential]
- iv. RU-1.1(2)(b) [RU Rural Residential]
- v. CD-1.1.1(2)(a) [CD-1 Eco-Industrial Park]
- vi. CD-2A.1.1(2)(a) [CD-2A Big Beach - District Lot 281]
- vii. CD-3A.1.1(2)(a) [CD-3A Rainforest - District Lot 282]
- viii. CD-5B.1.1(2)(a) [CD-5B Former Weyco Forest Lands – Development Area #2 Central Park]
- ix. CD-5C.1.1(2)(a) [CD-5C Former Weyco Forest Lands – Development Area #3 Ocean West]

D. By inserting “*Accessory Residential Dwelling Unit*” as a permitted secondary use into the list of permitted uses in the following subsections within the Zones:

- i. R-1.1.1.1(2)(a) [R-1 Single Family Residential]
- ii. R-2.1.1(2)(a) [R-2 Medium Density Residential]
- iii. R-4.1.1(2)(a) [R-4 Small Lot Single Family Residential]
- iv. RU-1.1(2)(b) [RU Rural Residential]
- v. GH-1.1(2)(b) [GH Guest House]
- vi. CD-1.1.1(2)(a) [CD-1 Eco-Industrial Park]
- vii. CD-2A.1.1(2)(a) [CD-2A Big Beach - District Lot 281]
- viii. CD-3A.1.1(2)(a) [CD-3A Rainforest - District Lot 282]
- ix. CD-5B.1.1(2)(a) [CD-5B Former Weyco Forest Lands – Development Area #2 Central Park]

x. CD-5C.1.1(2)(a) [CD-5C Former Weyco Forest Lands – Development Area #3 Ocean West]

E. By deleting subsection R-1.1.1(3); and,

F. By deleting subsection CD-3A.1.1(3).

**2. Citation:**

This bylaw may be cited as “District of Ucluelet Zoning Amendment Bylaw No. 1310, 2022”.

**READ A FIRST TIME** this    day of    , 2021.

**READ A SECOND TIME** this    day of    , 2021.

**PUBLIC HEARING** held this    day of    , 2021.

**READ A THIRD TIME** this    day of    , 2021.

**ADOPTED** this    day of    , 2021.

**CERTIFIED A TRUE AND CORRECT COPY** of “District of Ucluelet Zoning Amendment Bylaw No. 1310, 2022.”

---

Mayco Noël  
Mayor

---

Paula Mason  
Deputy Corporate Officer

**THE CORPORATE SEAL** of the  
District of Ucluelet was hereto  
affixed in the presence of:

---

Paula Mason  
Deputy Corporate Officer

**DISTRICT OF UCLUELET**

**Zoning Bylaw Amendment Bylaw No. 1311, 2022**

A bylaw to amend the “District of Ucluelet Zoning Bylaw No. 1160, 2013”.

(Zoning amendments to continue established Bed & Breakfast as a permitted accessory use on certain residential lots).

---

**WHEREAS** Section 479 and other parts of the *Local Government Act* authorize zoning and other development regulations;

**NOW THEREFORE** the Council of the District of Ucluelet, in open meeting assembled, enacts as follows;

**1. Text Amendments:**

*District of Ucluelet Zoning Bylaw No. 1160, 2013*, as amended, is hereby further amended by adding a new Schedule “D” (B&B Overlay) at the end the bylaw to designate those *Lots* as listed in the table attached to this bylaw as Appendix “A” (and as listed in the map accompanying Schedule “D”), to include *Bed and Breakfast* as a permitted secondary use per subsection 404.1(1)(a).

**2. Map Amendment:**

*District of Ucluelet Zoning Bylaw No. 1160, 2013*, as amended, is hereby further amended by adding a new Schedule D (B&B Overlay) at the end the bylaw to designate those *Lots* outlined in black on the map attached to this bylaw as Appendix “A” (and as listed in the table to accompanying Schedule “D”), to include *Bed and Breakfast* as a permitted secondary use per subsection 404.1(1)(a).

**3. Citation:**

This bylaw may be cited as “District of Ucluelet Zoning Amendment Bylaw No. 1311, 2022”.

**READ A FIRST TIME** this    day of    , 2021.

**READ A SECOND TIME** this    day of    , 2021.

**PUBLIC HEARING** held this    day of    , 2021.

**READ A THIRD TIME** this    day of    , 2021.

**ADOPTED** this    day of    , 2021.

**CERTIFIED A TRUE AND CORRECT COPY** of “District of Ucluelet Zoning Amendment Bylaw No. 1311, 2022.”

---

Mayco Noël  
Mayor

---

Paula Mason  
Deputy Corporate Officer

**THE CORPORATE SEAL** of the  
District of Ucluelet was hereto  
affixed in the presence of:

---

Paula Mason  
Deputy Corporate Officer

**APPENDIX 'A' to District of Ucluelet Zoning Amendment Bylaw No. 1310, 2022  
(B&B Overlay)**

Notwithstanding the permitted accessory uses listed in the Zoning designation of the following properties, *Bed and Breakfast* is a permitted secondary use on the properties listed in this table and outlined in black on the following map:

Roll No	Licence #	Name	Location	Lic. Code 1
114893	5375	BLACK BEACH HOUSE	482 MARINE DRIVE	B-1
127080	5434	THE FARMHOUSE	812 RAINFOREST DR	b-1
127066	5537	SALTY CEDARS	1755 RAINFOREST LANE	b-1
127099	5313	FERN BRIDGE COTTAGES	651 RAINFOREST DRIVE	B-1B
126935	5246	SINGING CEDARS GUEST HOUSE	1824 ST JACQUES BLVD	B-1A
180658	5342	AERIE ON THE EDGE	863 LORNE WHITE PLACE	B-1
180660	5536	WILD COAST RETREAT UCLUELET	850 LORNE WHITE PL	B-1
200020	5108	EASY ON THE EDGE	978 PENINSULA RD	B-1
180657	5255	BROWN'S BEACH GUEST SUITE	859 LORNE WHITE PLACE	B-1
151102	5385	DOWNTOWN CEDAR SUITE	1774 CEDAR ROAD	B-1
61039	5372	TWO BEACHES GUEST SUITES	302 REEF POINT ROAD	B-1
195000	5200	DAHLIA HOUSE B & B	1974 ATHLONE ROAD	B-1
206030	5301	RISE GUEST HOUSE	963 PENINSULA	B-1A
114810	5190	CYGNET COVE SUITES	1260 SUNSET POINT RD	B-1B
61176	5497	BLUEBERRY HILL GUEST SUITE	1323 EDWARDS PLACE	B-1B
200060	5197	DRIFT WESTCOAST GETAWAY	327 PASS OF MELFORT PLACE	B-1B
200003	5281	WILD PACIFIC BED AND BREAKFAST	962 PENINSULA RD	B-1
62100	5358	OCEAN DREAMS B&B	1214 PENINSULA RD	B-1
61015	5136	REEF POINT B&B	1166 CORAL WAY	B-1
73050	5223	BOSTROM'S B&B ON LITTLE BEACH BAY	358 MARINE DR	B-1
196070	5542	HYPHOCUS INN	1062 HELEN ROAD	B-1
92000	5456	GUEST ROOM 184	184 MATTERSON DRIVE	B-1
61005	5399	UKEE RETREAT	1131 CORAL WAY	B-1
200022	5404	SHIPWRECK COAST BED AND BREAKFAST	947 AMPHITRITE PL	B-1
61163	5243	SURFNSTAY	1358 EDWARDS PL	B-1
61186	5119	CHINOOK GUEST SUITE	1387 EDWARDS PL	B-1
73070	5490	359 MARINE DRIVE	359 MARINE DRIVE	B-1
200001	5366	LA MER INN	970 PENINSULA	B-1
126943	5465	RAINFOREST RETREAT	1947 ST. JACQUES BLVD	b-1
126936	5113	WARUNG OMBAK INN	1844 ST JACQUES BLVD	b-1
187500	5452	WILD PACIFIC LODGE	1977 ATHLONE	B-1
61177	5195	RAIN INN	1327 EDWARDS PLACE	B-1
73044	5347	378 MARINE DRIVE	378 MARINE DRIVE	B-1
126933	5469	SALAL SUITE	1804 ST JACQUES BLVD	B-1
60079	5269	LITTLE BEACH LOOKOUT	1166 RUPERT RD	B-1
128060	5420	PARKSIDE B & B	1644 HOLLY CRESCENT	B-1
61010	5322	CORAL WAY ENTERPRISES	1165 CORAL WAY	B-1
61189	5350	SECRET CREEK B & B	1270 PENINSULA	B-1
114958	5523	WHITE WOLF B & B	405 MARINE DRIVE	b-1
62060	5324	WAY WEST LODGE	238 MATTERSON DRIVE	b-1
60087	5454	EAGLE VIEW	1151 RUPERT RD	b-1
73074	5121	MARINE DRIVE SUITES	343 MARINE DR	B-1
206320	5207	SANCTUARY ON THE COAST	875 ELINA RD	B-1
60081	5166	CATHERINE'S B&B	1150 RUPERT RD	B-1
61030	5422	REEF RETREAT	366 REEF POINT RD	B-1
61023	5423	SALT & CEDAR	1118 CORAL WAY	B-1
181154	5540	BUENA ONDA B & B	350 PACIFIC CRES	B-1
62005	5549	STARRY VACATION HOME	1183 HELEN RD	b-1
114956	5570	FRONT OF THE HOUSE STUDIO SUITE	419 MARINE DR	b-1
180601	5575	SEAGLASS GUEST ROOMS	1950 CYNAMOCKA RD	b-1
61012	5582	CORAL BEACH HOUSE	1179 CORAL WAY	b-1
200002	5141	OCEAN MIST GUEST HOUSE	966 PENINSULA ROAD	B-1A
196071	5406	LIAHONA GUESTHOUSE	1068 HELEN ROAD	B-1A
188000	5320	SERGEI FOX	1971 ATHLONE	B-1A
61182	5545	TREE TOP VACATION SUITE	1357 EDWARDS PL	B-1B
61168	5260	COCOON	1328 EDWARDS PL	B-1B
96000	5466	SUITE VIEW	1465 HELEN ROAD	B-1B
61165	5470	SITKA SUITE	1346 EDWARDS PLACE	B-1B
37000	5339	PACIFIC RIM BED AND BREAKFAST	1350 HELEN RD	B-1
51000	5534	EDGEFLOW B & B	1373 PENINSULA RD	B-1
29000	5554	OTTER AND PINE	236 OTTER RD	b-1
200057	5316	SAFE HARBOUR GUEST HOUSE	333 PASS OF MELFORT PL	B-1
200056	5569	CEDAR SURF B & B	335 PASS OF MELFORT PL	B-1
200054	5509	SOUNDS OF THE SEA GUEST HOUSE	339 PASS OF MELFORT	B-1A
200037	5580	SURGE GUEST SUITES	905 BARCLAY PL	b-1
196601	5132	BIRDS BAY RETREAT	985 PENINSULA RD	B-1
126933	5367	KIWI COTTAGE	1804 ST. JACQUES BLVD.	b-1
181133	5369	ATHLONE HEIGHTS B&B	B-1994 ATHLONE ROAD	b-1
181134	5304	HILLTOP HIDEAWAY	1992 ATHLONE ROAD	B-1
200013	5262	BARKLEY HOUSE B & B	917 BARKLEY PL	B-1
126946	5312	CEDAR HIDEWAY	1887 ST JACQUES BLVD	B-1

**APPENDIX 'A' to District of Ucluelet Zoning Amendment Bylaw No. 1310, 2022**

(B&B Overlay)





## STAFF REPORT TO COUNCIL

Council Meeting: September 21, 2021  
500 Matterson Drive, Ucluelet, BC V0R 3A0

**FROM:** BRUCE GREIG, DIRECTOR OF COMMUNITY PLANNING

**FILE NO:** 6630-20-HOUSING

**SUBJECT:** UCLUELET HOUSING – 2021 UPDATE

**REPORT NO:** 21-137

**APPENDICES:** APPENDIX A – 2018 STAFF REPORT - OCP HOUSING ACTION PLAN

### **RECOMMENDATIONS:**

1. **THAT** Council adopt the following goals aimed at improving the availability and affordability of housing in the community:
  - a. prioritize long-term residential housing;
  - b. slow and contain the proliferation of short-term vacation rentals within residential neighbourhoods;
  - c. create opportunities for more diverse and new forms of housing, with a priority on more affordable forms of housing; and,
  - d. create opportunities for the development of new rental housing.
  
2. **THAT** Council direct staff to further explore regulatory and development strategies to action Council's goals for addressing housing availability and affordability in the community.

### **PURPOSE:**

To provide Council with options for addressing current housing issues, confirm the goals for any regulatory changes, gauge the degree of public consultation desired by Council on these issues, and to lay out possible next steps.

### **BACKGROUND AND CONTEXT:**

Ucluelet is at a pinch point. Like many communities across the country, housing affordability has become an issue at the forefront of concerns for most households. This is an issue for both community members and business owners; increasingly, housing issues are translating into staffing issues. This report is being presented in the context of:

- a doubling of local housing prices in the past decade;
- a draft OCP underway but not adopted;
- a global pandemic that is not over, which has upended travel, economics and livelihoods;
- a Housing Need Assessment underway for all West Coast communities;
- a real estate and building boom;
- escalating construction costs due to supply-chain bottlenecks and localized demand;
- the ongoing loss of existing rental housing stock to short term tourist accommodation rentals;
- the final year of this Council term; and,
- a Strategic Plan that includes a focus on Housing Affordability.

Also part of the housing context are a number of recent and current housing development approvals:

- Ocean West phase 5 (32 lot single-family subdivision: DP and PLA issued);
- “Lot 13” Marine Drive affordable housing (33-lot single-family subdivision: rezoning, DP and PLA issued);
- “Lot 16” Marine Drive housing development (112 units total: rezoning underway);
- “The Wave” on Marine Drive development (6 townhouses: rezoning, DP and BP issued);
- development of 20 new homes under the *Pocket Neighbourhood Residential* regulations on St. Jacques Boulevard; and,
- a handful on “one-off” site-specific single-family re-zonings to allow an Accessory Residential Dwelling Unit (ARDU).

As well, Council has supported the retention of existing housing and creation of temporary worker housing:

- “Raven Lodge” rezoning to recognize existing non-conforming multi-family units and to enable their upgrade; and,
- numerous Temporary Use Permits for seasonal worker housing, including a 2021 pilot project for a batch intake of TUP applications.

### **THE CURRENT CHALLENGE:**

Ucluelet has been experiencing a dramatic shift of value within the housing market. This is partly brought about by external forces (increased demand for rural properties brought by a global pandemic, a culture shift to working remotely, historically low interest rates, etc.), and is also affected by local forces (existing zoning regulations, destination tourism marketing, labour availability, etc.).

For years, within the Ucluelet zoning bylaw the Bed and Breakfast (“**B&B**”) use has been a permitted secondary use. This accessory use was intended to be a “mortgage helper” and first arose in the zoning regulations as the local economy saw shifts in the forestry and fishing sectors, and the community began to turn to tourism for additional economic opportunities. Over time, there has been rising popularity and demand for short term rentals (“**STR’s**”; in this report we will use this term interchangeably with B&B in the discussion of short-term tourist accommodation within single-family residential properties).

In 2008 AirBnB was founded. Online bookings for independent STR accommodation began to grow in popularity.

The B&B accessory use within the residential zones in Ucluelet perhaps started as an innocuous side gig, but the rise of AirBnB and other online booking platforms led to that being discovered and promoted to the point where the B&B use is now effectively a loophole into the commercial vacation accommodation market.

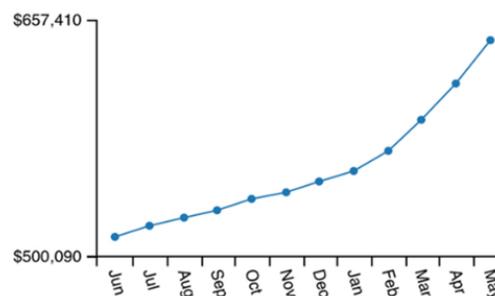
The market for residential properties is now being influenced by commercial / investment / accommodation value – these uses are no longer secondary to the value of the home. Instead these uses are driving the cost of local housing stock.

Increasingly, we are seeing new houses being constructed with purpose-built attached (with separate exterior access) motel units; these may meet the definition within the zoning but are no longer the B&B bedrooms down the hall within a family home. Additionally, what were formerly long-term rental secondary suites are being converted and put to use as STR's for tourist accommodation.

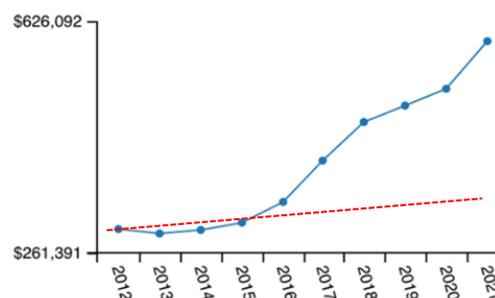
All of the above have contributed to the recent rise in the price of land and housing - to the point that working Ucluelet families are essentially priced out of the market. This is acutely affecting both ownership and rental opportunities.



#### Past 12 months



#### Past 10 years



The red line (added) shows the home price that the median Ucluelet household can afford.

If sustained, a 14.5% year-over-year increase in the average market price means that home prices would double in less than 5 years.

The character of the town and the fabric of the community depends on people being able to see a long-term path to stable housing, to meet their family's needs. Households make long-term decisions on where they will invest their time and money, where they will raise kids, volunteer and put down roots. These individual decisions affect how a community functions and how it defines itself. If it wishes to keep its values then Ucluelet, like many communities, will need to take an active role in addressing local housing issues on many fronts.

In this context, this report aims to briefly explore some short-term and long-term actions the municipality could take, and seek direction from Council on where best to focus energies and resources. These include:

- regulatory (particularly Zoning Bylaw) changes;
- building housing; and,
- creating a supportive environment for housing initiatives (i.e., governance & resources).

**DISCUSSION:****Potential Strategies:**

To avoid getting buried in details at the outset, staff suggest that the best starting point is for Council to first consider and confirm the goals as outlined in the recommendations at the beginning of this report. Once Council has confirmed the goals for addressing the supply and affordability of housing, the next step would be for staff to provide more detailed information and a discussion of the pros and cons of pursuing each potential strategy, for further discussion and direction.

The following provides an overview of future strategies Council could consider.

**A. Zoning:**

Arguably the District's zoning needs to catch up with the times. Zoning can affect the amount, type, location and cost of housing in the community. Adjusting regulations within the zoning bylaw is perhaps the central lever that Council controls which can affect the supply and cost of housing over time. Some examples of zoning changes that could be explored include:

1. **Option: flip the status to put housing first (reduce B&B and increase ARDU zoning) – explore changing residential zones to make ARDU's an outright accessory use, and make a site-specific zoning amendment necessary for creating more short-term rentals instead.**

Currently, as mentioned above, commercial tourist accommodation use (a B&B) is an outright secondary use permitted in most residential zones in the District. At the same time, an Accessory Residential Dwelling Unit (ARDU) is not generally permitted; this accessory use would require a rezoning application. A handful of properties have successfully made application and rezoned to allow an ARDU for long-term accommodation.

An ARDU unit – also known as a cabin – provides a different type of housing unit than a secondary suite. By definition secondary suites are attached within the main house. A cabin for a renter or family member provides for a little separation and outdoor space, adding a different and often more livable long-term housing situation.

This is not to suggest that STR's be "banned"; the zoning could acknowledge those existing licensed B&B's but contain their further spread.

2. **Option: seek to create a diverse mix of residential zoning designations for different sizes and types of long-term residential housing, and apply a policy of seeking a majority of long-term housing within each new development.**

As properties within town come forward with rezoning applications, prioritize housing and more affordable forms of housing.

3. **Option: explore adding long-term ARDU housing as a permitted accessory use on properties already zoned for guest cabin accommodation.**

As we have seen during the pandemic, at times it may be more desirable for an owner of tourist accommodation to instead use it for residential housing. Such units are already dwellings built to code for long-term occupancy, with parking on site. If an owner wishes to lease a cabin to a long-term tenant, then that's one more resident housed.

4. **Option; clarify within the zoning bylaw and/or business licensing bylaw that the property must be the principal residence of the business licence holder.**

The B&B use regulations have long specified that it is the full-time and present resident of the dwelling who operates and administers the B&B. In other words, clarify within the bylaws that a tenant “manager” is insufficient to justify the accessory B&B use.

5. **Option: explore prioritizing housing within mixed-use buildings in the centre of town by removing resort condo as an outright permitted use.**

It has long been a policy to support more rental housing in the centre of town. The CS-2 zoning permits mixed-use multi-family (i.e., apartments above commercial uses) but also mixed-use resort condos. The CS-2 zoning would still allow *Hotel* and *Motel* uses, but this zoning change may encourage / protect the “apartment above the shop”.

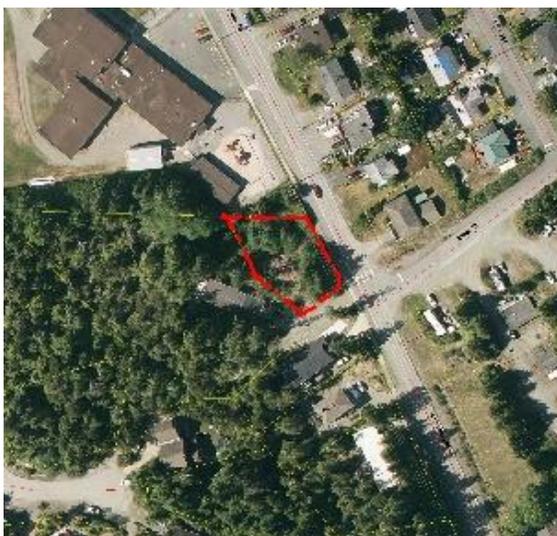
With any of these potential changes, a degree of public consultation and community input will be advisable and required. A greater degree of public engagement can raise awareness and acceptance of potential changes, but consequently takes more time and resources. Staff suggest that Council discuss and consider at a high level the degree of community input – early and/or ongoing - that might be appropriate with any potential options being explored.

#### B. Build Housing:

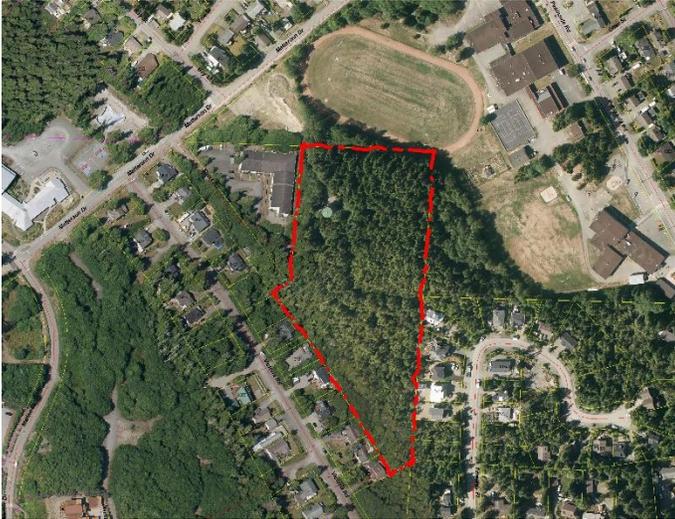
**Option: explore, within the 5-year financial plan, funding capacity for one or more affordable housing projects on District-owned land.**

The District of Ucluelet is not a large land owner, but some municipally-owned properties may be suitable for constructing housing. The District could prioritize these lands for strategically developing housing stock to fill the most critical gaps identified in the Housing Need Assessment (HNA). This may mean partnering with not-for-profit housing developers. Some lands that may be considered (and that have been previously identified and discussed at different points) include:

1. Peninsula Road at Alder Street. This property is next door to the elementary school and may be suitable for 3 or 4 townhouses; an affordable housing project at this location might prioritize single parents, seniors, etc. (again, the need to be identified from the HNA).



2. Matterson reservoir site. This is a large, treed property that could be an option for developing affordable ownership and affordable rental units. Access, servicing and subdivision would all be precursors to developing housing. The location is adjacent to both schools and the community centre. Park dedication and habitat values would also be key considerations.



3. Forbes Road behind public works yard. This District lot would need water and sewer services extended to it, and grading work to level the site. Located within the light industrial area, but also adjacent to the Tugwell Fields park, this might be most suitable for temporary worker and/or contractor housing.



In all cases, for the above or other sites, the development of new housing infrastructure would require that the District undertake steps of:

- confirming the housing program and affordable housing goals;
- site selection (and confirmation of highest and best use);
- site analysis and feasibility testing;
- business case and confirmation of funding and/or partnerships;
- design and construction management;
- site servicing;
- construction;
- commissioning and ongoing maintenance; and (significantly),
- qualifying and vetting potential buyers and/or renters against affordable housing criteria.

These types of projects are not quick and require groundwork to ensure the financing and project success. Any such project would be informed by the results of the community Housing Need Assessment currently underway.

### C. Build Housing Capacity:

The District is not alone facing these housing challenges. As the West Coast Housing Need and Demand study will illustrate, these challenges are being seen across the region. Working together with regional partners and communities, particularly on the servicing and supply side of the housing equation, will take time but holds promising win/win benefits for all communities. Some strategies that Council might consider include:

#### 1. **Option: explore the potential and lobby regional agencies for the creation of a West Coast Housing Authority.**

As affordable housing units come on stream, recognize that the ongoing management of these community assets is itself a job. Individually, small local municipal and First Nation governments of the West Coast do not currently contain the capacity to take this on. Plus, the job of qualifying housing applicants and managing housing assets is not a side-of-desk job. Pooled resources could provide the best value to all West Coast communities in delivering affordable housing. This could take the form of:

- a. a new regional service provided by the Alberni-Clayoquot Regional District;
- b. a servicing agreement for contracted services provided by one localized service provider (e.g., Tofino Housing Corp. or other); or,
- c. a contracted regional service provided by either a for-profit or not-for-profit housing consultant.

#### 2. **Option: invite conversations at the staff and elected official levels with the Toquaht Nation and Yuułu?i?ath Government about mutual housing challenges and opportunities. Key starting points may be identifying where there are shared community values and goals, and alignment of housing needs and capacities. An eye to identifying shared efficiencies in delivering services and infrastructure could benefit all partners.**

Under the section discussing the regional context with our neighbours, reconciliation and relations with indigenous communities, the draft 2020 OCP includes the policy 1.4, *“seek opportunities for mutual benefit when exploring topics of housing, economic development, transportation, utilities, tourism, emergency services and other matters which affect the wellbeing of our communities”*. That the 2021 Housing Need Assessment is being completed as a collaborative partnership among all local government and indigenous communities on the West Coast is evidence that there is recognition and willingness to tackle our community issues such

as housing in a coordinated effort. Opportunities exist for working together to re-balance the local housing supply, create appropriate housing options for all community residents and also to create sustainable local economic development opportunities.

**Process and Financial Implications:**

Addressing community housing challenges will not be a single project or a one-time initiative. This should be approached as an ongoing area of service and adaptation within the community (see also 2018 report in **Appendix 'A'** for further context and background). As mentioned above, individual pieces may resolve as line items in the municipal Budget and 5-year Financial Plan. Other efforts will be tackled as part of core services and could at times affect all municipal departments – specifics will become clear as we get further down the path. As the community evolves the demand for services – including around housing – will increase and it can be expected that additional resources will become necessary. At this point, staff are seeking high-level Council direction; detailed decisions and supporting analysis will need to follow to ensure that these efforts are adequately resourced.

**OPTIONS REVIEW AND NEXT STEPS:**

It is recommended that Council consider providing direction on the goals for short- and long-term housing initiatives as described at the outset of this report. Staff would follow up with more detailed reports on the following for specific strategies, including:

- background, and experiences of other communities;
- budget implications;
- pros and cons;
- processes for public input; and,
- draft bylaws,

based on Council's direction on strategic housing initiatives.

Alternatively, Council could receive this report for information and revisit this discussion when the results and recommendations of the 2021 West Coast Housing Need Assessment are received later this fall.

**Respectfully submitted:** Bruce Greig, Director of Planning  
John Towgood, Municipal Planner  
Duane Lawrence, Chief Administrative Officer



## STAFF REPORT TO COUNCIL

Council Meeting: June 26, 2018

500 Matterson Drive, Ucluelet, BC V0R 3A0

**FROM:** BRUCE GREIG, MANAGER OF COMMUNITY PLANNING

**FILE NO:** 6480-20-2018-OCF

**SUBJECT:** UCLUELET OCP – HOUSING ACTION PLAN

**REPORT NO:** 18-65

### RECOMMENDATIONS:

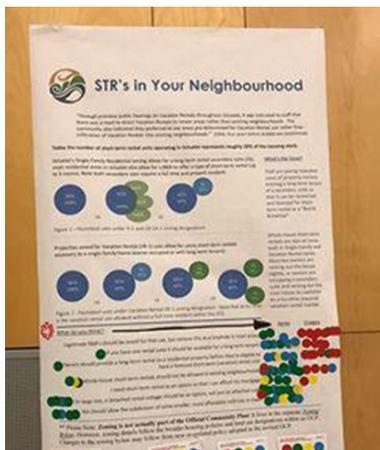
1. **THAT** Council provide feedback on the actions listed in the draft 2018 Housing Action Plan; and,
2. **THAT** the District proceed with commissioning a Community Housing Needs Assessment to analyze the current and emerging housing needs, identify gaps in the spectrum of existing and planned housing supply, and assist in identifying housing priorities in Ucluelet.

### PURPOSE:

To provide Council with a brief background and preview of OCP housing discussions - plus a draft of potential short-term housing actions - and to seek direction on the immediate task of commissioning a Housing Needs Assessment.

### Background:

Throughout the engagement of the Ucluelet Official Community Plan Update, initiated in 2016, a primary area of concern recognized by community members, staff and Council has been a suite of issues surrounding the supply and affordability of housing. During community consultation in March, housing was a key topic area and generated excellent discussion and feedback. Staff consider it timely to prompt further discussion focused on housing as the draft OCP takes shape. At the same time, other current community discussions could be informed by a clear picture of what the municipality is doing in this area. It is also timely to consider a series of short-term tasks to move forward on addressing these issues.



The 2016 Census counted a resident population of 1,717 people in Ucluelet, and a total of 735 occupied private dwellings. Gathered from the census data over the past ten years, Ucluelet has experienced 1.36% annual population growth, or 23 new residents per year; this could be considered strong, positive growth.

Over the same period, visitor growth and non-resident home ownership has also expanded considerably (though the numbers are not captured by the census). The advent of on-line advertising and bookings for short-term vacation rentals is depleting the supply of rental housing available to long-term residents in Ucluelet (and many other communities in BC). This is having a negative effect on both business viability and community well-being.

Over the past year the District has actively monitored and enforced its bylaws on short-term vacation rentals. Approximately 130 short-term rental units are active in the municipality, many in existing residential neighbourhoods. A number of long-term rental units, including secondary suites, have been converted to short-term rentals, displacing this supply of vital housing stock.

In April of 2018, the provincial government introduced two new pieces of legislation affecting how local governments address housing issues. Bill 18 will require local governments to commission a housing needs assessment within 3 years, and update the report every 5 years thereafter. It is expected that a completed needs assessment report will be a pre-requisite to provincial grant funding for affordable housing projects. Bill 23 will enable local governments to designate properties in their zoning bylaws exclusively for rental housing. This spring the federal government has announced new funding for affordable housing, including making land available to municipalities for the development of new affordable housing units. The details of these new regulations and funding have yet to be announced.

**DISCUSSION:** In response to the current housing situation, staff propose that the District pursue the following short-term housing action plan. Subject to Council approval of 2019 and 2020 budgets, the following actions are expected over the next two years:

2018 Short-Term Housing Action Plan:

1. Continue the program to actively monitor and enforce short-term rentals;
2. Commission a community Housing Needs Assessment report;
3. Explore the feasibility of creating temporary seasonal employee housing on municipally-owned property;
4. Look for opportunities to update the District's inclusionary zoning and density bonusing, particularly on lands previously designated as Comprehensive Development under a Master Development Agreement, to ensure a mix of affordable housing types are delivered with each phase of new development in the community;
5. Explore and seek community input on zoning amendments to:
  - a. ensure that the first rental unit on single-family residential lots is for long-term tenancy, with any additional short-term rental uses to depend on the continued existence of the long-term rental;
  - b. remove standalone short-term rental of single-family homes from the VR-2 zoning designation;
  - c. add options for infill of compact, more affordable units in existing and new neighbourhoods (e.g., small lots, rental cottages, etc.);
6. A number of federally-owned former Parks Canada and RCMP employee housing lots are now designated *Institutional* on the Schedule A Land Use Plan; create a new institutional Community Residential zoning designation for these properties, clarifying the community expectation for the future conversion of these lands to a possible variety of community care, shelter, supportive and affordable housing uses;
7. Explore the use of the new rental zoning powers proposed in Bill 23;
8. Explore the use of Development Cost Charges for affordable housing;
9. As a follow-up to the needs assessment, develop a municipal Affordable Housing Strategy – identifying the best focus of municipal resources when addressing housing issues; and,
10. Develop a District land and development strategy and explore the options for an ongoing affordable housing program.

It is expected that these actions would be revisited in a 2020 amendment to fine-tune the OCP. Meanwhile, these actions would enable the District to better understand the dynamics of the housing market and supply in Ucluelet, and also allow the municipality to be proactive on balancing the community housing needs as new development occurs.

**Process, Timeline and Financial Implications:**

A. Housing Needs Assessment:

Staff are presently working on the draft updated OCP chapters and maps. Engaging a consultant to get started on a Housing Needs Assessment does not need to wait to follow adoption of an updated OCP bylaw. Staff consider this a clear next step and recommend pursuing the assessment as soon as possible. The needs assessment will be a pre-requisite to upcoming provincial grant opportunities, and is expected to become a legislated requirement in the near future. The results of the needs assessment will also provide a solid background to help in the analysis of future rezoning proposals which may affect the amount and diversity of housing supply in the community.

The cost to complete a needs assessment is estimated to be approximately \$20,000. The funding of the needs assessment could be accommodated within the current allotment for the OCP project and other consulting in the 2018 budget. As an alternative, Council could wait to see if provincial grant funding is announced in September (as rumoured) to assist municipalities in undertaking these housing needs assessment reports.

Any additional costs for other tasks which fall outside the regular Planning operating budget would be brought forward to Council for consideration in its budgeting process.

B. Other Tasks:

The other tasks listed are either already underway or could be tackled in the work program over the next two years. As the draft OCP is coming together, staff see the document as a complete and current plan but with a number of areas to be expanded in the short term. Staff anticipate a near-term revision to the OCP to enable the District to adopt a comprehensive “2020 vision” looking at a 30-year horizon to 2050. The proposed housing action plan would provide a number of elements to build toward this.

**OPTIONS REVIEW:**

1. **THAT** Council provide feedback on the actions listed in the draft 2018 Housing Action Plan; **(Recommended)** and,
2. **THAT** the District proceed with commissioning a Community Housing Needs Assessment to analyze the current and emerging housing needs, identify gaps in the spectrum of existing and planned supply, and assist in identifying housing priorities in Ucluelet. **(Recommended);** or,
3. **That** Council defer action on a Housing Needs Assessment until the province has clarified what funding will be available, if any, to assist municipalities with this work.

**Respectfully submitted:** Bruce Greig, Manager of Planning  
John Towgood, Planner  
Mark Boysen, Chief Administrative Officer

## DRAFT potential OCP Bylaw Amendment

---

At the end of Development Permit (DP) Area Designations and Guidelines section (Pg.110) add:

All lands within the boundaries of Ucluelet are designated as a Development Permit Area for the regulation of form and character of intensive residential development when being developed for:

- Detached Accessory Residential Dwelling Units (ADU's) (DPA IX)

After Steep Slopes insert the following (Pg.137):

### **DPA IX Intensive Residential Development of Detached Accessory Dwelling Units - Development Permit Area**

#### **Category**

In accordance with Section 488 (1) of the Local Government Act the Accessory Dwelling Unit (ADU) Development Permit Area has been designated to guide the form and character of intensive residential development.

#### **Justification**

Residential neighbourhoods in Ucluelet are typically low density, composed predominantly of single family housing. Detached Accessory Dwelling Units provide an opportunity for infill housing that can “fit” within an existing neighbourhood without significantly altering its character or appearance. They have the potential to:

- Add diversity and choice in housing;
- Increase the supply of rental accommodation and provide an alternative to attached Secondary Suites;
- Provide accommodation for family members or caregivers;
- Create accessible living accommodation;
- Promote water and energy conservation; and
- Provide rental income to homeowners.

Respecting neighbourhood character and appearance is a priority when creating new ADU's. By considering key aspects of design such as site layout, building form and sustainability, Accessory Dwelling Units can become thoughtful and welcome additions to established neighbourhoods.

#### **Exemptions**

A development permit is not required for a ADU located in the Intensive Residential Development of Detached Accessory Dwelling Units - Development Permit Area when:

- Only internal alterations are made to an ADU;

- Minor exterior renovations to an ADU or a single family dwelling on a lot with an ADU are proposed that would not significantly alter the footprint or character of the building.

### **Interpretation of language**

Where shall is used in a guideline, the guideline is mandatory. At the discretion of the Director of Community Planning, variations may be acceptable, where the intent of the guideline is achieved, to address a unique circumstance that would otherwise render compliance impractical or impossible.

Where should is used in a guideline, the guideline is strongly encouraged, but can be relaxed where unique circumstances require other actions that will still meet the intent of the guideline.

### **Guidelines**

#### **Preliminary Site Design and Layout**

Preliminary site design and layout for ADU prioritizes privacy of neighbours, access to the suite and retention of green space. It also emphasizes design that adapts to the natural topography of the site.

- R1. The location of the ADU should minimize opportunities for overlook and shading on adjacent properties.
- R2. Protecting and retaining mature trees should be a key consideration during the early phases of planning for an ADU. The dwelling, including associated parking and access areas, should be located and designed to preserve existing trees on the subject property, as well as adjacent properties.
- R3. Hard (impervious) surfacing on a lot should be minimized. Limiting hard surfacing in front yards including parking areas and pathways.
- R4. Access to the ADU shall be provided by a minimum 1.0 m wide path that is clearly legible and provides direct access from the street to the dwelling.
- R5. Siting of an ADU should respond to the natural topography of the lot. Significant excavation and/or retaining is discouraged.
- R6. ADU may be considered through a variance process by Council on lots with two frontages (two front yards). Context will be a key consideration on properties where an ADU is proposed in the second front yard. A development variance application should evaluate the following:
  - The nature of the frontage where the ADU is to be constructed (e.g. is it an unconstructed road right-of way or developed street); and
  - The pattern of setbacks on adjacent properties.

#### **Building Design**

Seamless integration of an ADU in an established neighbourhood requires careful attention to architectural style and elements of building design.

ADU design should strive for a high degree of livability and comfort for tenants.

### Design and Massing

- R7. Textured, durable, high quality cladding materials should be used to reinforce the residential character of an ADU.
- R8. Modular and pre-fabricated housing units are an option provided the residential character and permanence of the ADU is reinforced.

### Sloping Sites

- R9. The scale and mass of the ADU should respond to the topography and natural features on the lot.
- R10. ADU should step in plan and section along the natural slope of the land.

### Windows and Lighting

- R11. The size and placement of windows in an ADU should minimize overlook and be sensitive to neighbours' privacy.
- R12. Second storey windows facing adjacent properties and the space between the unit and the principal building should be designed to promote privacy and reduce overlook.
- R13. Skylights, clerestory windows and obscured glazing are encouraged.
- R14. Clear eye level windows may be permitted where it can be demonstrated that privacy and overlook on neighbouring properties are not issues.
- R15. Operable windows are encouraged to increase air flow and natural ventilation in the unit.
- R16. Lighting for the ADU should complement the building and landscape design.
- R17. Lighting should be kept to a minimum necessary for pedestrian safety and visibility. Consideration should be given to the number, location, and style of light fixtures, as well as the negative effects of light spilling into adjacent properties.
- R18. Light fixtures should be recessed. Fully cut off fixtures are encouraged. Motion sensor lights are discouraged.



### Entrances

- R19. Entrances should provide weather protection and can include features such as recessed or covered entries.
- R20. When designing an entrance, consideration should be given to noise and/or privacy impacts for adjacent neighbours.
- R21. ADU's shall have individual unit identity numbers that are illuminated at night. Unit numbers shall be located on the ADU and in a clearly visible location along the nearest street frontage.
- R22. The primary entrance of the ADU should be oriented to a street whenever possible. Landscaping is encouraged to reinforce the location of entry.

## Accessibility and Adaptability

R23. Based on the needs of the tenant, the design the unit should consider standards of adaptability and accessibility.

### Roof Form

Buildings with simple and integrated roof forms are preferred to reduce visual impact and limit shading and overlook onto adjacent properties.

R24. One simple roof form is desired.

R25. Secondary roof forms, such as dormers shall be integrated into the main roof form.

R26. Dormers should be set back a minimum of 0.6 m from gable end elevations.

R27. Total dormer width for each elevation shall not exceed 40% of the width of the upper storey.

R28. On an ADU with a shed roof (slope of 3:12 or greater), the tallest portion of the building should be located to minimize impact on adjacent neighbours.

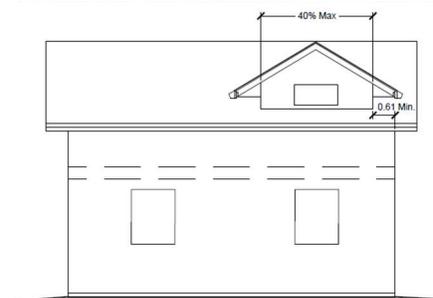
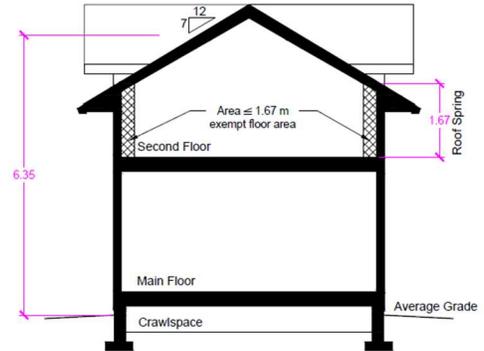
R29. On the second storey of an ADU with a sloping roof, the upper floor area shall be integrated into the roof form.

R30. The main roof on an ADU should spring from somewhere between the upper floor level and 1.67 m above it.

R31. Flat- or shallow-pitched roofs (slope less than 3:12) are discouraged.

R32. If a flat or shallow roof form is proposed, the massing should be located to minimize impacts on adjacent neighbours.

R33. Thoughtful landscape design can preserve neighbourhood character, maximize privacy, enhance remaining green space, protect biodiversity, and provide permeability. Protection of mature trees is a key element in quality landscape design.



## Sustainability

Design that improves the natural environment by promoting conservation and careful management of stormwater are encouraged.

Sustainability considerations are outlined here, and in other sections of these guidelines, including building design, landscaping, and parking and access.

R34. Innovative building and landscape design is strongly encouraged.

R35. Consider low carbon building design and landscaping. This may include energy efficiency such as passive solar design for heating and cooling, and internal infrastructure to support solar panels.

- R36. Integrate water conservation into building and landscape design. This may include capturing rainwater from a roof and maximizing permeable surfaces on a site.
- R37. Consider stormwater management practices that mimic natural systems. The use of rain gardens, green roofs, bioswales, and landscaping can help to slow and clean rainwater, allowing it to slowly diffuse back to the natural water table.

Outdoor amenity space for residents

Improved livability can be accomplished through a variety of means, including the provision of useable and private outdoor space for ADU tenants.



- R38. Define and screen at-grade outdoor spaces through the use of landscaping, plantings, fences or trellises, and/or changes in grade.

Landscaping

Thoughtful landscape design can preserve neighbourhood character, maximize privacy, enhance remaining green space, protect biodiversity and provide permeability. Protection of mature trees is a key element in quality landscape design. A landscape plan is required at the time of application.

- R39. Mature trees and significant vegetation should be retained where possible.
- R40. Native and/or drought tolerant trees and plants suitable for the local climate are encouraged and should include a mix of coniferous and deciduous species. Invasive plants are prohibited.
- R41. Drought tolerant plants and deciduous trees on the south and west elevations are encouraged.
- R42. Side yards should be landscaped and integrated into useable outdoor spaces, where possible. Landscaping should include permeable surfaces, as well as native and/or drought tolerant plants suitable for the local climate.
- R43. Landscaping and/or fencing is encouraged along interior side and rear lot lines. Chain link fencing is not permitted.
- R44. Exterior side yards on corner lots should be designed and treated as the main entrance to the ADU. Screening and landscaping between the street and outdoor space should be used to define the transition from public to private space.



R45. Sufficient and useable on-site parking is a requirement for ADU's. Driveway and parking space design should consider rainwater management, protection of trees and impacts on adjacent properties.

R46. Driveway and parking space design should maximize rainwater infiltration through the use of permeable surfaces such as unit paving blocks, permeable concrete or asphalt, or driveway planting strips.

R47. A minimum of 35% of the area of the front yard should be permeable.



R48. Screening through the use of landscaping, plantings and/or fences should be used where driveway accesses and parking spaces are located along an interior side lot line.

R49. A space should be provided for garbage and compost containers for the ADU and it should be screened from view.

R50. Where possible containers should not be stored in rear or interior side yard setbacks.



### Parking and Access

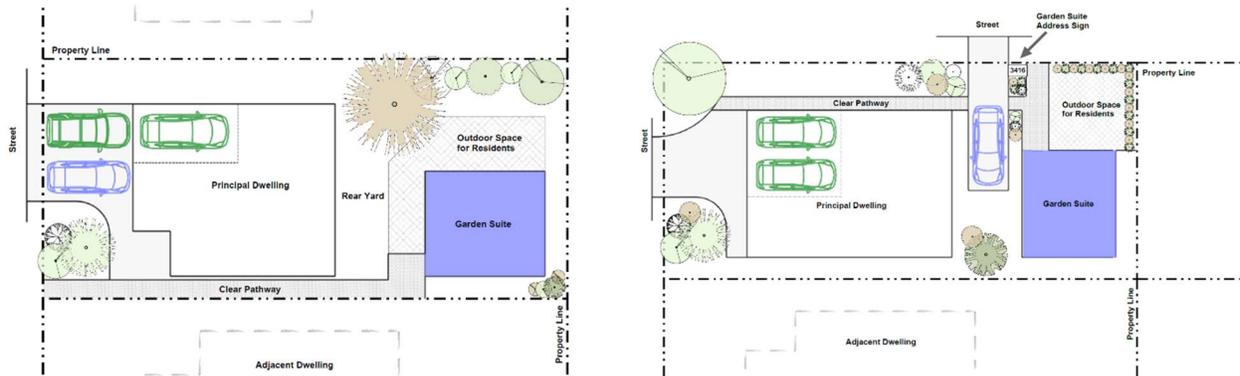
Sufficient and useable on-site parking is a requirement for ADU's. Driveway and parking space design should consider rainwater management, protection of trees and impacts on adjacent properties.

R51. Driveway and parking space design should maximize rainwater infiltration through the use of permeable surfaces such as unit paving blocks, permeable concrete or asphalt, or driveway planting strips.

R52. A minimum of 35% of the area of the front yard should be permeable.

R53. Parking for the ADU can be provided on a shared driveway with the principal building. A tandem parking configuration is possible, but discouraged for the ADU.

R54. For corner lots parking should be accessed via a driveway from the closest adjacent street.



R55. Screening through the use of landscaping, plantings and/or fences should be used where driveway accesses and parking spaces are located along an interior side lot line.

R56. At a minimum, one on-site parking space, for the ADU or the principal building, should feature an energized outlet capable of providing “Level 2” electric vehicle charging to the parking space.

R57. A minimum of one secure and weather protected bicycle parking space should be provided for an ADU.