



To: Rob Buchan
Chief Administrative Officer

Date: April 13, 2015

From: Coralie Breen
Planner

File: 6440-20 Housing Strategy

Re: **Bylaw 1352 Review Options**

RECOMMENDATION(S):

1. THAT Council accept the staff report and advise staff which option it wishes to implement.

PURPOSE:

DNS Strategic Plan (2015 – 18) has a goal to consider options for addressing Bylaw 1352. The purpose of this staff report is to provide Council with options for Bylaw 1352 (RCS) amendments.

STRATEGIC PLAN IMPLICATIONS:

No. 1 Protect and Enhance Rural, Agricultural, Heritage, Marine and Environmental Resources

No. 5 Ensure Strong Leadership, Fiscal Responsibility and Transparent Government

The strategic plan offers overarching goals for Council to consider development of land in North Saanich. The degree to which Council determines to protect and enhance the rural, agricultural, heritage, marine and environmental resources is value derived and can be considered in a broad spectrum. The degree to which council considers public consultation and concerns is also value-derived but must occur within a legislated framework. Grappling with the central question suggested below (see Discussion) should be framed within the values reflected in the Strategic Plan (2015-18) pg. 6

SCOPE OF WORK:

- 119 That the staff report considered at Committee of the Whole February 23, 2015 be referred to staff for further consideration and augmentation of additional suggestions arising from the discussion March 2, 2015.

This staff report augments the February 17, 2015 report from the CAO. Seven options are provided and summarized in Table 1.0 which follows. The options are:

Option 1. No changes Bylaw 1352

Option 1 = no changes to Bylaw 1352. The maximum build-out would not exceed 520 units, 420 in Area 1 (McTavish) and 100 in Area 2 (Tsehum). In 2014, Council approved developments that left 320 units remaining.

Staff time would be relative to applications for development in Area 1 (McTavish) and/or Area 2 (Tsehum).

An RCS amendment would still be required for alignment with the RSS.

Option 2. Review Area 2 (Tsehum)

Option 2 = Area 2 (Tsehum) is reviewed only.

In 2014, Council approved development of up to 100 additional units in Area 2 (and 420 in Area 1). Tsehum harbor area is rated as highly sensitive to sea level rise (SLR) by the Province. An RCS amendment would be required.

Estimated time is 8 months; work would be undertaken by planning staff and a consultant; cost is estimated at \$20 K.

An RCS amendment would be required.

Option 3. Undo Area 1 & 2

Option 3 = undo Area 1 (McTavish) and Area 2 (Tsehum). Return density outside of recent rezoning's to pre Bylaw 1352 status. Projected development would be reduced by 320 units.

Estimated time is 6 months; work would be undertaken by planning staff.

The CRD provided the following update (March 31, 2015):

The Draft RSS (and Population, Dwelling Unit & Employment Projections Table) posted on the CRD website will be revised to reflect this update to the *Best-Case Scenario*.¹ First Nations are not included.

The updated values based on the *Best-Case Scenario* are:

| | 2014 | 2019 | Average Annual % Change |
|--------------------|--------|--------|-------------------------|
| <u>(2011-2038)</u> | | | |
| Population | 11,370 | 11,840 | 0.90% |
| Dwellings | 4,550 | 4,825 | 1.35% |
| Employment | 5,430 | 5,650 | 0.62% |

An RCS amendment would be required.

Option 4. AHP + OCP Amendment

Option 4 = Affordable Housing Policy and related OCP amendments.

A terms of reference (TOR) would be developed for a consultant to develop an AHP. This would/could shape how Area 1 and 2 are developed and other potential new applications outside Area 1 and 2.

Estimated time is 12 months; work would be undertaken by planning staff and a consultant; cost is estimated at \$60 K. The work could not be started until December 2015 (Strategic Plan schedules completion for May 2016).

An RCS amendment is required.

¹ See <https://www.crd.bc.ca/docs/default-source/regional-planning-pdf/rss/projectionstechnicalbackgrounder-urbanfutures-12-2014.pdf?sfvrsn=2> pg. 16 for an explanation of "Best Case Scenario" Retrieved April 13, 2015.

Option 5. Undo Area 1 & 2 + AHP + OCP Amendment

Option 5 = Option 3 + 4 (Undo Area 1 and 2 + Affordable Housing Policy + OCP Amendment)

Area 1 (McTavish) and Area 2 (Tsehum) additional density would be repealed. An Affordable Housing Policy would be developed to apply broadly to the DNS. OCP amendments would be necessary.

Estimated time is 16 months; work would be undertaken by planning staff and a consultant; cost is estimated at 60 K.

An RCS amendment is required.

Option 6. Review CTQ Report +OCP Amendments

Option 6 = Review the CTQ Report and Minor OCP amendments.

A TOR would be developed for a consultant to review the CTQ report and undertake community consultations. OCP amendments may follow (e.g. housing policy review and development permit review could be included). This would be a semi-comprehensive approach. The degree of policy coherence and consistency would be moderate.

Estimated time 16 months; work would be undertaken by planning staff and a consultant; cost is estimated at 60 K. An RCS amendment is required.

Option 7. OCP (Major)

Option 7 = Major OCP review.

A TOR would be developed for a consultant to conduct a major OCP review with broad community consultations. Existing planned work within the DNS Strategic Plan (e.g. review of agriculture economic strategy, marine policy review, development permit review, housing policy review) would be undertaken comprehensively. The degree of policy coherence and consistency would be highest.

Estimated time is 24 – 36 months; work would be undertaken by planning staff and a consultant; cost is estimated at \$300 k.

An RCS amendment is required.

In the process of developing Bylaw 1352, Staff considered density scenarios in Area No. 1 and 2, two areas identified in the CTQ report, CRD projections for population growth and change, transportation planning, projected employment growth areas, protection of agriculture land and avoidance of areas of environmental sensitivity, VAA employment projections and DNS servicing capacity. Bylaw 1352 amended the DNS OCP RCS and required CRD approval. Any changes to the RCS) require CRD approval.

Table 1.0 Policy Options

| Option | Policy | Area 1 (McTavish) | Area 2 (Tsehum) | Resources | Timeline | Budget |
|--------|---|----------------------|--------------------|-----------|-----------|----------|
| 1 | No changes Bylaw 1352 | X | X | P | n/a | Y |
| 2 | Review Area 2 (Tsehum) | X | √ | P + C | 8 m | Y + 20 K |
| 3 | Undo Area 1 & 2 | √ | √ | P | 6 m | Y |
| 4 | AHP + OCP Amendment | X | X | P + C | 12 m | N + 60 K |
| 5 | 3 + 4 | √ | √ | P + C | 16 m | N + 60 K |
| 6 | Review CTQ Report +OCP Amendment | √ | √ | P + C | 16 m | N + 60 K |
| 7 | OCP (Major) | √ | √ | P + C | 24 – 36 m | N+ 300 K |

Change (X = No; √ Possibly Yes)

Budget = Y = yes within budget N = additional resources required

C = Consultant

P = Planning Staff

AHP=Affordable Housing Policy

CTQ= CTQ Consultants Inc.

RCS = Regional Context Statement (up to 2015)

RSS = Regional Sustainability Strategy (from adoption by CRD in 2015)

*OCP amendments to RCS require consistency with RSS and CRD Board Approval

DISCUSSION:

Managing growth sustainably is the core purpose of the CRD RGS and proposed Capital Regional Sustainability Strategy (CRSS). DNS Bylaw 1352 permits residential intensification with a stated goal of providing affordable workforce housing. Bylaw 1352 had a maximum capacity of 520 unit increase related to infrastructure services capacity. Council has asked staff to provide options to consider relative to DNS housing needs. Staff has provided a suggested framework to initiate this discussion in Table 1.0 around a central question which frames the central goal of the strategic plan:

What policies will manage growth which protects and enhances rural, agriculture, heritage, marine and environmental resources?

The Policy Challenge

The policy environment varies in each jurisdiction, whether carefully planned or organically evolved. Jurisdictional constraints limit Council’s decision parameters in the area of growth management. Regional and provincial policies, which are coordinated to varying degrees, have gaps in coherence. Federally, on nearby Airport lands, decisions can be made which impact North Saanich. Coherence implies policy consistency. To optimize policy coherence, policies require maximum consistency and they need to be able to adapt to change.

CONSIDERATIONS TO GUIDE DISCUSSION:

1. *Decision Making Framework.* Staff suggests that Council focus the discussion around a central question and framework. Staff has posed a central question for Council to anchor the discussion; Council may select an alternative one. In addition to the DNS Strategic Plan, Council must consider the CRD RSS, and Provincial and Federal policies, regulations and plans.
2. *Regional Planning Timelines.* The CRD will be considering the RSS in June, 2015; the Regional Housing Affordability Strategy (RHAS) will not be completed until December 2015.
3. *Official Community Plan.* The DNS OCP has not had a major review since 2007. By the time a major review is completed it will likely be 2018, eleven years (if begun by 2016). Many policy changes have occurred during that time. The OCP considers 5 year projections, the CRD RSS considers 25.

Depending on the factors Council considers and weighs, each option has strengths and limitations. No changes to Bylaw 1352 still requires an RCS amendment to align with the RSS. A comprehensive review of the OCP will be long but fully engage the community and include many elements currently itemized in the Strategic Plan (e.g. marine policy review, development permit review, housing policy review).

OPTIONS:

1. THAT Council proceed with Option 1: No changes Bylaw 1352
2. THAT Council proceed with Option 2: Review Area 2 (Tsehum)
3. THAT Council proceed with Option 3: Undo Area 1 & 2
4. THAT Council proceed with Option 4: AHP + OCP Amendments
5. THAT Council proceed with Option 5: Undo Area 1 & 2 + AHP + OCP Amendments
6. THAT Council proceed with Option 6: Review CTQ Report +OCP Amendments
7. THAT Council proceed with Option 7: OCP (Major)

FINANCIAL IMPLICATIONS:

Staff and consultant's cost vary as outlined in Options 1 – 7. Residential intensification would increase the DNS tax base and also increase the demand for services.

If Council proposes residential intensification beyond 520 units, significant infrastructure costs would be associated with such development.

LEGAL IMPLICATIONS:

Section 866 of the *Local Government Act* requires that member municipalities prepare a Regional Context Statement following the adoption of a Regional Growth Strategy. The RCS is a legally binding statement that identifies how the OCP is compatible with and supports the intent of the RGS. The RCS must be consistent with the RGS. The CRD is currently undertaking a major review of the 2003 RGS with the intention of developing a more explicit focus on regional sustainability -- including climate change, social well-being and food security -- signaling this intention through its name change from RGS to Regional Sustainability Strategy. This process is expected to conclude with a new regional strategy by 2015. The Regional Context Statement illustrates how the District implements the eight strategic directions of the RGS and how the plan is consistent or working towards consistency with the RGS.

Section 879 (1) *Local Government Act* states that during the development of an Official Community Plan, or the repeal or amendment of an Official Community Plan, the proposing local government must provide one or more opportunities it considers appropriate for consultation with persons, organizations and authorities it considers will be affected.

Section 881 (1) *Local Government Act* states that if a local government has adopted or proposes to adopt or amend an Official Community Plan for an area that includes the whole or any part of one or more school districts, the local government must consult with the boards of education for those school districts (a) at the time preparing or amending the community plan, and (b) in any event, at least once in each calendar year.

CONSULTATIONS:

Section 879 (2) Local Government Act states for the purposes of Section 879 (1) noted in Legal Implications above, the local government must

- (a) Consider whether the opportunities for consultation with one or more of the persons, organizations and authorities should be early and ongoing, and
- (b) specifically consider whether consultation is required with
 - (i) the board of the regional district in which the area covered by the plan is located, in the case of a municipal official community plan,
 - (ii) the board of any regional district that is adjacent to the area covered by the plan,
 - (iii) the council of any municipality that is adjacent to the area covered by the plan,
 - (iv) first nations
 - (v) school district boards, and improvement district boards, and
 - (vi) The Provincial and federal governments and their agencies.

SERVICING LIMITATIONS:

DNS Engineering Services reviewed sanitary sewer servicing capacity related to Bylaw 1352. One significant factor is capacity at the Saanich Peninsula Wastewater Treatment Plant.

DNS has a total allocation of 2,650 m³/day of flow into the plant. We have calculated the theoretical current flow from DNS is 2,367 m³/day, leaving 283 m³/day available for growth. It is expected that a portion of this 283 m³/day would be used for other uses (such as commercial) however, if were to be used only for residential, the estimated unit/lot yield would be, for example, Single family equivalent = 330 units or Multi-Unit at 30 units/acre = 520 units.

RECOMMENDATION(S):

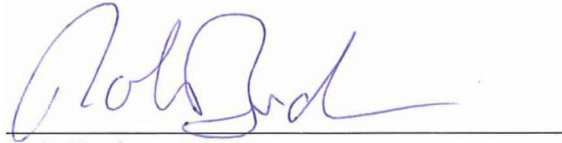
1. THAT Council accept the staff report and advise staff which option it wishes to implement.

Respectfully submitted,

Concurrence:



Coralie Breen
Planner



Rob Buchan
Chief Administrative Officer

Concurrence:

Concurrence:



Mark Brodrick
Director, Planning & Community Services



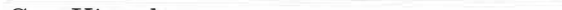
Patrick O'Reilly
Director, Infrastructure Services

Concurrence:

Concurrence:



Theresa Flynn
Director, Financial Services



Curt Kingsley
Director, Corporate Services