

Zoning Modernization

Proposed Approach

An important component of the OCP 10-year Update is zoning modernization. Victoria has two zoning bylaws: *Zoning Bylaw 2018* which regulates land use and density in Old Town and the Central Business District, and the *Zoning Regulation Bylaw* which covers the remainder of the city. It has been over 40 years since the *Zoning Regulation Bylaw* was comprehensively reviewed. It currently contains approximately 900 zones, 18 schedules and a complex web of regulations and definitions. With this complexity, zoning is increasingly difficult to administer and navigate and is often an impediment to progressive, sustainable land management. Importantly, zoning does not reflect current or emerging OCP land use policy, resulting in a high volume of rezoning applications which, due to cost, time and uncertainty, result in barriers to realizing policy objectives, including the provision of housing.

In addition to City objectives to clarify and simplify this framework, new Provincial legislation necessitates updates to zoning, including to meet identified housing needs.

Objectives

Zoning modernization will move Victoria toward a single zoning bylaw for the entire city that:

- Reflects the intent of the OCP, including for the provision of diverse housing needs.
- Reduces the need for rezoning applications and site-specific zones.
- Improves clarity for property owners, builders and developers by focusing on the most foundational elements of the built form and by simplifying regulations and definitions.
- Reduces expenditure of City resources on zoning administration and rezoning applications.

Overall Approach

Zoning modernization is planned in multiple phases, generally envisioned as follows:

- Phase One: Residential uses, villages and centres.
- Phase Two: Parks, institutional and community and cultural uses, as well as employment lands.
- Phase Three: Comprehensive zoning districts including lands regulated by Master Development Agreements and any final outstanding housekeeping items

The first phase is included as part of the 10-year OCP Update. Subsequent phases are described generally and may be shifted based on work plans, further analysis and City priorities. Zones in or near the Downtown Core Area, including those in *Zoning Bylaw 2018* and those in the *Zoning Regulation Bylaw* would be updated or addressed as part of the proposed Downtown Core Area Plan renewal (depending on Council direction and City resources, this may happen as part of phase two or phase three). At the conclusion of phase three, the *Zoning Regulation Bylaw* would be rescinded, and the City would be regulated by a singular zoning bylaw.

In phase one, *Zoning Bylaw 2018* would be repealed and replaced with a new bylaw. Replacing the bylaw is necessary given the complexity and volume of amendments required to achieve modernization. New zones, regulations, provisions and definitions would be included in the new bylaw. Necessary provisions and definitions in the current zoning bylaws would be ported into the new bylaw but simplified and consolidated for clarity. Areas currently within *Zoning Bylaw 2018* would retain their current zoning. The key features of the new zones and provisions proposed to be included in phase one are described below.

PHASE ONE – FOCUS ON HOUSING

The first phase of zoning modernization was prioritized to support the provision of housing in line with Council’s Strategic Plan. This phase is also the mechanism by which the City will meet new legislative requirements to provide zoned capacity for housing need. It includes residential areas and commercial nodes outside of the downtown, including villages and centres as generally outlined herein. Exact parameters may be adjusted as bylaws are prepared.

Affected Properties

Most properties that fall within Victoria 2050’s Residential Fabric would be rezoned, in accordance with the general parameters described in this document, including most properties with a “R” (residential zone). This effort alone will eliminate an estimated 400 zones.

Properties that fall within Victoria 2050’s identified Town Centre, Community Village, Local Village or Waterfront Village areas (the boundaries for which are specified in the proposed Rezoning and Development Policy) would also be rezoned, in accordance with the general parameters described in this document.

A general map of affected properties is provided for information in Attachment C1.

Excluded Properties

Properties within the areas identified above that have an industrial, employment-related comprehensive district or institutional zone are not part of Phase One and would retain their current zoning in the *Zoning Regulation Bylaw*.

Some properties in the areas identified above may have a residential zone but would be excluded from Phase One based on their actual use and addressed in future phases. For example, many parks in the city have an R1-B zone. As parks are part of a future phase of modernization, these properties would retain their current zoning in the *Zoning Regulation Bylaw*. This approach would also apply to community centres and other cultural or institutional uses that may have residential zoning today.

Priority Growth Areas

Victoria 2050 envisions more intensive infill forms (generally up to six storeys) in Priority Growth Areas. These areas include properties within 300 metres of a Community Village or Town Centre, properties along the Transit Priority Network, as well as properties adjacent to Beacon Hill Park and along the Dallas Road waterfront.

Residential Fabric Zone

A single residential fabric zone would permit a diversity of building forms based on location and constrained to specific heights and densities, as generally described below. This approach will provide diverse development opportunities and address long standing City actions related to housing, such as improvements to house conversion regulations.

Building Form	Location	Density	Height*
Single Family and Suites (fewer than three units)	All Affected Properties in Residential Fabric	0.5:1 FSR	7.6 metres
Heritage Conserving Infill	All Affected Properties in Residential Fabric	1.1:1 FSR	Greater of 7.6 metres or 80% of the heritage registered building
Residential Infill (four storeys or fewer)	All Affected Properties in Residential Fabric	1.6:1 FSR	14 metres
Intensive Infill (five storeys or greater)	Affected Properties in Priority Growth Areas	2.6:1 FSR if density bonus conditions are met	20.5 metres

Commercial Corners

While the building forms described above are generally envisioned for residential uses, limited non-residential uses would be supported in the Residential Fabric Zone to promote more commercial corners throughout the city. Non-residential uses include assembly and civic uses, food and beverage, personal services and retail. They would be permitted on arterial roads, sites adjacent to existing Town Centre and Village zones and on corner lots throughout the Residential Fabric.

Density Bonus for Residential Zones

Residential uses in a variety of forms and scales would be permitted as of right, ranging from infill and house conversions to town houses and four storey apartment forms. Panhandle and small lots will be discouraged in the OCP, as the subdivision of these lots is inefficient and contrary to the City's broader housing goals.

In accordance with the *Local Government Act (LGA)* the City can, by bylaw, provide property owners with an option to build to a higher density in exchange for providing affordable housing or amenities. The City's Housing Needs Report reflects secured rental and non-market housing as priority needs.

The table below outlines the additional development rights (bonus density) that a project can achieve within *Priority Growth Areas* subject to it meeting the specified conditions that respond to priority housing needs. Density bonus provisions would not apply outside of Priority Growth Areas.

Conditions	Maximum Density
Base density	1.6:1 FSR
IF Providing Rental Housing: All residential units are rental tenure in perpetuity, secured by a legal agreement.	2.6:1 FSR (Priority Growth Areas)

<p>IF Providing Strata Housing: At least 0.5% of the total gross floor area of the residential component of the development as below-market homeownership units.</p> <p>OR, in lieu of providing on-site below-market homeownership units, a cash-in-lieu contribution at a rate of \$10 per square foot of floor area above the base density in the circumstances detailed below.</p>	<p>2.6:1 FSR (Priority Growth Areas)</p>
<p>IF Providing Affordable Housing: All residential units meet the definition of affordable housing development.</p>	<p>2.75:1 FSR (Priority Growth Areas)</p>
<p>IF within the 200-meter Tier of a Transit Oriented Area: All residential units above the base density of 1.6:1 FSR must meet the definition of affordable housing development.</p>	<p>3.51:1 FSR (Transit Oriented Areas)</p>

Cash-in-lieu of Density Bonus Provisions

Cash-in-lieu of below-market homeownership units would be required where 0.5% of the total gross floor area is fewer than five units.

Where cash-in-lieu is secured, the dollar amount would be adjusted to respond to inflation, based on the most recent Canadian Price Index (CPI). Cash-in-lieu would be collected at the time of building permit and allocated to a City reserve fund used to support affordable housing needs.

Key Definitions for Density Bonus Provisions

- **Affordable housing development** means a housing development that is wholly owned and/or operated by a public housing body or wholly owned and operated by a housing cooperative and, in all cases, affordability and rental tenure is secured through a legal agreement for a minimum period of 60 years.
- **Below-market homeownership unit** means a dwelling unit available for sale at a minimum of 15% less than market value for a minimum of five years, pursuant to a legal agreement with BC Housing or any other public entity.

Density Bonus Economic Analysis

Local governments are required to undertake a financial feasibility analysis when developing or amending a density bonus bylaw. The City commissioned an external consultant with subject matter expertise in urban land economics for this analysis.

The analysis considered market conditions, potential land lift associated with the proposed densities in the Residential Fabric and densities required to meet the proposed bonus conditions while not deterring development. The full report from the consultant can be found in Attachment C2.



Other Key Residential Zoning Parameters

Setback parameters are generally envisioned to support the perimeter block concept in Victoria 2050 and enable an urban form that promotes engagement with the public realm while balancing the need for private and semi-private spaces. This form is supported by:

- Front yard setbacks of approximately 4.0 m for most conditions.
- Side yard setbacks of between 1.5 and 3.0 m depending on built form, height and site conditions.
- Rear yard setbacks of 8.0 metres or more depending on built form, height and site conditions (5.0 metres for Heritage Conserving Infill)

Open space parameters and related definitions would support the Blue Green Network objectives in Victoria 2050 by creating sufficient and suitable space for urban forest, green infrastructure and green open spaces that may also provide shared gathering space. A minimum of 30 per cent of the lot would be required to be Open Lot Space, defined to:

- Include permeable landscaping, open natural areas, at grade amenity spaces.
- Include a minimum contiguous Tree Planting Area to support the objectives of the City's Urban Forest Master Plan and forthcoming strategy for integrated rainwater management.
- Exclude driveways, surface parking and areas with underground parking beneath.

Lot size and width parameters would be set to ensure infill forms meet the intent of the City's design framework. Some forms may require lot consolidation, but proposed requirements would still provide opportunity for emerging forms (like single egress buildings) that can be more easily accommodated without lot consolidation:

- Buildings up to four storeys would require a street frontage of at least 15 metres.
- Five storey buildings would require a minimum street frontage of 30 metres.
- Six storey buildings would require a minimum street frontage of 36 metres.

Consideration of Variances

Some applicants may seek variances in response to unique site conditions, opportunities and constraints. Variances would be considered through regular City processes and informed by the updated General Urban Design Guidelines and other City policy.

TOWN CENTRE AND VILLAGE ZONES

The first phase of zoning modernization captures properties within Town Centres, Community Villages, Local Villages and Waterfront Villages, as identified in Victoria 2050 and specified in the map in Attachment C1. Addressing these properties is an important step forward in creating a clear, simple and consistent zoning bylaw.

Properties in these areas would be transitioned to the new zoning bylaw and rezoned, as appropriate to Local Village, Community Village or Town Centre. These zones would establish a base density of approximately 1.6:1 FSR and height of 13.5m (to be refined based on an assessment of current zoning and conditions). The zoning parameters would be set to reflect the commercial, main street and envisioned higher density context of the area, with tighter setbacks and higher lot coverages.

The centre and village zones would act as a template for a typical mixed-use development in community nodes, but rezonings would be required for developments that seek to achieve additional height or density in accordance with the Victoria 2050 policies and guidance for these areas. This approach enables the City to secure important, site specific amenities in these special areas and was necessary to meet the expedited timelines of this process. Consideration of rezonings in these areas would be guided by the proposed Rezoning and Development Policy.

KEY GENERAL REGULATIONS AND DEFINITIONS

The sections below highlight proposed regulations and definitions that are especially relevant to achieving key objectives of Victoria 2050.

Minimum Unit Size

To help ensure the liveability of new residential units and in accordance with Council direction from January 23rd, 2025, a general regulation would establish:

- A minimum unit size of 33m² for multi-unit residential housing forms.
- Affordable housing and Assisted living developments would be exempt from the minimum unit size requirements, recognizing that these projects may have unique program requirements based on their targeted population, and are often subject to design requirements from BC Housing.

Family Housing Requirements

To help meet the OCP Goal Posts for family housing, and in alignment with the Council adopted policy and direction from June 27th, 2024, general regulations would require:

- All new multi-unit residential developments of four or more storeys to have a minimum of 30 per cent of dwelling units contain two or more bedrooms, with a minimum of 10 per cent of units containing three or more bedrooms.
- Affordable housing and Assisted living developments would be exempt from the family housing requirements, recognizing that these projects often have unique unit mix requirements based on serving specific priority populations.

Supporting Other Housing on the Continuum

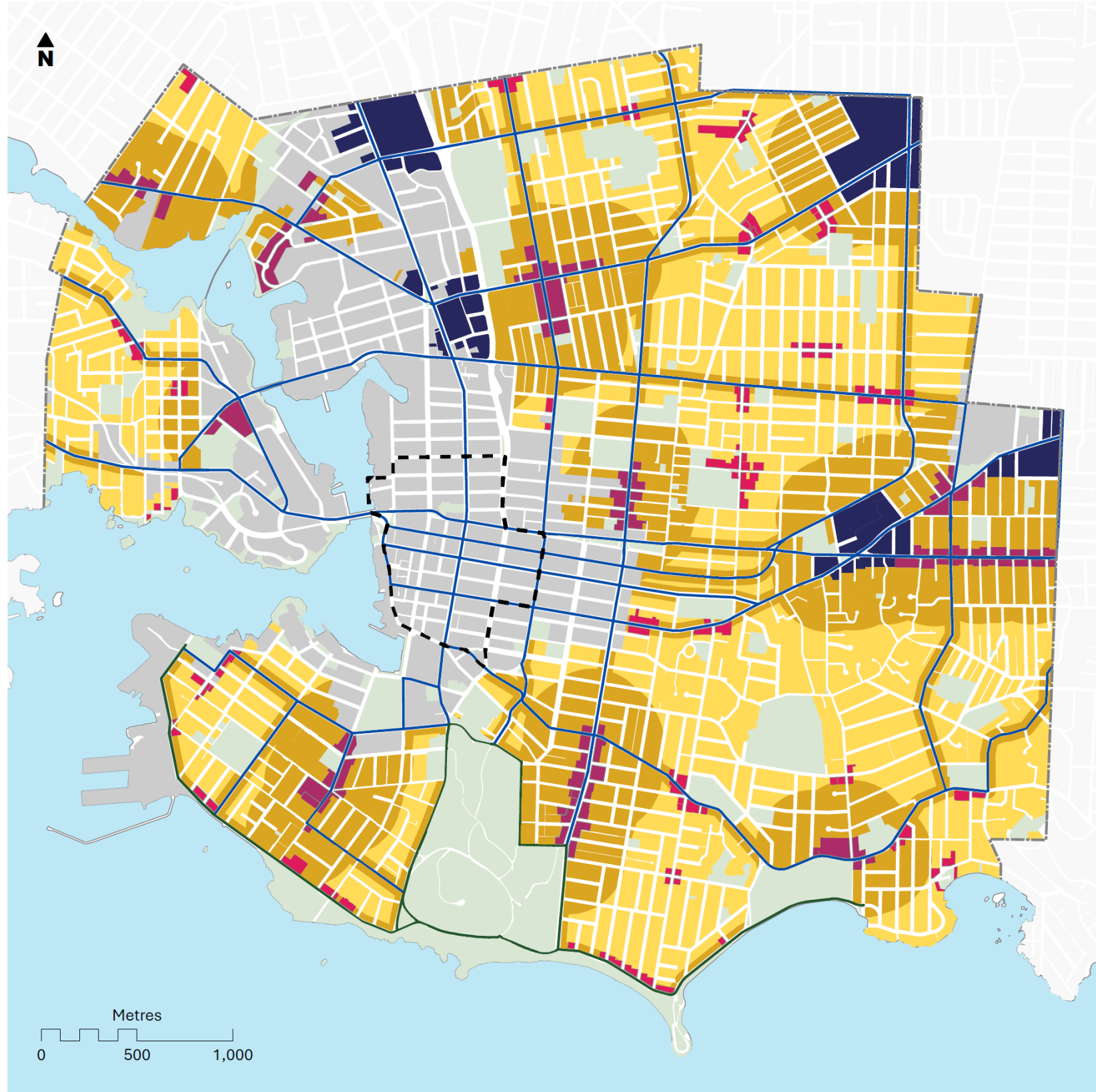
Various forms of residential and supportive uses provide essential services to individuals requiring care to live independently or in a supportive environment. The proposed zoning approach for these uses would generally carry forward the current approach set out in *Zoning Bylaw 2018* and the *Zoning Regulation Bylaw*.

Transitional housing and facilities that provide safety and security from violence with specific services to respond to the safety and confidentiality of the client being served would be permitted in all areas that permit a residential use. This approach enables these important housing forms to be built through expedient, and where necessary, confidential processes and in locations appropriate to client needs.

Other forms of assisted living and care facilities would be supported through the OCP and could be considered via a rezoning process.

PROPOSED ZONING APPROACH

General Areas Affected by Phase One Zoning Modernization



Residential Fabric*

Up to four storeys and 1.6 FSR permitted.

Residential Infill

Up to six storeys and 2.6 FSR can be accessed through the proposed Density Bonus Framework.

Priority Growth Areas

Community Nodes

Up to four storeys and 1.6 FSR permitted. Additional density can be accessed through rezoning, as guided by the OCP.

Community Village

Local Village

Town Centre

Other Areas

Retaining current zoning. To be addressed in a future phase.

Other Uses and Districts

Public Facilities, Institutions, Parks and Open Space

Areas within Zoning Bylaw 2018

Other Priority Growth Area References

Transit Priority Network

Dallas Rd and Beacon Hill Park Perimeter

Notes

Priority Growth Areas include properties within the Residential Fabric that are:

- Within 300 metres of a Town Centre or Community Village.
- Along the Transit Priority Network.
- Adjacent to Beacon Hill Park or the Dallas Road waterfront.

*Cultural, institutional and other community uses within the Residential Fabric will retain current zoning and will be addressed in a future phase. Other exemptions or exclusions may be considered based on detailed review of current zoning.

This map is for illustrative purposes only. Exact zoning will be established through future bylaw amendments.