



Committee of the Whole Report

For the Meeting of April 23, 2026

To: Committee of the Whole **Date:** April 9, 2026

From: Karen Hoese, Director, Planning and Development

Subject: **Bylaw Amendments Pursuant to Bill 25: Housing and Municipal Affairs Statutes Amendment Act, 2025 & Bill 16: Housing Statutes Amendment Act, 2024**

RECOMMENDATIONS

1. That Council instruct the Director of Planning and Development to prepare the necessary Zoning Regulation Bylaw and Zoning Bylaw 2018 amendments in order to:
 - a) Designate zones that only permit single family dwellings with both a secondary suite and a garden suite as a “restricted zone”;
 - b) Transfer three properties from the *Zoning Regulation Bylaw* to the *Zoning Bylaw 2018* to maintain the existing density bonus provisions.
2. That after publication of notification in accordance with section 467 of the *Local Government Act*, first, second, third and final reading of the zoning bylaw amendments be considered by Council.

EXECUTIVE SUMMARY

The purpose of this report is to present Council with information, analysis and recommendations to comply with provincial legislative requirements relating to Small-Scale Multi-Unit Housing (SSMUH) regulations, that require zoning bylaws to expand the definition of a “restricted zone” to include all lots where a single detached home with a secondary suite and detached accessory dwelling unit are allowed.

In addition, to comply with recent amendments to the *Local Government Act* pertaining to density benefits contained in *Bill 16: Housing Statutes Amendment Act, 2024*, and *Bill 13: Miscellaneous Statutes Amendment Act, 2025*, any properties regulated by the *Zoning Regulation Bylaw* (ZRB) with density bonusing that the City wants to maintain will need to be moved over to *Zoning Bylaw 2018* (ZB2018). A review of the ZRB has identified three properties to transfer over to ZB2018. Both zoning amendments need to be adopted by Council prior to June 30, 2026.

Should Council advance the proposed recommendation, the bylaws would be prepared for initial readings.

BACKGROUND

Victoria has two zoning bylaws: *Zoning Bylaw 2018* and the older *Zoning Regulation Bylaw*. Work on modernizing these Zoning Bylaws will move Victoria toward a single Zoning Bylaw for the entire city. Phase One of this modernization was completed in the fall of 2025 and was focused on transferring over residential properties, villages and centres, and the Industry, Arts and Innovation District. As this process continues, ZB2018 will expand to regulate more of the City, while the ZRB recedes until it can ultimately be fully rescinded.

Small-Scale Multi-Unit Housing

On November 30, 2023, the Province of British Columbia (the Province) gave Royal Assent to *Bill 44: Housing Statutes (Residential Development) Amendment Act, 2023* (Bill 44), which required the City to allow small-scale multi-unit housing (SSMUH) in “restricted zones”. Restricted zones are defined as:

A zone in respect of which the permitted residential use is restricted to:

- a) single-family dwellings
- b) single-family dwellings with one additional housing unit located within the single-family dwelling building or on the same parcel or parcels of land on which the single-family dwelling is located,
- c) duplexes, or
- d) duplexes with one additional housing unit located within each dwelling comprising the duplex building or no more than two additional housing units on the same parcel or parcels of land on which the duplex is located.

The bylaw for this work was adopted on June 20, 2024.

Subsequently, on November 27, 2025, the Province gave Royal Assent to *Bill 25: Housing and Municipal Affairs Statutes Amendment Act, 2025* (Bill 25). Bill 25 has made clarifying changes to the *Local Government Act* (LGA), which requires an amendment to the definition of “restricted zone” to include a zone that permits up to a single detached dwelling with both a secondary suite and a garden suite.

Through Phase One of Zoning Bylaw modernization, ZB2018 permits more units on residential properties than the provincial SSMUH minimums and therefore has no restricted zones and no updates are needed to this zoning bylaw under this legislation.

However, updates are required to the older ZRB which technically still has restricted zones, primarily through properties that do not have any form of residential existing but utilize a residential base zone (e.g. R1-B) like parks and institutions. Therefore, since most low-density residential properties are now in ZB2018, this required update will have next to no actual impact beside the staff resources used to make the change.

Municipalities are required to pass bylaws by June 30, 2026, to comply with this legislation.

Density Bonus Zoning in the Zoning Regulation Bylaw

On April 25, 2024, the Province gave Royal Assent to *Bill 16: Housing Statutes Amendment Act, 2024*, which made changes to the City’s ability to administer density bonusing through zoning. As part of these changes, and subsequent changes contained in *Bill 13: Miscellaneous Statutes Amendment Act, 2025* and *Density Benefits Zoning Bylaws Amendment Deadline Regulation, BC Reg. 62/2025*, any existing density bonusing provisions that are intended to be moved from the ZRB to ZB2018 must be done so prior to June 30, 2026. Otherwise, when the properties are eventually moved over to ZB2018, the density bonus provisions will need to be removed.

After a review of the remaining ZRB zones, it is recommended that three properties be transferred over to ZB2018. Although there are still properties in the ZRB that will continue to have density bonus zones, these do not need to be carried forward as they have met the conditions of the density bonusing (e.g., having already provided a cash contribution) or are regulated by a Master Development Agreement securing density bonusing.

A high-level overview of the amenities required through density bonusing for the three impacted properties is outlined in the table below and the zones themselves can be found as Attachments A, B and C.

Property	Base Density	Bonus Density	Amenities
1314-1318 Wharf Street (Northern Junk)	1.0 FSR	3.39 FSR	<ul style="list-style-type: none"> a monetary contribution of \$72,000 to the Local Amenities Reserve Fund for the planting of trees. a monetary contribution of \$2,500 to the City’s Downtown Core Area Public Realm Improvement Reserve Fund for the installation of short term bike racks. a monetary contribution of \$16,000 to the City’s Downtown Core Area Public Realm Improvement for the construction of a future vehicle turn-around.
930 Fort Street	2.0 FSR	5.5 FSR	<ul style="list-style-type: none"> \$103,006.80 to the Downtown Core Area Public Realm Improvement Fund \$100,000 to the Victoria Housing Reserve Fund \$67,668.94 to the Downtown Heritage Buildings Seismic Upgrade Fund.
1 Dallas Road (Fisherman’s Wharf)	Total Floor Area for all uses excluding float homes and live-boards: 1000m ²	Total Floor Area for all uses excluding float homes and live-boards may be increased up to 2010m ² with an office floor area of 270m ² and a retail floor area including floating commercial units of 1740m ²	<ul style="list-style-type: none"> A public washroom must be provided and maintained as a community amenity.

As a note, the density number for 930 Fort would increase slightly for transition to ZB2018. This is because the ZRB exempts certain types of floor area, such as elevator shafts, whereas ZB2018 does not. To address this and ensure applicant fairness, the new density would account for the elevator shaft exemption in the property’s site-specific regulations in ZB2018. Although the density regulation will increase, the actual development rights are remaining the same.

This transfer of properties across zoning bylaws is a technical exercise, where no development rights will be given, nor will any be taken away. Site specific regulations will be created to maintain existing regulations such as uses, setbacks and height. The one exception is for 1314-1318 Wharf Street, as the Old Town District Zone it is proposed to be transferred into allows for additional uses, such as the “hotel” use. In this instance, these uses are seen as appropriate due to the property’s location in the City’s Old Town.

The owners of each of these three properties were individually contacted with information about the transition and an offer to meet further to discuss any questions or concerns. There were no major concerns so long as the properties maintained existing development rights.

Community Consultation

Local governments may not hold a public hearing for zoning bylaw updates for the purposes of complying with the SSMUH legislation. Furthermore, for the three density bonus properties, the LGA prohibits a local government from holding a public hearing for a rezoning application that is consistent with the OCP and is intended to permit residential development.

Notice will be provided in accordance with the requirements of the *Local Government Act* and City bylaws.

CONCLUSIONS

Council is required to pass a bylaw to comply with aspects of the provincial legislation contained within *Bill 16: Housing Statutes Amendment Act, 2024*, and *Bill 25: Housing and Municipal Affairs Statutes Amendment Act, 2025* by June 30, 2026. Subject to adoption of the recommendation, staff are prepared to draft zoning bylaw amendments that address these requirements for Council’s consideration.

Respectfully submitted,

Mike Angrove
Senior Planner
Development Services Division

Karen Hoese, Director
Planning and Development Department

Report accepted and recommended by the City Manager.

List of Attachments

- Attachment A IHH Zone Regulating 1314-1318 Wharf Street
- Attachment B CA-84 Zone Regulating 930 Fort Street
- Attachment C FWM Zone Regulating 1 Dallas Road