



## Council Report

For the Meeting of July 24, 2025

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**To:** Council **Date:** July 10, 2025

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

**Subject:** **Bylaws for Official Community Plan 10-Year Update, Zoning Modernization and Amenity Cost Charges**

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### RECOMMENDATION

That Council:

1. Give first and second readings to *Official Community Plan Bylaw, 2025, No. 25-045* (the “**OCP 2025**”).
2. Consider OCP 2025 in conjunction with the *City of Victoria 2024-2028 Financial Plan*, the *Capital Regional District Liquid Waste Management Plan*, and the *Capital Regional District Solid Waste Management Plan* pursuant to Section 477(3)(a) of the *Local Government Act* and deem those plans to be consistent with the proposed bylaws.
3. Give first and second readings to *Zoning Bylaw 2018, Amendment Bylaw (No. 17), No. 25-038* (the “**Zoning Modernization**”).
4. Give first and second readings to *Zoning Regulation Bylaw, Amendment Bylaw (No. 1361), No. 25-051* (the “**Zoning Regulation Updates**”).
5. Give first, second and third readings to *Amenity Cost Charges Bylaw 2025, No. 25-048* (the “**ACC Bylaw**”).
6. Refer OCP 2025, Zoning Modernization and Zoning Regulation Updates for consideration at a public hearing.

### BACKGROUND

The following proposed bylaws are provided for Council’s consideration:

- *Official Community Plan Bylaw, 2025, No. 25-045* (Attachment A).
- *Zoning Bylaw 2018, Amendment Bylaw (No. 17), No. 25-038* (Attachment B).
- *Zoning Regulation Bylaw, Amendment Bylaw (No. 1361), No. 25-051* (Attachment D).
- *Amenity Cost Charges Bylaw 2025, No. 25-048* (Attachment E).

The matter came before Council on April 17, 2025 where the following resolution was approved:

### **Draft Official Community Plan and Regulatory Directions**

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.*

Note: Pertinent components of the April 17, 2025 resolution are noted above; the entirety of the resolution is provided in Attachment F for reference.

The matter came before Council on June 19, 2025 where the following resolution was approved:

### **Industry, Arts and Innovation District Action Plan and Regulatory Directions**

*That Council:*

3. *Instruct the Director of Planning and Development, as part of the Draft Official Community Plan and Regulatory Directions work directed on April 17, 2025, to:*
  - a. *Integrate the Action Plan Zoning Approach, as generally outlined in Attachment E, as part of the bylaw that will repeal and replace Zoning Bylaw 2018 (Bylaw No. 18-072).*
  - b. *Integrate the proposed public realm standards described in the Industry, Arts and Innovation District Action Plan as part of the bylaw that will repeal and replace Subdivision and Development Servicing Bylaw (Bylaw No. 12-042).*
  - c. *Integrate the Industry, Arts and Innovation District Design Guidelines (Attachment D) into Appendix 4 (Design Guidelines) of the Downtown Core Area Plan.*
  - d. *Align any other policies and bylaws being developed or updated with the general directions in the Action Plan and this report.*

## **CONTEXT**

On April 17, 2025, Council provided direction to bring forward a suite of new policies and bylaws created as part of the 10-Year Official Community Plan Update. This report brings forward three core bylaws for introductory readings: the updated Official Community Plan (OCP) bylaw, a bylaw to modernize zoning (through Zoning Bylaw 2018), and a new Amenity Cost Charge (ACC) bylaw. It further brings forward administrative amendments to the City's other zoning bylaw for alignment with zoning modernization changes. Other policies and bylaws will be brought forward subsequently, in advance of a public hearing, so that the entire suite of materials may be considered for final approval together.

On June 19, 2025, Council provided direction to implement zoning regulations and design guidelines for the Industry Arts and Innovation District as part of the 10-Year OCP Update process. These directions have been integrated into the bylaws attached for consideration today.

### **Regional Context Statement**

The OCP's Regional Context Statement was referred to the Capital Regional District Board following the April 17 meeting and was accepted by the Board on June 11, 2025.

## **OFFICIAL COMMUNITY PLAN**

The draft OCP presented to Council in April has been revised in accordance with the direction provided at the April 17 meeting. It has been graphically formatted, and minor edits have been applied to correct typos and improve clarity. The final version is provided as Attachment A. Notable changes that have been made since April are summarized below.

### **Tree Canopy Targets**

At the April 17 meeting, Council provided direction to incorporate tree canopy targets into the draft OCP. The City of Victoria's Urban Forest Master Plan (UFMP) indicates that 40 per cent is an appropriate canopy cover goal for cities in the Pacific Northwest. The UFMP also offers an approach for developing canopy cover targets for the City of Victoria and notes targets should consider the intended land use for the area. As such, canopy targets have been incorporated to relate to the OCP's Urban Structure Concept. This approach provides land use context for tree canopy goals, including constraints and opportunities for achieving a citywide tree canopy target. Though not explicitly part of the targets, the treed environments within each area also have different functional expectations and will need to be consistent with other strategic land use priorities and policy.

### **Development Permit Areas and Guidelines**

Development permit areas (DPAs) have been added to the draft OCP based on the general direction provided at the April 17 meeting. Through the renewed DPA framework, two sets of guidelines would be applicable to most development within the city:

- The updated General Urban Design (GUD) Guidelines were presented to Council in April. Since that time minor adjustments have been made based on Council direction and to improve clarity and consistency across the framework (see Attachment A1).
- The Downtown Core Area Plan (DCAP) Guidelines have similarly been updated for clarity and consistency, and to incorporate guidelines for the Industry, Arts and Innovation District as directed by Council on June 5, 2025 (see Attachment A2).

At its regular meeting of May 28, 2025, the renewed GUD Guidelines were presented to the City's Advisory Design Panel. Appreciation for the streamlined framework and the amount of work completed was expressed. The draft minutes from the meeting are provided as Attachment G.

The original direction for the renewed DPA framework included a unique DPA for the Victoria Harbour. Upon review, it was concluded that the application of more recent GUD and DCAP guidelines applied through the proposed DPA 1 and DPA 2 are more appropriate for areas within the designations related to the Victoria Harbour. As such, no unique DPA for the Victoria Harbour is required or has been included in the draft OCP.

The draft OCP also includes a DPA for tenant protection to help implement the proposed Tenant Protection Bylaw which will be brought forward with the next suite of policies and bylaws in advance of a public hearing.

### **Heritage Conservation Areas and Guidelines**

As directed in April, the City's Heritage Conservation Areas have been consolidated for clarity and consistency. The framework includes two main areas:

- HCA 1: Commercial Heritage, which includes several commercial areas throughout the city. The Old Town Design Guidelines, which apply to a portion of this HCA, have been updated for clarity and consistency.
- HCA 2: Residential Heritage, where the new Residential Heritage Guidelines (Attachment A10) apply. These guidelines are a consolidation of existing residential heritage guidelines, with new guidance that responds to the proposed regulatory framework.

At its regular meeting of June 10, 2025, the consolidated Residential Heritage Guidelines were presented to the City's Heritage Advisory Panel. The panel provided technical feedback, including clarifying guidelines, improving captions and adding more detailed photos – these changes have been considered and incorporated into the draft guidelines. The panel also passed two motions relating to the Residential Heritage Conservation Area. The panel had previously passed a motion pertaining to a broader review of the OCP at their May 13, 2025 meeting. All motions can be found in the minutes in Attachment H.

In response to the Panel's May 13 motion, staff provided resources and information about the 10-Year OCP Update, including how to access draft materials that are publicly available and participate in the Public Hearing. In review of the June 10, 2025 motions related to design guidelines and exempting HCAs from envisioned densities, it was concluded that the intent of these motions is largely addressed in the current proposed land use framework which balances the dual objectives of heritage conservation and housing provision with the land use tools available to local governments.

All guidelines that would be applicable under the new DPA / HCA framework can be found in Schedule C of the draft OCP (Attachments A1 through A11).

### **ZONING MODERNIZATION**

At the April 17, 2025 meeting, Council provided general direction to modernize the city's zoning and align it with the intent of the new OCP, with a focus first on residential zones. A bylaw amending Zoning Bylaw 2018 (Attachment B), which presently covers parts of the downtown core area, implements this

direction. A consolidated blackline copy of Zoning Bylaw 2018 as it would be amended is provided for convenience (Attachment C). The original intent was to repeal Zoning Bylaw 2018 and replace it with a new bylaw, however, upon review of the potential administrative ramifications of repealing the bylaw, staff concluded that amending the bylaw to implement phase one of modernization is a more appropriate approach.

At the June 19, 2025 meeting, Council provided general direction to implement zoning regulations identified as part of the Industry Arts and Innovation District process through the first phase of zoning modernization. The Zoning Bylaw 2018 amendments implement these changes in accordance with the direction provided.

### **Entitlements Carried Forward**

As part of preparing bylaws in accordance with the Council direction provided, properties that would be affected by the proposed zoning changes were reviewed. Where a property had specific use or density entitlements above or beyond those proposed in zoning modernization, those entitlements were generally carried forward. Such instances are identified in the site-specific zoning provisions of the applicable zone. Several considerations were made for properties with transient accommodation uses, as the current definition of transient accommodation was not carried forward into the new bylaw:

- Carrying forward the existing entitlements for active transient accommodations that pre-date online platforms and have not contributed to recent declines in long term rental stock is generally consistent with Official Community Plan, through enabling small-scale commercial uses that support local economic development and help meet diverse community needs.
- For primarily residential properties with “Transient Accommodation” use entitlements that have not received a business license in three or more years, the use entitlement would not be carried forward and due to the Provincial regulations, there would be no legal non-conforming rights remaining. Three years was chosen as an appropriate minimum amount of time to assess whether a property was legally using its entitlements as it predates both the Province’s short-term rental regulations and subsequent changes to City regulations that may have posed unusual licensing challenges for some operators in 2024 and 2025.
- Use entitlements that are inconsistent with the Province’s short-term rental regulations were not carried forward, as they are of no force and effect.
- Where a business had an approved bed and breakfast business license, the “Bed and Breakfast” use was applied to the property.
- A scan of the remaining properties was conducted and a new “Neighbourhood Hotel” definition was created for transient accommodation that is more intense than home occupation, but not as intense as a regular hotel. From the scan of those properties in zones that currently allow such transient use, it was found that those uses generally occur in older buildings (at least 40 years old), often heritage buildings, and have between five and eighteen rooms. Therefore, “Neighbourhood Hotels” are required to be within buildings constructed 100 years prior to bylaw adoption, which would be 1985 - 1925.

### **Amendments to the Zoning Regulation Bylaw**

As zoning modernization is happening in phases, focused first on residential uses, numerous properties will remain subject to the City’s other zoning bylaw (the Zoning Regulation Bylaw). Some regulations in this bylaw reference the 2012 Official Community Plan. As such, amendments are

required to resolve what would become broken cross references. The required amendment bylaw is provided as Attachment D.

Future phases of modernization will focus on parks, institutional, community and cultural uses, employment lands, and areas in the downtown core that do not yet have modernized zones. Additionally, staff are continuing to investigate appropriate zoning regulations for social services for unhoused Victorians, as directed in a June 20, 2024 Council Member Motion. The outcomes of this work will also be included in a future phase of zoning modernization. As a final step in modernization, comprehensive zoning districts, including lands regulated by Master Development Agreements, and any final outstanding housekeeping items will be addressed. At this time the Zoning Regulation bylaw could be repealed.

## **AMENITY COST CHARGES**

The new Amenity Cost Charges (ACC) Bylaw (Attachment E) was prepared in accordance with direction provided at the April 17, 2025 meeting. Provincial Legislation (Bill 46) establishes exemptions that will ensure most in-stream projects are not impacted by the new charges. The ACC bylaw is being introduced in parallel with the OCP Bylaw and the first phase of zoning modernization in recognition of the additional development rights associated with the update of the City's land use framework, as well as the greater demand for amenities to support livability based on population increases.

As presented in the April 17, 2025 report and presentation to Council, the approach to the new ACC bylaw is citywide and program focused. This approach reflects Victoria's nature as a geographically small and well-connected city, where the envisioned amenities would be accessible to all residents and workers. It responds to the high-level goals related to community infrastructure and linear parkways in the proposed OCP. The rates established in the bylaw represent a modest charge on development that can be reviewed over time and the bylaw provides flexibility for in-kind contributions to be considered. While the new bylaw represents a shift in the City's approach to securing growth-related amenities, these provisions enable a smooth transition. As the City fine-tunes its objectives for community infrastructure, which is a priority implementation measure for the OCP, the ACC bylaw may be reviewed and refined.

## **CONCLUSION**

This report brings forward several bylaws for introductory readings as directed by Council on April 17, 2025 and June 19, 2025. These bylaws are part of the 10-Year OCP Update and the implementation of the Industry Arts and Innovation District Action Plan. It further brings forward administrative amendments to the Zoning Regulation Bylaw that are required for alignment. As part of the 10-Year OCP Update, Council directed updates to other policies and bylaws which will be brought forward subsequently. The intent is for the full suite of materials to be considered in tandem, at or immediately following a public hearing.

Respectfully submitted,

Lauren Klose, Manager  
Community Planning

Karen Hoese, Director  
Planning and Development Department

## Report accepted and recommended by the City Manager

### List of Attachments

- Attachment A: *Official Community Plan Bylaw, 2025, No. 25-045*
- Attachment A1-12: *Schedules to the Official Community Plan Bylaw, 2025, No. 25-045*
- Attachment B: *Zoning Bylaw 2018, Amendment Bylaw (No. 17), No. 25-038*
- Attachment C: *Zoning Bylaw 2018 Consolidated Blackline Copy*
- Attachment D: *Zoning Regulation Bylaw, Amendment Bylaw (No. 1361), No. 25-051*
- Attachment E: *Amenity Cost Charges Bylaw 2025, No. 25-048*
- Attachment F: *Motions from April 17, 2025 Council Meeting*
- Attachment G: *Draft Minutes from May 28, 2025 Advisory Design Panel Meeting*
- Attachment H: *Draft Minutes from May 13, 2025 and June 10, 2025 Heritage Advisory Panel Meetings*