



REPORT TO COUNCIL

Council Meeting: February 10, 2026
500 Matterson Drive, Ucluelet, BC V0R 3A0

FROM: TYLER BROWN, DIRECTOR OF PLANNING AND STRATEGIC INITIATIVES

FILE No: 3360-20

REPORT No: 26-16

SUBJECT: ZONING AMENDMENT FOR 1671 CEDAR ROAD

ATTACHMENT: APPENDIX A – BYLAW NO. 1401, 2026
APPENDIX B – COMPREHENSIVE DEVELOPMENT ZONE CD-4

RECOMMENDATIONS:

- 1) **THAT** “District of Ucluelet Zoning Amendment Bylaw No. 1401, 2026” be read a first time.
- 2) **THAT** “District of Ucluelet Zoning Amendment Bylaw No. 1401, 2026” be read a second time.
- 3) **THAT** Council direct Staff to give notice for a public hearing to be held on District of Ucluelet Zoning Amendment Bylaw No. 1401, 2026.

PURPOSE:

At the February 10, 2026, Council meeting, Council received a report outlining a zoning interpretation disagreement regarding Phase 2 of the Whiskey Landing development, located at 1671 Cedar Road (Legal description: Lot 1, Plan EPP120555, District Lot 2164, Clayoquot Land District, & DL 282), and to seek preliminary direction on a proposed path toward resolution. The development proponent envisions a 23-unit mixed-use building with flexible short-term rental and residential uses while current District legal interpretation limits the "Resort Condo" density on the parcel to 8 units. Council provided direction Staff to bring forward a zoning bylaw amendment that would allow the 23-unit mixed-use building as proposed by the development proponent. The purpose of this report is to introduce zoning amendment Bylaw No. 1401, 2026 (Appendix A) for 1st and 2nd reading.

CAO’S COMMENTS:

The CAO concurs with staff’s recommendation to provide 1st and 2nd reading to the amendment bylaw. A public hearing will allow Council to hear from public prior to providing third reading.

BACKGROUND:

In April of 2023, Azura Management Corp. submitted an application for a Form and Character Development Permit (DP) and a Development Variance Permit (DVP) for development of the property at 1671 Cedar Road (the “Subject Property”). The property is zoned Comprehensive Development Zone CD-4. The proposal submitted is for the construction of a 23-unit multi-unit building on the property containing a mixed commercial/residential use with a combination of residential units and short-term rental units. A series of reports pertaining to the development were prepared for Council in 2024 outlining numerous issues needing to be resolved. Significantly, there was disagreement between the District and the development proponent on how the zoning is interpreted in relation to how many units could be used for short-term use. At the February 10, 2026 Council meeting, Council received a report outlining the zoning interpretation disagreement regarding the CD-4 zone and provided direction to staff to bring forward zoning amendment to resolve the matter.



Image 1: Subject Property

DISCUSSION:

ZONING INTERPRETATION

The development proponent has proposed a 23-unit multi-unit residential building with mixed commercial/residential use. The development proponent plans to construct a 4½ storey building consisting of a ground floor parking parkade with 3½ storeys above.

The CD-4 permits both residential and short-term rental as allowable uses. However, significant disagreement exists between the development proponent and the District regarding how many short-term units are permitted on the parcel.

Based on legal review, the District maintains that the permitted uses in the zone do not allow tourist accommodations as a standalone use but do allow resort condo as a standalone use. The density for resort condo use in CD-4 is limited to a maximum of one unit per 140 m² of lot area. For the vacant parcel in the CD-4 zone (Phase 2 of Whiskey Landing), this results in a maximum of 8 resort condo units allowed. Therefore, the proposed 23-unit development must not contain more than 8 resort condo units, with the remaining units being for long-term residential use.

ZONING AMENDMENT BYLAW NO. 1401, 2026

To address the matter, the attached bylaw would amend the CD-4 zone to remove the density requirement for "resort condo" use within the CD-4 Zone—which currently imposes a limit of one unit per 140 m²—and replacing it with a site-specific cap of 23 units for the Phase 2 portion of the zone. Under this framework, all 23 units would be permitted for use as either resort condos (short-term accommodation) or standard residential dwellings, providing the proponent the ability to respond to market demand while ensuring the total unit count remains fixed.

POLICY CONTEXT

The subject property is located within the Village Square area. As per the District of Ucluelet Official Community Plan, the following descriptions and policies provide the framework for evaluating development in this area:

OCP GENERAL INTENT FOR VILLAGE SQUARE AREA

The Official Community Plan (OCP) establishes the Village Square as the District's primary urban hub. Its intent can be summarized through the following four lenses:

- **Centrality & Connectivity:** It is defined as a compact, "five-minute walk" (500m radius) core centered at Main Street and Peninsula Road, serving as the community's primary gathering and shopping destination.
- **Waterfront Identity:** The area is intentionally oriented toward the harbour. Maintaining and enhancing public access and views to the water is a high-priority mandate for all new development in this zone.
- **Diverse Mixed-Use Hub:** It is intended to host the District's broadest range of services—balancing the needs of residents (health care, offices, residential) with those of visitors (tourist accommodation, retail).

- Highest Urban Density: As the core area, the Village Square is designated for Ucluelet's most intensive building forms and highest densities, provided the design respects the existing coastal character and protects view corridors.

SPECIFIC POLICIES FOR COUNCIL'S CONSIDERATION

Policy 3.57: "Tourist accommodation (e.g. boutique hotels) and supporting uses are encouraged (e.g. eating and drinking establishments) to locate in the Village Square designation."

Policy 3.59: "Encourage residential growth within the Village Square designation in the form of apartments and residential over commercial to provide for greater housing diversity and affordability."

Policy 3.65: "Enhance and improve public access to the water by encouraging access or viewpoints within all new developments that are adjacent to the water, including those adjacent to water lots."

ANALYSIS OF POLICY ALIGNMENT

In staff's assessment, the OCP polices are general enough to permit the proposed zoning amendment without requiring an amendment to the OCP.

OPTIONS:

Council is requested to consider the following options regarding the zoning amendment for 1671 Cedar Road:

Option 1: Provide 1st and 2nd reading to Bylaw No. 1401, 2026

Under this option, Council would provide first and second readings to "District of Ucluelet Zoning Amendment Bylaw No. 1401, 2026" and direct staff to schedule a public hearing. This action follows the preliminary direction provided at the February 10, 2026, meeting to resolve the zoning interpretation dispute through a site-specific amendment. Moving forward with this option allows the project to enter a transparent public process, providing an opportunity for community members to offer formal feedback on the proposed increase in resort condo density before Council considers third reading and final adoption.

Option 2: Maintain Status Quo (Deny readings)

Council may choose not to grant readings to the amendment bylaw, effectively maintaining the District's current legal interpretation of the CD-4 zone. In this scenario, the "resort condo" density for the subject property remains limited to eight units. The proponent's current 23-unit "flexible use" proposal would remain non-compliant with the existing zoning, and the developer

would be required to either redesign the project to meet the eight-unit limit or abandon the current application. This option prioritizes the existing regulatory framework but may result in continued project delays or further disagreement regarding the original zoning language.

Option 3: Alternate Direction

Council can provide alternate direction to Staff.

SUMMARY:

The District has reached a regulatory impasse regarding the development of “Whiskey Landing Phase 2” at 1671 Cedar Road. While the proponent’s 23-unit mixed-use proposal relies on flexible short-term rental use, the District’s current legal interpretation of the CD-4 zone restricts such density to only 8 units.

To resolve this conflict, this report presents Council with two primary paths: maintaining the status quo, which would require the proponent to redesign the project to comply with the 8-unit limit, or initiating a public bylaw amendment process. The latter option, Bylaw No. 1401, 2026, proposes replacing the existing density formula with a site-specific cap of 23 units. This legislative path would trigger a Public Hearing, allowing the community to weigh in on the appropriate balance of residential housing and tourist accommodations within the Village Square core. Staff recommendation is to grant the amendment bylaw with 1st and 2nd reading, and direct staff to schedule a public hearing.

Respectfully Submitted: Tyler Brown, Director of Planning and Strategic Initiatives

Reviewed by: N/A

Approved By: Richard Harding, Chief Administrative Officer

DISTRICT OF UCLUELET

Zoning Amendment Bylaw No. 1401, 2026

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

(Text Amendment to add permissions for 23 Resort Condo/Residential units as a use at 1671 Cedar Road)

WHEREAS the District of Ucluelet Council by Bylaw No. 1160, 2013, adopted the Zoning Bylaw and now deems it appropriate to amend the Zoning Bylaw;

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

1. Text Amendment

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

A. adding subsection CD-4.7 alphanumerically as follows:

“(1) Notwithstanding any other density provisions of this bylaw, a density of up to 23 units of either *Resort Condo* or *Dwelling Unit* are permitted on Lot 1, Plan EPP120555, District Lot 2164, Clayoquot Land District, & DL 282

“(2) For clarity, any unit can be used for either *Resort Condo* or *Residential* use.”

2. Citation:

This bylaw may be cited as “District of Ucluelet Zoning Amendment Bylaw No. 1401, 2026”.

READ A FIRST TIME this day of , 2026.

READ A SECOND TIME this day of , 2026.

PUBLIC HEARING held this day of , 2026.

READ A THIRD TIME this day of , 2026.

ADOPTED this day of , 2026.

CERTIFIED CORRECT: "District of Ucluelet Zoning Amendment Bylaw No. 1401, 2026."

Marilyn McEwen
Mayor

Ed Chow
Corporate Officer

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

Ed Chow
Corporate Officer