

REPORT TO COUNCIL

Council Meeting: May 14, 2024 500 Matterson Drive, Ucluelet, BC VOR 3A0

 FROM: BRUCE GREIG, DIRECTOR OF COMMUNITY PLANNING
 FILE NO: 3360-20-RZ24-07 / 6630-27

 SUBJECT: ZONING AMENDMENTS – SMALL-SCALE MULTI-UNIT HOUSING
 REPORT NO: 24-45

 ATTACHMENT(S):
 APPENDIX A – DRAFT BYLAW NO. 1346

 APPENDIX B – HIGHLIGHTED ZONING BYLAW CHANGES IN BYLAW NO. 1346

RECOMMENDATION(S):

THAT Council directs staff to give notice of first reading of *Ucluelet Zoning Amendment Bylaw No.* 1346, 2024.

BACKGROUND:

The *Local Government Act* was amended on December 7, 2023, to require local governments to update their zoning bylaws to allow secondary suites or accessory dwelling units (ADUs) in all single-family zones and - where applicable - permit a minimum of 3-6 units of small-scale, multi-unit housing (SSMUH) in zones otherwise restricted to single-family dwellings or duplexes. Zones restricted to single-family dwellings or duplexes as of December 7, 2023, are referred to as *"Restricted Zones"* in the legislation.

Through the SSMUH legislation, the Province aims to increase housing supply, create more diverse housing choices, and over time, contribute to more affordable housing across the province. Local governments are required to update their zoning bylaws before June 30, 2024 to comply with SSMUH legislation.

All BC communities:

A minimum of one secondary suite or one detached ADU must be permitted on lots zoned for single-family use. Local governments may decide to permit either a secondary suite <u>or</u> ADU, or both a secondary suite <u>and</u> an ADU on a lot.

This requirement applies to Ucluelet.

Larger BC communities:

Unless an exemption applies, three to six dwelling units must be allowed on each parcel of land zoned for single-family or duplex use that is:

- a) wholly or partly within an urban containment boundary established by a regional growth strategy, or
- b) if (a) does not apply, wholly or partly within an urban containment boundary established by an official community plan within a municipality with a population greater than 5,000 or
- c) if neither (a) or (b) apply, in a municipality with a population greater than 5,000.

Ucluelet has a population less than 5,000 and is not within an urban containment boundary in a regional growth strategy; therefore the requirement to allow three to six dwelling units on all single-family or duplex lots does <u>not</u> apply.

The District is required to update its zoning bylaw to ensure that a minimum of one secondary suite or one detached ADU is permitted on all lots zoned for single-family use; bylaws to enact such zoning amendments must be adopted by municipalities no later than June 30, 2024. When doing so, local governments are required to consider the applicable guidelines for Small-Scale Multi-Unit Housing provided by the Province.

DISCUSSION:

To create opportunities for more supply and diversity of housing in Ucluelet, Council may wish to amend the zoning bylaw to go beyond the new minimum standards required by the *Local Government Act*. Another requirement of the recent provincial legislation is that amendments to the *Official Community Plan Bylaw* and *Zoning Bylaw* will be required prior to December 31, 2025, to designate sufficient lands to accommodate 20 years of housing growth. Additional forms of small-scale multi-unit housing may well be part of satisfying that requirement and furthering community housing goals in Ucluelet. The specific locations and densities of additional housing capacity need to be informed by an updated analysis of municipal infrastructure, however, to ensure that the services are available to match the housing capacity adopted in updated zoning. That work is progressing and will be part of forthcoming community consultation on total growth and housing opportunities. Staff anticipate identifying locations where multiple units are appropriate in Ucluelet (and have the services to support pre-zoning for densification), as a starting point for community discussion.

For now, this report discusses changes needed to bring the current Ucluelet zoning bylaw into alignment with the new provincial legislation. The province has published a <u>Provincial Policy</u> <u>Manual & Site Standards for Small-Scale Multi-Unit Housing</u>. The amendments to the Ucluelet zoning bylaw discussed below have been prepared following the direction of the provincial policy manual.

Draft Bylaw Amendments:

A draft of *District of Ucluelet Zoning Amendment Bylaw No. 1346, 2024,* is attached to this report (see **Appendix "A"**). This amendment bylaw would make changes to the zoning bylaw to achieve the following:

- ensure all restricted zones allow a *secondary suite* or an *accessory residential dwelling unit*. This poses little change, since the Ucluelet zoning bylaw already allows both types of accessory dwellings in almost all single-family zones. The R-6 zoning designation currently restricts the accessory dwelling uses to lots greater than 480m2 in size: the draft *Bylaw No. 1346* would remove that restriction.
- o generally match minimum setbacks to the provincial site standards;
- increase the maximum height of *single-family dwellings* and *accessory residential dwelling units* to match the provincial site standards. This is probably the most noticeable change being driven by the province which would affect the current zoning regulations. The maximum height of single-family homes in most residential zones is currently 8.5m or 2-1/2 storeys, which would be increased to 11m or 3 storeys. The new 8m maximum height for *accessory residential dwelling units* would enable 2-storey ADU's on most lots.
- reduce the parking requirement for single-family or duplex properties containing multiple units to a minimum requirement of 1 parking space per dwelling unit.

A few of the existing residential zones (and in particular CD sub-zones) have minimum side setbacks larger than the provincial recommended minimum of 1.2m for accessory dwelling units; these zones also have larger lot sizes and the existing setbacks would not unreasonably restrict the development of additional accessory housing units.

If Council wished to keep the maximum height of a principal building lower than the suggested 11m, consideration should be given to whether this could restrict the development of housing on some lots.

Excerpts of the zoning bylaw containing the affected sections with the changes highlighted is attached as **Appendix "B"**.

Because the residential zones in Ucluelet generally already allow a secondary suite and/or accessory dwelling unit, the changes driven by this policy direction of the province are minor.

A	Proceed with Bylaw No. 1346.	<u>Pros</u>	 Would align zoning regulations with the changes to the <i>Local Government Act</i> enacted with the adoption of Bill 44. Would make the development regulations for single-family dwellings and accessory housing units consistent with most (if not all) other local governments in BC.
		<u>Cons</u>	• Would enact changes that may differ from some Ucluelet residents' expectations.
		<u>Implications</u>	 Staff would give the required notice that Councill will be considering first reading and potential adoption of the bylaw at a future meeting. Because the bylaw amendments are for compliance with the new provincial housing legislation, Council may not hold a public hearing on the bylaw. Bylaws to comply with the new requirements of the Province must be adopted by June 30th of this year.

ANALYSIS OF OPTIONS:

В	Amend the draft Bylaw No. 1346 before proceeding.	<u>Pros</u>	• Would ensure the bylaw amendments match Council's expectations.
		<u>Cons</u>	• Additional time would be required to ensure that bylaw changes stay aligned with the provincial policy guidance.
		Implications	Unknown at this time.
		<u>Suggested</u> <u>Motion</u>	 THAT Council directs staff to amend the draft <i>District of Ucluelet Zoning</i> <i>Amendment Bylaw No. 1346, 2024, to:</i> [specify desired changes] THAT Council directs staff to give notice of first reading of <i>Ucluelet Zoning</i> <i>Amendment Bylaw No. 1346, 2024,</i> as amended.
С	Not proceed with Bylaw No. 1346 at this time.	<u>Pros</u>	Unknown at this time.
		<u>Cons</u>	• Would leave the municipal zoning bylaw non-compliant with provincial legislation.
		Implications	 Could result in regulatory changes being imposed by the provincial cabinet. Would result in additional staff and Council time. Could have other implications for the municipal relationship with the Province.
		Suggested Motion	No motion is required.

Policy and Legislative Impacts:

Amending the zoning bylaw to comply with the updates to the *Local Government Act* would appear to be a rare non-optional course of action for Council to consider. Staff have reviewed the provincial policy manual and the details of the Ucluelet zoning bylaw and recommend that adopting the draft Bylaw No. 1346 would align our zoning regulations with provincial policy.

Staff will report out to the Province prior to June 30th on steps Ucluelet has taken to meet the new requirements in the *Local Government Act*.

Respectfully submitted: Bruce Greig, Director of Community Planning Duane Lawrence, CAO