



REPORT TO COMMITTEE OF THE WHOLE

Committee Meeting: **November 23, 2021**
500 Matterson Drive, Ucluelet, BC V0R 3A0

FROM: BRUCE GREIG, DIRECTOR OF COMMUNITY PLANNING

FILE NO: 6480-20-OCP

SUBJECT: OFFICIAL COMMUNITY PLAN (OCP) GROWTH ANALYSIS

REPORT NO: 21- 172

ATTACHMENT(S): APPENDIX A – GROWTH SCENARIOS
APPENDIX B – NOTES AND ASSUMPTIONS
APPENDIX C – CURRENT DRAFT OCP SCHEDULE ‘A’ & SECTION 3 HOUSING
POLICY EXCERPTS

SUMMARY OF DESIRED OUTCOME

That the Committee of the Whole provide Staff with direction regarding a preferred approach to development and community growth, to inform edits to the draft Official Community Plan maps and policies.

BACKGROUND

At its October 12, 2021, meeting Council passed the following:

1. **THAT** staff be directed to provide an analysis of growth options informed by the *2021 West Coast Land Use Demand Study* in the context of the draft OCP; and,
2. **THAT** the draft OCP (along with the growth options) be presented for community feedback at a Committee-of-the-Whole meeting.

The attached analysis presents four development scenarios (see **Appendix “A”**), which illustrate the possible outcomes of different policy directions. Notes and assumptions used in the analysis are attached in **Appendix “B”**.

DISCUSSION

Key takeaways from the analysis:

- **the major share of new housing units needs to be attainable by Ucluelet residents**, creating portions of housing supply that are suitable to all income levels, to meet the latent need for adequate housing in the community. Over time this will require development of new housing including elements such as:
 - rental units;
 - more units made affordable by size and/or type;
 - mechanisms to make new housing stock available to residents first, for an initial period of time; and,
 - various forms of non-market housing.

(Note the last two would require the involvement of a housing authority or similar agency with capacity to oversee and manage these types of programs.)

- **in all scenarios, limiting *Bed & Breakfast* as an accessory use will be necessary in residential zones;**
- **adding more tourist accommodation will exacerbate the current housing challenges.** There are benefits (and expectations among landowners) for some expansion of tourist accommodation uses; this will need to be counterbalanced, however, with additional housing supply.

Note that just building more housing supply will not, in itself, improve the housing situation; as identified in the *2021 West Coast Land Use Demand Study*, the demand for second homes and investment properties tied to short-term vacation rentals could absorb more supply than Ucluelet can provide - in any development scenario. Therefore, as identified in the *2021 West Coast Housing Needs Assessment*, as we go forward it will be necessary to develop a significant portion of non-market housing.

Low Growth:

Reasons to recommend a low-growth approach include minimizing infrastructure expansion, reducing impact on the land base within the municipal boundaries, and lower local carbon emissions. In this scenario it would be a challenge, however, to achieve a balance of adequate and appropriate long-term housing in the face of competing demand for investment properties and tourism accommodation. This would take some heavy changes in land use policy and rethinking the zoning designation of both existing and future properties.

Medium Growth:

A major reason to recommend a medium-growth approach is the greater ability to leverage new development to create additional housing. This would tend to require more land and infrastructure, compared to a low-growth scenario, and with more new construction comes increased local carbon emissions. Achieving a balance of adequate and appropriate long-term housing with some expansion of tourism accommodation uses would require policy changes, and a continued focus to ensure that each new development provides a net balance of community benefit.

Buildout of Existing, or High Growth:

Staff consider that neither the “buildout of existing” nor the “high-growth” scenarios likely match the community’s expectations. Just building out the existing serviced lands under current zoning would make it difficult to meet the community’s housing needs and/or provide a better balance between housing and tourist accommodation. Conversely, the high growth scenario would lead to greatly expanded infrastructure requirements and represents a pace of development that could be likened to a 30-year boom - more than doubling the town’s residents and visitors. Under the high growth path, it could prove a challenge to keep up with infrastructure and service expansion, while also accounting for the environmental impacts of significant construction activity.

At this point in time, it appears unnecessary to designate a land base in the OCP to facilitate a high growth scenario over the next 30 years. Staff recommend that a medium growth scenario still represents significant development opportunity - with opportunities to improve the balance of housing in the community over the coming years – while allowing for the paced expansion of infrastructure. Ultimately, this is a matter for Council to decide, with informed public input providing a basis for policy decisions within the OCP.

	2050 permanent population	Housing: Tourist ratio	new serviced land area (hectares)	new infrastructure costs	policy changes
buildout existing	2250	46:54	8	\$12 million	limit expansion of services
low growth	2400	60:40	26	\$24 million	* limit development of new tourist accommodation * focus on development of new residential supply on limited lands
medium growth	3100	60:40	34	\$35 million	* expediate development of the right kinds of new residential units * incentives for non-market housing
high growth	4900	60:40	88	\$78 million	none: carry on expanding within municipal boundaries

The function of Land Use Plan Schedule “A”:

- sets the expectation for future re-zonings and developments;
- once adopted, becomes the roadmap for infrastructure planning (and financing);
- should reflect where the community is at today – but looking forward 30 years;
- will provide a starting point for regional discussions on how the west coast is going to sustain our community - and the role of growth & development in that future;
- the OCP and its Schedule “A” can and should be revisited and updated as time goes by.

In the low- and medium-growth scenarios, some areas of land that are currently earmarked for development in the current draft Schedule “A” would be left undeveloped. Such areas could be designated for future potential growth, either beyond the timeframe of the OCP or at a point when the District amends the OCP in response to a comprehensive plan (covering servicing, traffic, archaeological and environmental impacts, etc.) of portions of those lands.

The current draft Schedule “A” Long-Range Land Use Plan and housing policy excerpts on Housing are included in **Appendix “C”**.

KEY QUESTIONS

After the community discussion, Staff suggest that Council discuss and provide direction on the draft Official Community Plan Bylaw No. 1236, 2020, in particular:

1. Does Council support changing the draft Long-Range Land Use Plan - Schedule “A” to reflect a pattern of development consistent with the medium growth scenario explored in this exercise?
2. Does Council support amending the residential housing policies in Part 3 of the draft OCP, by:
 - a. adding to draft policy 3.134, “As a starting point, target a minimum of 75% of housing in new developments to be attainable by Ucluelet resident households.”
3. Does Council wish to see any additional amendments to the draft OCP?

Alternatively, Council could indicate a preference for endorsing a different growth scenario in the OCP Long-Range Land Use Plan, or confirm that the draft OCP is ready to proceed without further changes.

In either case, Council could direct staff to bring the draft OCP Bylaw No. 1236 back at an upcoming regular meeting for consideration of 2nd reading and referral to a public hearing.

Respectfully submitted: Bruce Greig, Director of Community Planning
Duane Lawrence, Chief Administrative Officer