

# **Committee of the Whole Report**

For the Meeting of April 3, 2025

**To:** Committee of the Whole **Date:** April 1, 2025

**From:** Karen Hoese, Director, Planning and Development

**Subject:** OCP Update Reports Directed at the March 6, 2025 Committee of the Whole

#### RECOMMENDATION

- 1. That Council instruct the Director of Planning and Development to:
  - a. Update the proposed Official Community Plan ("Victoria 2050 draft OCP"), provided as Attachment A in the March 6, 2025, Committee of the Whole report titled, *Draft OCP and Regulatory Directions* ("March 6 OCP Report"), generally as follows:
    - i. Modify policies and maps related to Town Centres and Villages to:
      - 1. Designate Breakwater, Holland Point and Gonzales Bay Waterfront Villages as Local Villages.
      - 2. Designate a new Local Village at Richardson Street and Richmond Avenue.
      - 3. Designate a new Local Village at Finlayson Street and Quadra Street.
    - ii. Add a Victoria 2050 City Action to prepare a strategy to catalyze family-friendly buildings and prioritize its implementation.
    - iii. Modify the Mobility section to:
      - 1. Specify a goal of 16 per cent trips by transit and 54 per cent trips by walk, roll and cycle by 2038 for a combined total of 70 per cent.
      - 2. Specify a goal of 25 per cent trips by transit and 55 per cent trips by walk, roll and cycle by 2038 for a combined total of 80 per cent.
      - 3. Revise policies to highlight the importance of Light Rail Transit (LRT) in the context of regional growth, housing needs and climate goals.
      - 4. Incorporate new policies and directions to emphasize planning, building momentum and developing a business case for LRT.
      - 5. Incorporate new policies and directions to encourage families and youth to embrace car lite and car free lifestyles through safe infrastructure provision.
    - iv. Incorporate new policies in the Administration section to ensure City bylaws and land use decisions take a housing priority approach, seeking to remove barriers to the development of housing while continuing to ensure the livability of the urban environment.

- b. Update the proposed Draft Design Guidelines, provided as Attachment B in the March 6 OCP Report, to clarify how galley style development can be achieved while meeting City objectives.
- c. Update the proposed approach to Zoning Modernization, provided as Attachment C in the March 6 OCP Report, generally as follows:
  - i. Updated directions to reflect the modified approach to Town Centres and Villages described in recommendation 1(a)(i) above and 1(e)(ii) below.
  - ii. Clarify the intent to maintain the current approach of requiring 2 m front yard setbacks for buildings up to three storeys on corner lots.
- d. Update the proposed approach to Site Servicing Renewal, provided as Attachment F in the March 6 OCP Report, generally as follows:
  - Incorporate Transit Priority Measures into Engineering Standards that align with BC Transit and Provincial Guidelines to guide street improvements and future proof for rapid transit on the Transit Priority Network.
- e. Update the proposed Rezoning and Development Policy, provided as Attachment G in the March 6 OCP Report, generally as follows:
  - i. Update, add and modify policies and maps related to Town Centres and Villages to reflect recommendation 1(a)(i) above.
  - ii. Update policies and maps to:
    - 1. Expand East Fort Street Village to Ormond and Linden Avenue
    - 2. Expand Fairfield at Irving Village across Foul Bay Road and Richmond Road.
    - 3. Reduce the footprint of the proposed Richardson and St. Charles Village to focus on the intersection.
  - iii. Add new policies to guide a housing priority approach in the review of development applications, aligned with recommendation 1(a)(iv) above.
- f. Prioritize the monitoring and evaluation of development within the Residential Fabric to consider opportunities at the OCP five-year review to further advance housing and transit objectives, including introducing new areas for six storey building forms and supporting non-market development.
- 2. That Council instruct the Director of Planning and Development to advance the following recommendations from the March 6 OCP Report with all referenced attachments amended in accordance with recommendation 1 above:
  - a. Refer the regional context statement, as provided in Schedule B of Attachment A to the Capital Regional District Board for consideration of acceptance.
  - b. Bring forward, for first and second readings prior to consideration at a public hearing, a bylaw that repeals the *Official Community Plan (Bylaw No. 12-013)* originally adopted in 2012 and replaces it with the new *Official Community Plan*, generally in the form as provided as a draft in Attachment A ("Victoria 2050"), following acceptance or deemed acceptance after the 120-day wait period of the regional context statement by the Capital Regional District Board.
  - c. Prepare development permit areas and heritage conservation areas generally in accordance with Attachment B: Approach to Development Permit Areas and

- Heritage Conservation Area and Draft Design Guidelines and include these in Victoria 2050.
- d. Together with Victoria 2050, bring forward a bylaw that repeals *Zoning Bylaw 2018* (*Bylaw No. 18-072*) and replaces it with a new zoning bylaw, generally in accordance with Attachment C: Approach to Zoning Modernization.
- e. Together with Victoria 2050, bring forward a new Amenity Cost Charge Bylaw, generally in accordance with Attachment D: Proposed Amenity Cost Charge Bylaw.
- f. Together with Victoria 2050, bring forward a tenant protection bylaw and associated development permit area generally in accordance with Attachment E: Proposed Tenant Protection Bylaw and Development Permit Area.
- g. Together with Victoria 2050, bring forward necessary bylaws to repeal the Victoria Subdivision and Development Servicing Bylaw (Bylaw No. 12-042) and replace it with a comprehensively updated and streamlined bylaw, including modernized engineering standards and specifications and fee schedules as generally described in Attachment F: Approach to Site Servicing Renewal.
- h. Together with Victoria 2050, bring forward a final, formatted version of the Draft Rezoning and Development Policy (Attachment G).
- i. Review existing City policies and bylaws for redundancies or conflicts with the subject matter described in recommendations 2(a) through 2(h) above and bring forward any required amendments or revisions to reconcile the provisions of these bylaws and policies, including but not limited to the Streets and Traffic Bylaw (Bylaw No. 09-079), the Highway Access Bylaw (Bylaw No. 91-038), the Sidewalks, Streets and Boulevards Protection Bylaw (Bylaw 91-052) and the Downtown Core Area Plan (2011, updated 2022).
- j. If Victoria 2050 is adopted, following adoption, prepare a five-year implementation plan that prioritizes the following City actions:
  - i. Development of an OCP monitoring, evaluation and update program, in accordance with Provincial legislation and in line with recommendation 1(f) above.
  - ii. Completion of the subsequent phases of Zoning Modernization, as generally described in Attachment C.
  - iii. Updates to the *Land Use Procedures Bylaw (16-028)* and other development process improvements as described in this report.
  - iv. A renewed plan for Downtown, following the completion of a retail strategy.
  - v. A renewed plan for the Victoria Harbour.
  - vi. A renewed heritage policy program.
  - vii. Development of a linear parkways program.
  - viii. Development of a community infrastructure strategy.
  - ix. Development of a strategy to catalyze family friendly buildings.
  - x. Development of a rapid transit office to implement transit-focused road improvement projects and to plan for future rapid transit in Victoria.

- 3. That Council instruct the Director of Engineering and Public Works to:
  - a. Bring forward a bylaw that delegates powers to the Director of Engineering and Public Works to require that owners provide excess or extended services pursuant to section 507, *Local Government Act* and sets an interest rate for latecomer charges, and develop an associated policy to guide the administration of a latecomer program as generally described in Attachment F: Approach to Site Servicing Renewal.
  - b. Bring forward a bylaw that designates the role of Servicing Officer to the Supervisor of Land Development and authorizes suitable alternate positions that can act in the servicing officer role if the Supervisor of Land Development position is vacant or unable to act.

#### 4. That Council:

- Rescind the appointment of the Supervisor Land Development as the Deputy Approving Officer and appoint the person in the position of Manager – Land Development as Deputy Approving Officer.
- b. Through the Victoria Regional Transit Commission, BC Transit Board of Directors, and directly to applicable provincial and federal ministries, increase advocacy to expedite the provision of reliable accessible transit service, fleet renewal and infrastructure investments to support the anticipated housing and population growth in the City of Victoria.

#### **PURPOSE**

To provide options and recommendations to adjust proposed directions related to the 10-year Official Community Plan Update as instructed at the March 6, 2025 Committee of the Whole meeting.

#### **BACKGROUND**

At the February 27, 2025 and March 6, 2025 Committee of the Whole meetings, Council was presented the proposed updated Official Community Plan ("Victoria 2050") and the approach to updating accompanying bylaws and policies with opportunity to advance the work to initial bylaw readings prior to a public hearing.

At the March 6 meeting, Council directed staff to report back on twelve topics related to the directions proposed under the umbrella of the 10-year OCP Update as follows:

- 1. That Council receive for information the 10-Year OCP Update Engagement Summary Report (Attachment H).
- 2. That Council instruct the Director of Planning and Development to:
  - a. Report back on options to enable more three plus bedroom homes
  - b. Report back on options to better enable galley-style housing, without changing site coverage policies
  - c. Report back on options to remove or reduce ACCs for affordable homeownership units
  - d. Report back on options to strengthen references to future implementation of regional mass transit, including light rail

- e. Report back on options to ensure flexibility in the OCP and related policy documents and taking a housing priority approach
- f. Report back on options to expand priority growth areas around transit corridors and active transportation corridors to be at least a full block
- g. Report back on options to reduce traffic blockages on transit corridors and create additional transit priority measures
- h. Report back on options to reduce the minimum side setback to one metre, and the front setback to three metres, without changing site coverage
- i. Report back on options to limit costs to non-profit housing providers for any new frontage work
- j. Report back on the implications of allowing six-storey non-market developments citywide
- k. Report back on options to add additional local villages to the OCP or convert proposed waterfront villages to local villages
- I. Report back on options to reduce barriers to build care-lite or car-free housing.

#### **ANALYSIS**

A detailed presentation accompanies this report and summarizes background information, analysis, recommendations and alternatives. The below sections of this report provide the staff recommendations and alternatives for each of the above reports, organized by topic area as follows.

## Housing Supply and Land Use

- 1. Adding Local Villages
- 2. Encouraging Family Housing
- 3. Expanding Priority Growth Areas

## Affordability

- 4. Enabling Six Storey Non-Market (Residential Infill)
- 5. Reducing ACCs for Affordable Home Ownership
- 6. Limiting Frontage Work Costs for Non-Market

## Zoning and Design Parameters

- 7. Reducing Setbacks
- 8. Better Enabling Galley-Style Housing

# Mobility

- 9. Strengthening Mass Transit References
- 10. Improving Transit Priority Measures
- 11. Reducing Costs for Car Lite / Car Free Buildings

### **Process and Practices**

12. Housing Priority Approach

#### HOUSING SUPPLY AND LAND USE

## 1. Adding Local Villages

#### Direction:

Report back on options to add additional local villages to the OCP or convert proposed waterfront villages to local villages.

#### Recommendations:

# Convert Waterfront Villages to Local Villages

Per recommendation 1(a)(i), modify policies and maps within the draft OCP to:

 Designate Breakwater, Holland Point and Gonzales Bay Waterfront Villages as Local Villages.

Per recommendation 1(e)(i), update the proposed Rezoning and Development Policy to reflect the above direction.

## Expand, Add and Adjust the Extent of Proposed Local Villages

Per recommendation 1(a)(i), modify policies and maps within the draft OCP to:

- Designate a new Local Village at Richardson Street and Richmond Avenue
- Designate a new Local Village at Finlayson Street and Quadra Street

Per recommendation 1(e)(ii), update the proposed Rezoning and Development Policy to:

- Expand East Fort Street Village to Ormond and Linden Avenue
- Expand Fairfield at Irving Village across Foul Bay Road and Richmond Road
- Reduce the footprint of the proposed Richardson and St. Charles Village to focus on the intersection.

Per recommendation 1(c)(i), update the approach to Zoning Modernization to reflect the above direction.

Note: This recommendation would introduce minor delays to the next steps in the process but is not anticipated to impact the overall timelines.

# 2. Encouraging Family Housing

## Direction:

Report back on options to enable more three plus bedroom homes.

## **Recommendations:**

## Catalyze Family Oriented Buildings

Per recommendation 1(a)(ii), add a Victoria 2050 City Action to the draft OCP to prepare a strategy for family-friendly buildings and prioritize its implementation.

# Advance Infrastructure for a Family Friendly City

Per recommendation 1(a)(iii)(5), incorporate new policies and directions into the draft OCP to

encourage families and youth to embrace car lite and car free lifestyles through safe infrastructure provision.

Note: This recommendation would introduce minor delays to the next steps in the process but is not anticipated to impact the overall timelines.

#### Alternatives:

### Density Bonus for Family Units

Should Council wish to density bonus for family units:

Add a new motion under recommendation 1(c) pertaining to the approach to Zoning Modernization to:

Include a density bonus of 0.15:1 FSR in the Priority Growth Areas to permit up to 2.75
FSR for secured rental and strata buildings where at least 15% of the total family-friendly
units are three-bedroom units.

Note: This alternative could introduce project timeline delays to ensure the revised density bonus approach is aligned with recent changes to the Local Government Act.

## 3. Expanding Priority Growth Areas

#### Direction:

Report back on options to expand priority growth areas around transit corridors and active transportation corridors to be at least a full block.

## Recommendation:

## Maintain Current Approach and Prioritize Monitoring for Five-year Adjustments

Maintain the proposed approach to Priority Growth Areas and, per recommendation 1(f), prioritize monitoring and evaluation to inform opportunities for expansion at the OCP five-year review to supports transit objectives, housing objectives and the desired urban form.

#### **Alternatives:**

#### **Expand Priority Growth Areas**

Should Council wish to expand Priority Growth Areas:

Add a new motion under recommendation 1(a) pertaining to the Victoria 2050 draft OCP to:

 Modify policies and maps to expand Priority Growth Areas along the Transit Priority Network.

Add a new motion under recommendation 1(c) pertaining to the approach to Zoning Modernization to:

 Have Priority Growth Areas include properties within 300 metres of a Community Village or Town Centre, properties within 85 metres of the Transit Priority Network, and properties adjacent to Beacon Hill Park and along the Dallas Road waterfront.

Note: This alternative would introduce minor delays to the next steps in the process but is not anticipated to impact the overall timelines.

### **AFFORDABILITY**

## 4. Enabling More Six Storey Non-Market

#### Direction:

Report back on the implications of allowing six-storey non-market developments citywide.

#### Recommendation:

## Maintain Current Approach and Prioritize Monitoring for Five-year Adjustments

Maintain the proposed approach to Priority Growth Areas and, per recommendation 1(f), prioritize the monitoring and evaluation to inform opportunities at the OCP five-year review to further support non-market housing throughout the city.

### **Alternatives:**

### Permit Six Storey Non-Market Development in All Residential Areas

Should Council wish to expand opportunities of six storey non-market development:

Add a new motion under recommendation 1(a) pertaining to the Victoria 2050 draft OCP to:

 Modify policies to enable six storey non-market housing throughout the Residential Fabric.

Add a new motion under recommendation 1(c) pertaining to the approach to Zoning Modernization to:

 Incorporate a new density bonus condition that would permit non-market rental housing development (including public, non-profit, and co-operative housing developments) to build to 2.6 FSR and six storeys.

Note: This alternative would introduce minor delays to the next steps in the process but is not anticipated to impact the overall timelines.

## 5. Reducing ACCs for Affordable Ownership

#### Direction:

Report back on options to remove or reduce ACCs for affordable homeownership units.

#### Recommendation:

### Maintain Proposed Approach

Maintain the previously recommended approach to Zoning Modernization and the Amenity Cost Charge (ACC) Bylaw. (No additional staff direction required.)

## **Alternatives:**

### Develop a Grant Program

Should Council wish to offset ACCs for affordable homeownership units:

Add a new motion instructing the Director of Planning and Development to:

• Explore the development of a program and supporting policies to provide financial support to offset ACC costs for projects partnering to for affordable homeownership.

Note: If brought forward with the proposed ACC Bylaw, this alternative may introduce project timeline delays or require a re-prioritization of staff resources.

## 6. Limiting Frontage Work Costs for Non-Market

#### Direction:

Report back on options to limit costs to non-profit housing providers for any new frontage work.

### Recommendation:

#### Maintain Proposed Approach

Maintain the previously recommended approach for renewing works and services, including frontage improvements concurrent with development. (No additional staff direction required.)

#### Alternatives:

## Explore Mechanisms to Offset Non-Market Development Frontage Costs

Should Council wish to offset the cost of frontage works for non-market housing, additional work would be required. Should Council wish to direct this work:

Add a new motion instructing the Director of Planning and Development to:

• Explore and report back on financial supports and options to offset the costs of public realm works and services for eligible non-profit housing providers.

Note: This alternative would require additional work planning and would need to be completed outside of the OCP process.

## Reduce Security Values for Non-Market Development Frontage Costs

Should Council wish to offset the cost of frontage works for non-market housing, additional work would be required. Should Council wish to direct this work:

Add a new motion under recommendation 1(d) pertaining to the approach to Site Servicing Renewal to:

 Reduce the value of security for frontage works from 120 per cent to 75 per cent of total costs for eligible non-profit housing providers.

Note: This alternative would introduce minor delays to the next steps in the process but is not anticipated to impact the overall timelines.

### **ZONING AND DESIGN PARAMETERS**

## 7. Reducing Setbacks

### Direction:

Report back on options to reduce the minimum side setback to one metre, and the front setback to three metres, without changing site coverage.

#### Recommendation:

## Maintain Proposed Approach and Clarify Corner Lots

Maintain the proposed approach to building setbacks and, per recommendation 1(c)(ii), clarify the intent to maintain the current requirement of 2 m front yard setbacks for buildings up to three storeys on corner lots.

# 8. Better Enabling Galley Style Housing

#### Direction:

Report back on options to better enable galley-style housing, without changing site coverage policies.

## Recommendation:

## Provide More Clarity in Design Guidelines

Per recommendation 1(b), update the draft General Urban Design Guidelines to clarify how galley-style developments can be realized while meeting City objectives.

Note: This recommendation would introduce minor delays to the next steps in the process but is not anticipated to impact the overall timelines.

#### **MOBILITY**

## 9. Strengthening Mass Transit References

#### Direction:

Report back on options to strengthen references to future implementation of regional mass transit, including light rail.

#### Recommendation:

# Strengthen Mass Transit

Per recommendation 1(a)(iii), modify the Mobility section within Victoria 2050 to:

- Specify a goal of 16 per cent trips by transit and 54 per cent trips by walk, roll and cycle by 2038 for a combined total of 70 per cent.
- Specify a goal of 25 per cent trips by transit and 55 per cent trips by walk, roll and cycle by 2038 for a combined total of 80 per cent.
- Revise policies to highlight the importance of Light Rail Transit (LRT) in the context of regional growth, housing needs and climate goals.
- Incorporate new policies and directions to emphasize planning, building momentum and developing a business case for LRT.
- Incorporate new policies and directions to encourage families and youth to embrace car lite and car free lifestyles through safe infrastructure provision.

Note: This recommendation would introduce minor delays to the next steps in the process but is not anticipated to impact the overall timelines.

# 10. Improving Transit Priority Measures

#### Direction:

Report back on options to reduce traffic blockages on transit corridors and create additional transit priority measures.

#### Recommendation:

Include Transit Supportive Engineering Standards

Per recommendation 1(d)(i), Modify the Approach to Site Servicing Renewal to:

 Incorporate Transit Priority Measures into Engineering Standards that align with BC Transit and Provincial Guidelines to guide street improvements and future proof for rapid transit on the Transit Priority Network.

## 11. Reducing Barriers for Car Lite Housing

## Direction:

Report back on options to reduce barriers to build car-lite or car-free housing.

#### Recommendation:

## Maintain Current Approach

Staff will continue finalizing the parking findings and recommendations and report back to Council this spring. (No additional staff direction required.)

## **PROCESS AND PRACTICES**

## 12. Taking a Housing Priority Approach

## Direction:

Report back on options to ensure flexibility in the OCP and related policy documents and taking a housing priority approach.

#### Recommendation:

# Signal Housing Priority in Policy

Per recommendation 1(a)(iv), modify the Administration section within Victoria 2050 to:

Incorporate new policies in the Administration section to ensure City bylaws and land use decisions take a housing priority approach, seeking to remove barriers to the development of housing while continuing to ensure the livability of the urban environment.

Per recommendation 1(e)(iii), update the proposed Rezoning and Development Policy to:

• Incorporate new policies that guide a housing priority approach in the review of development applications, aligned with the above.

Note: This recommendation would introduce minor delays to the next steps in the process but is not anticipated to impact the overall timelines.

## CONCLUSIONS

This report summarizes the staff recommendations and alternatives for the reports directed by Council at the March 6, 2025 Committee of the Whole meeting related to the 10-year OCP Update. The accompanying presentation provides a more comprehensive background and analysis.

Respectfully submitted,

Lauren Klose, Manager Community Planning Karen Hoese, Director Planning and Development Department

Report accepted and recommended by the City Manager