

proposed Zoning Bylaw 2017 that considers the public feedback and a related enabling bylaw prior to a Public Hearing.

Staff initiated a public consultation process between March and April 2017 that included individual meetings and presentations to key stakeholder organizations including the Urban Development Institute, Downtown Victoria Business Association, Downtown Residents' Association, Heritage Advisory Panel and the Advisory Design Panel. A public open house was also held at City Hall on April 18, 2017 which was attended by over 60 people including residents, business owners, downtown and other surrounding community associations, developers and architects. Notices for the open house were advertised through regular print and online outlets and individual postcards were mailed to all property owners, including local, national and international. The public had the opportunity to provide feedback directly at the open house as well as through email.

Following the consultation process, staff compiled and reviewed all feedback that was received and prepared further refinements to the Zoning Bylaw 2017. A complete list of all feedback and proposed changes to the Zoning Bylaw 2017 are included in this report (Attachment 3). Reporting back to Council in May 2017 with the draft Zoning Bylaw 2017 was postponed to allow Council the opportunity to provide direction on the regulation of short-term rentals as this use is common to most of the zones in the downtown area.

Once the new Zoning Bylaw 2017 is adopted it will replace the existing *Zoning Regulation Bylaw No. 80-159* beginning with the Central Business District and Old Town Area. Staff will then continue to develop additional zones and regulations for other areas of the city, with the intent that Zoning Bylaw 2017 will eventually replace the current *Zoning Regulation Bylaw No. 80-159* in its entirety.

ISSUES & ANALYSIS

1. Brew Pub, Distillery and Winery Definition

Based on public feedback as well as through comments received through the City of Victoria Business Hub, the earlier definition of 'Brew Pub' has been amended to also account for the production of spirits, wine and other alcoholic beverages. Although the range of products has been expanded, in all cases the area used for production cannot exceed 35% of the total floor area. These uses are also not permitted within 6m of the portion of a building that abuts a street or pedestrian walkway, except if provided in conjunction with a retail component or food and beverage service. This helps to ensure that there are active commercial uses along the street level rather than just manufacturing activity. These requirements are common to the Central Business District and Old Town Area. It is anticipated that the opportunity to undertake a full-scale brewery or distillery would be accommodated as a light industrial activity within the city's industrial areas such as Rock Bay.

2. Drinking Establishment Definition

To provide improved clarity between uses such as restaurants, bars, pubs and nightclubs a new definition of 'Drinking Establishment' has been introduced. Drinking establishment means *facilities such as nightclubs, bars and pubs that are licensed through the BC Liquor Control and Licensing Act for the sale and consumption of liquor within the facilities and where entertainment is provided in the form of recorded music, live performances or a dance floor*. In addition to this new definition, the previous definition of Food, Beverage and Entertainment Service has been renamed 'Food and Beverage Service' and no longer includes reference to 'Entertainment', dance clubs or nightclubs. This proposed distinction between restaurants and drinking establishments provides the public,

Council and staff with improved clarity and understanding of each use as a permitted activity within the downtown and avoids the blending these uses together or using ambiguous terminology to describe each use.

3. Light Industrial

Light Industrial has been removed as a permitted use from the Central Business District and Old Town Area zones. Light Industrial was identified as a permitted use in the earlier draft version to reflect a few industrial activities that were included in some older site specific zones. However, industrial activities within the CBD or Old Town Area are not in alignment with the objectives and policies of the *Downtown Core Area Plan*. Therefore, while Light Industrial is not included in the new zones, any existing 'light industrial' businesses would be permitted to continue their operation as legal non-conforming uses based on the provisions of the Local Government Act.

4. Short-Term Rental

Based on recent Council direction on Short-term Rental, this use has been removed from all of the new zones within the Central Business District and Old Town Area. The new zoning bylaw will continue to define Short-term Rental given its link with home occupation regulations, however it is not included as a permitted use. This change does not impact the operation of hotels, motels or hostels as they are captured under a separate definition of 'Hotel' which is a permitted use.

5. Off-Street Parking Requirements

A comprehensive set of off-street parking requirements for motor vehicles and bicycles is included within Part 5 of the proposed Zoning Bylaw 2017. These updated requirements have been developed through a separate initiative to review the City's overall off-street parking regulations. As a result, off-street motor vehicle and bicycle parking is only required for residential development and hotels within the Central Business District, while the Old Town Area does not have off-street parking requirements given the tight site conditions and as a means to further encourage the retention and re-use of heritage buildings. In addition, the new requirements provide a more refined approach for residential uses including reduced parking requirements for smaller residential units, purpose-built rental and affordable housing. Part 5 also includes updated requirements for long and short-term bicycle parking including regulations for the design and placement of bicycle parking facilities.

6. Additional Refinements

A complete list of other minor refinements to the Zoning Bylaw 2017 are included in Attachment 3. In general this includes the key changes outlined above as well minor changes such as improved wording, formatting and refinements to the regulations for projections, rooftop structures, various administrative definitions and location and siting of uses.

OPTIONS AND IMPACTS

Option 1:

Direct staff to advance Zoning Bylaw 2017 to a meeting of Council for consideration of first and second readings prior to a Public Hearing. **(Recommended)**

Given the outcome of the short term rental Public Hearing held on September 21, 2017, and the incorporation of changes from previous public engagement, the proposed Zoning Bylaw 2017 is now ready to proceed through the public hearing process.

Option 2:

Direct staff to further refine the proposed Zoning Bylaw 2017 prior to advancing it to a Public Hearing.

This approach allows Council to direct staff to integrate any further changes.

Accessibility Impact Statement

The Zoning Bylaw 2017 provides regulations for land use and development on private property and does not have any direct impacts on accessibility as all new development on private property is subject to the requirements of the BC Building Code which address accessibility needs. In addition, the City will be undertaking additional consultation on its updated off-street parking regulations which may include additional requirements for barrier-free parking. It is anticipated that the consultation process will also include a direct meeting with the City's Accessibility Working Group.

2015 – 2018 Strategic Plan

This project directly supports Objective 3: Strive for Excellence in Planning and Land Use, as the proposed Zoning Bylaw 2017 is anticipated to contribute to streamlining application processes by reducing the need for site-specific zones. This project also supports Objective 5: Create Prosperity through Economic Development, as the new zoning regulations serve to facilitate increased investment and development within the Downtown Core Area.

Impacts to Financial Plan

There are no impacts to the Financial Plan required to implement the new Zoning Bylaw 2017. Resourcing for this project is identified in the Financial Plan including the development of additional zones in 2017.

Official Community Plan Consistency Statement

The development of the new Zoning Bylaw 2017 is in direct support of policy 6.3 of the Official Community plan which supports the role of the Zoning Bylaw to help implement the various land use designations, objectives, uses, built forms and densities that are described within the OCP Section 6: Land Management and Development.

CONCLUSIONS

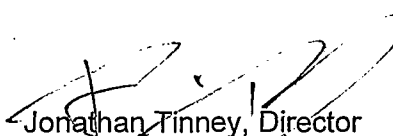
The proposed Zoning Bylaw 2017 has been refined based on public feedback received earlier this year and is now suited to better implement the Downtown Core Area Plan and support other City objectives related to economic development, improving development processes and providing more user-friendly regulations with improved clarity. Once the Zoning Bylaw 2017 is approved it will replace the current Zoning Regulation Bylaw 80-159 for the Central Business District and Old Town Area.

Respectfully submitted,



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Alt.



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Report accepted and recommended by the City Manager:

Jocelyn Jenkins

Date:

Oct 3, 2017

List of Attachments:

- Attachment 1: Zoning Bylaw 2017
- Attachment 2: Distribution of proposed Zones within the Central Business District and Old Town Area
- Attachment 3: Zoning Bylaw Comments and Proposed Changes.