

DATE: November 12, 2020**FILE:** 3350-20 /CP 1C 20
3360-20 /RZ 1C 20**TO:** Chair and Directors
Electoral Areas Services CommitteeSupported by Russell Dyson
Chief Administrative Officer**FROM:** Russell Dyson
Chief Administrative Officer***R. Dyson*****RE: Official Community Plan and Rezoning Applications – 3L Developments Inc.****Purpose**

To summarize comments received from First Nations and external agencies (Appendix A), the response by the applicant to those comments (Appendix B) and to make a recommendation regarding the applications to amend the Official Community Plans (OCPs) and the Rural Comox Valley Zoning Bylaw.

Recommendation from the Chief Administrative Officer:

THAT the applications by 3L Developments Inc. to amend Bylaw No. 2042 being the Rural Comox Valley Official Community Plan Bylaw, 1998, Bylaw No. 337, being the Rural Comox Valley Official Community Plan Bylaw No 337, 2014, and Bylaw No. 520, being the Rural Comox Valley Zoning Bylaw No. 520, 2019, in order to subdivide and develop lands legally known as:

- That Part of the NW ¼ of Section 10, Township 9, Comox District, Plan 552G, Lying West of Puntledge River, except that part in Plan VIP70188 and EPP24391 (PID 000-866-792);
 - The south west ¼ of Section 15, Township 9, Comox District, Plan 552G, except that part shown coloured red on Plan 79 RW and except that part in plan VIP70188 (PID 000-866-814);
 - That Part of the north ½ section 14, Township 9, Comox District, Plan 552G lying to the South of the North bank of the Puntledge River (PID 003-922-308);
 - That Part of the south east ¼ of section 14, Township 9, Comox District, Plan 552G lying to the west of the east bank of the Puntledge River except those parts in Plans 8304 and 9343 (PID 003-922-391);
 - The south west ¼ section of Section 14, Township 9, Comox District, Plan 552G, except that part in Plan 9343 and except that part shown coloured red on Plan 829 R.W. (PID 003-924-033);
 - Lot A Sections 10 and 15, Township 9, Comox District, Plan EPP23059 (PID 028-915-194);
- be refused.

Executive Summary

- In May 2020, 3L Developments Inc., the owner of the six subject properties along the Puntledge River made applications to amend the OCPs by re-designating portions of the lands to the Settlement Node designation and to create a new zone suitable for subdividing and developing the new Settlement Node area to accommodate 780 residential units in the form of single-detached dwellings, secondary suites, and multiple-family housing, along with several commercial lots, serviced with water and sewer utilities.

Because the proposal is not consistent with Bylaw No. 120, being the “Comox Valley Regional District Regional Growth Strategy Bylaw No. 120, 2010” (RGS), a corresponding amendment to the RGS is required. Only the Board can initiate an amendment to the RGS.

- In June 2020, the Comox Valley Regional District (CVRD) Board directed staff to refer the proposal to the electoral area Advisory Planning Commissions, external agencies, member municipalities and First Nations for comment with respect to their interests. Numerous agencies responded, including the City of Courtenay, the Town of Comox, the Village of Cumberland and K’ómoks First Nation who all recommended not approving the application (Appendix A).
- Following review of external agency comments, the applicant responded with an amended application that changes the location of the proposed development lands within the subject properties, increasing the number of residential units to 799 (from 780 in original application), and removing consideration of commercial lots. The amended proposal (Figure 4), includes land identified as “Farmer’s Market” and “Agriplex”. Staff received the amended proposal on November 2, 2020.
- Given the agency comments as well as staff’s analysis relative to the goals and objectives of the OCP, the RGS and the recently completed Regional Housing Needs Assessment, staff’s professional planning opinion is that creation of a new core Settlement Area, specifically, a rural Settlement Node, located either north of the Puntledge River (i.e. original application) or south of the Puntledge River (i.e. amended application) is not warranted at this time. Staff recommends that the applications to amend the OCP and the Zoning Bylaw be refused.

Prepared by:

Concurrence:

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Government Partners and Stakeholder Distribution (Upon Agenda Publication)

3L Developments Inc. c/o Mr. Rob Buchan	✓
City of Courtenay	✓
Town of Comox	✓
Village of Cumberland	✓
K’ómoks First Nation	✓

Background/Current Situation

On June 23, 2020, the CVRD Board reviewed an application to amend the OCPs and Zoning Bylaw to enable subdivision and development of the subject properties, located on the outskirts of the City of Courtenay along the Puntledge River, as a Settlement Node (Figures 1, 2 and 3). The Board adopted the following resolution:

“THAT the Comox Valley Regional District Board endorse the agency referral list as outlined in Appendix A of staff report dated June 10, 2020, with the addition of the Manager of Fire Services and the Comox Valley Coalition to End Homelessness, and direct staff to commence the external agency referral process, ...as part of a repeal of Bylaw No. 2042, 1998, being the “Rural Comox Valley Official Community Plan Bylaw, 1998” and proposed amendments (File: CP 1C 20; RZ 1C 20) to Bylaw No. 337, being the “Rural Comox Valley Official Community Plan Bylaw No. 337, 2014” and Bylaw No. 520, being the “Rural Comox Valley Zoning Bylaw No. 520, 2019”;

AND FINALLY THAT Comox Valley Regional District staff consult with First Nations in accordance with the referrals management program dated September 25, 2012.”

The comments received are included verbatim in Appendix A and are summarized below:

- City of Courtenay Council recommended *“that the bylaws be rejected as they are inconsistent with the Regional Growth Strategy.”*
- Village of Cumberland Council checked the “Approval not recommended due to reasons outlined below” box and stated *“The proposal does not meet the RGS requirement that Settlement Nodes are not (or planned to be) contiguous with Municipal Areas.”*
- The Town of Comox notes *“that this development is not in conformance with the RGS as well as not in alignment with the Town’s densification plans.”* Town Council expressed interest *“in a process which would return Stotan Falls to public access and use.”*
- K’ómoks First Nation checked the “opposed due to reasons outlined below” box and wrote *“After meeting with the proponent, K’ómoks First Nation has concerns with this application that cannot be addressed, and therefore we are not in support of. We defer to the CVRD on the amendment of their Official Community Plans and the Zoning Bylaw, and potential trigger to amend to the Regional Growth Strategy. This application is located within the K’ómoks statement of intent area; it is the interest of the K’ómoks Nation to respectfully maintain our rights and access to the lands and resources throughout our territory.”*
- We Wai Kai Nation: *“no comment at this time regarding this application.”*
- Ministry of Transportation and Infrastructure (MoTI): *“A Traffic Impact Study acceptable to the Ministry prior to OCP and Rezoning (is required).”* Future subdivision considerations may require a Stormwater Management Plan, Geotechnical Hazard Assessment, confirmation of potable water and sewage disposal for each lot, a Development Phasing Plan, and public road dedication of the private logging road bisecting the property.
- School District No. 71 requested *“land be set aside for a school site.”*
- The Vancouver Island Health Authority provided numerous comments and recommendations, including *“prior to rezoning of this property it is highly recommended that the applicant prove that a sustainable water source exists on the property, demonstrating that the minimum amount of water needed at maximum build out is available to service the site.”* Also, under Island Health’s Healthy Built Environment Initiative these comments are also noted:
 - Providing mixed income housing developments and supporting affordable housing has health and economic benefits.
 - Dedicating land to public use, such as Stotan Falls, would address a gap in current parks and greenways...access to elements of the natural environment is known to provide significant physical and mental health benefits.
 - The subject properties are located in a car-dependent area with a walk score of zero and even with full build out the walk score is not expected to improve by a significant amount. *“We encourage the CVRD to consider this impact, contain urban sprawl and create complete, liveable communities in line with Objective 1-A of the Regional Growth Strategy which states ‘Locate housing close to existing services’...”*
 - Addressing transportation, *“given the area is car dependant and the small size of the proposed commercial space, it is unlikely that the necessary amenities would be present to make this a compact*

in and of itself, resulting in most errands needing to be completed using a motor vehicle. Increased reliance and use of motor vehicles is known to contribute to negative environmental impacts and reduced physical activity.”

- The Comox Valley Coalition to End Homelessness (CVCEH) writes that the proposed 3L development does not address the non-market housing need through the proposed secondary suites nor does the proposal outline how the proposed secondary suites would be made affordable or connected to transit for lower income individuals and families. *“The interests of the Coalition are unaffected as the issues of affordable and non-market housing do not appear to be addressed by the 3L proposal.”*
- The Manager of Fire Services wrote: three of the six subject properties have fire protection provided by way of service agreement between the Courtenay Fire Protection (Improvement) District (CFPD) and the City of Courtenay. The other two properties have no fire protection service. The proposal would necessitate the CFPD to agree to expand its boundaries and to provide that expanded protection.
- The Advisory Planning Commission for Area A (Baynes Sound – Denman/ Hornby Islands) reviewed the proposal over the course of two meetings but did not adopt a resolution.
- The Advisory Planning Commission for Area B (Lazo North) reviewed the proposal over the course of two meetings and provided comments regarding the RGS and the inadequacy of the information provided regarding affordable housing, traffic and the operating costs of a sewer service.
- The Advisory Planning Commission for Area C (Puntledge – Black Creek) reviewed the proposal over the course of three meetings and provided comments and recommendations requesting additional information and pursuing further protections of park and ecological values of the Puntledge River. See the citizen/public relations section below for the specific resolutions adopted by the APCs.

Applicant Response

A copy of the referral responses was forwarded to the applicant. In response to the agency referral comments, as well as feedback provided through the seven APC meetings, the applicant has amended the applications (Appendix B). The amended applications include:

- The proposed OCP bylaw amendment would create a Settlement Node south of the Puntledge River, instead of the original site north of the river, by re-designating existing “Settlement Expansion Area” lands to “Settlement Node”;
- The proposed OCP bylaw amendment on the north side of the River as well as Bull Island, Stotan Falls and the bed of the Puntledge River would be designated Rural Settlement Area;
- The proposed zone within the proposed Settlement Node has been amended by eliminating the proposed commercial uses and increasing the number of residential dwelling units (from 780 units to 799 units), including up to 382 single detached dwelling units (i.e. “272 single family lots” plus “110 small lots”) plus 272 secondary suites, 95 multi-family units at a density of 37 units per hectare, and 50 multi-family units at a density of 62 units per hectare;
- Six “Rural” lots, approximately 4 hectares each, are proposed on the designated Rural Settlement Area, along with lots identified as “Farmer’s Market” and “Agriplex”;
- The 10 hectare “K’ómoks Lot” remains unchanged and is within the portion of the property designated Rural Settlement Area (further bylaw amendment applications would be required to subdivide this proposed parcel from the balance of the lands);
- The applicant’s revision still includes a proposed voluntary community amenity contribution of land for “park dedication”;
- The applicant has otherwise revised the proposed voluntary amenity contribution by eliminating the previously proposed “Allotment Gardens”, the “land for BC Housing” (Appendices B and C) to include:

- A 2 ha parcel for use as a “Farmer’s Market”; and a
- 10.8 ha parcel for use as a “Agriplex”;
- The applicant has provided the following statement in respect to water and sewer servicing: *“We originally proposed to service the development with private water and sanitary sewer service. While we are prepared to proceed with this approach, we request connection into the public water and sanitary sewer system. Further, should such connection not be allowed, we propose to transfer the utilities to the Regional District at no cost for public ownership and operation. In both cases, we would pay for all servicing costs.”*

3L’s October 30, 2020 correspondence provides some specific zoning regulations to be included in the proposed Settlement Node lands, such as proposed building setbacks and minimum lot areas (Appendix B). At 450 square metres and 300 square metres, the proposed parcel sizes are similar to the smallest parcel sizes offered within the municipalities where additional infrastructure, such as storm sewers, street lighting, curb-and-gutter are provided. For example, the proposed lots are similar to those being developed in Cumberland (i.e. Cumberland’s “R-2 Small Lot Residential Zone” which allows for lots as small as 450 square metres, such as the newer phases of Coal Valley Estates subdivisions) and Comox (i.e. R4.1 Single-Family – 350 square metre Parcel zone). The proposed 450 square metre parcel zoning also includes provisions for secondary suites and home occupation uses. 3L suggests that, by virtue of their size, the proposed 300 square metre parcels will provide an affordable housing option within the proposed development.

The amended proposal provides an alternative ratio of single detached to multi-family dwelling units, an alternative park area, and parcels on the north side of the Puntledge River to be transferred to the CVRD for the purposes of constructing an “Agriplex” and a “Farmer’s Market”. Like the original layout, this alternative requires an amendment to the RGS as the new development area is designated Settlement Expansion Areas.

Policy Analysis

The *Local Government Act* (RSBC, 2015, c. 1) (LGA) grants the authority to adopt an OCP and Zoning Bylaw and states that any local government that does so must define procedures for amending the bylaws. Bylaw No. 328, being the “Comox Valley Regional District Planning Procedures and Fees Bylaw No. 328, 2014”, defines a procedure for amending the Rural OCP and Zoning Bylaw. Further, the LGA requires that a local government consider every application that it receives to amend an OCP or Zoning Bylaw.

Staff has assessed both the original application as well as the applicant’s recent amendment in the context of the RGS, OCPs, Regional Housing Needs Assessment and the external agency referral comments and provides the following analysis.

Regional Growth Strategy Implications

The RGS establishes eight goal areas with related objectives and supporting policies, all of which are relevant to the applications to create a new Settlement Node. Staff’s analysis has primarily focussed on the housing, transportation, servicing and climate change goals of the RGS relative to the proposal to create a new settlement node.

RGS Goal 1 - Housing: *“Ensure a diversity of affordable housing options to meet evolving regional demographics and needs.”*

The recently completed Regional Housing Needs Assessment identified a regional population increase between 2006 and 2016, of 7,710 residents. By 2025, the projected regional population is 70,875, representing a 10.1 per cent increase since 2006 (56,645 residents in 2006). The region’s population of seniors (i.e. over 65 years) grew by 58.2 per cent between 2006 and 2016. In 2016, residents 65 years and older represented 25 per cent of the Region’s population. The number of

renter households is up by almost 25 per cent (2016 versus 2006) indicating a need for more purpose built rental tenure. Qualitative data also shows an increasing need for housing options for persons living with mobility challenges. These demographic trends speak to both the necessary type of housing and housing location (e.g. increase in non-driving residents). Understanding these demographics is critical to understanding the housing needs of our community and understanding whether or not we are providing relevant housing options (Regional Housing Needs Assessment 2020).

To date, limited housing choice has been identified as a challenge in the CVRD insofar as single-family housing represents the majority of housing options. Decisions to enable infill development in the form of multi-family units, smaller units, and accessory units (e.g. secondary suites, carriage houses) in the municipal areas that are served by transit and other amenities is a prudent and responsive policy and regulatory choice.

As was the case when the RGS was adopted, it remains true that current development proposals demonstrate the capacity to supply housing for the next twenty years. By 2025, the CVRD could potentially have an overall unit surplus of 375 units (33,545-unit supply versus 33,170 demand). The surplus is mostly due to an excess of two and three or more bedroom units, attributed mostly to the electoral areas and the City of Courtenay. Conversely, there is a projected deficit of zero and one bedroom units, primarily within the municipal areas. This does not mean that units will sit empty, rather, given the mobility of residents within the Comox Valley, they will likely move to the area within the region that best meets their housing needs. Market forces will work to bring the supply and demand into equilibrium so long as the supply or demand is not tipped too far in one direction by policy and regulatory decision making (Regional Housing Needs Assessment 2020).

RGS Goal 4 - Transportation: *“Develop an accessible, efficient and affordable multi-modal transportation network that connects Core Settlement Areas and designated Town Centres, and links the Comox Valley to neighbouring communities and regions.”*

The proposal to create a new Settlement Node in a rural area that is outside of the Comox Valley transit service area, as well as not being linked by public road or other public right-of-way to existing commuter corridors with active transportation mode options detracts from this goal. In respect to the connection between household transportation costs and overall housing affordability, housing at the urban fringe (and certainly in the rural area) tends to have higher transport costs for residents. Although for decades Canada Mortgage and Housing has defined housing affordability as housing that does not cost more than 30 per cent of a household’s gross monthly income, increasingly transport costs are also being considered as a key component of housing affordability. The argument is that mortgage or rent payments are only one factor in assessing the true affordability of housing. Transport costs represent a significant component of a household’s ability to own/rent a home in a given location.

RGS Goal 5 - Infrastructure: *“Provide affordable, effective and efficient services and infrastructure that conserves land, water and energy resources.”*

In respect to water service, the RGS directs the majority (90 per cent) of growth to the Core Settlement Areas where publicly owned water servicing systems already exist. Further the plan encourages smaller lot development and higher density development in Core Settlement Areas in order to make efficient use of water servicing infrastructure. Similarly, the plan directs growth to Core Settlement Areas where sewer servicing exists. The RGS does not contemplate the creation of a new core settlement node in a Greenfield location to which all services would need to be established and constructed. The applicant’s amended application states: *“We originally proposed to service the development with private water and sanitary sewer service. While we are prepared to proceed with this approach, we request connection into the public water and sanitary sewer system. Further, should such connection not*

be allowed, we propose to transfer the utilities to the Regional District at no cost for public ownership and operation. In both cases, we would pay for all servicing costs.” (Appendix B)

3L does not identify whether the proposed Settlement Node will receive solid waste/ recycling/ organics collection (either public or private). While the original proposed Settlement Node is outside of all fire protection service areas, the revised Settlement Node location, within the existing Settlement Expansion Area, is within the Courtenay Fire Protection District (but outside of a water service area).

If the Board opts to advance the applications, additional design and costing work will need to occur in order to address how the proposed Settlement Node will be serviced. A subsequent service establishment process would be required if the service(s) are to be public. An important consideration at this point is the impact of creating a new population centre that will require utilities (be they private or public) on the financial viability of existing and planned infrastructure in the existing Core Settlement Areas. A policy decision to direct growth away from existing Core Settlement Areas and their town centres in order to establish a new, Greenfield community, will set conditions to undermine private and public investments in existing Core Settlement Areas. Public infrastructure programs depend on population density to provide services in line with an acceptable cost to the public. The infrastructure policies of the RGS promote stable infrastructure spending that will maximize public investment. Policies that promote compact development that support existing services (and offset the costs to existing residents) and focus investment, provide greater economic certainty to residents, developers, and the local governments that serve them both.

RGS Goal 8 - Climate Change: *“Minimize regional greenhouse gas (GHG) emissions and plan for adaptation.”* Compact development can reduce the amount that people drive and increase transportation options thereby establishing the conditions to proactively reduce transportation-related greenhouse gas emissions. While 3L’s application focuses on the LEED standard that future builders will strive to achieve if the project receives all approvals to enable future construction, the policy consideration should be whether the creation of a new Core Settlement Area will help us to achieve our climate change goals and the CVRD Board’s declaration of climate crisis. Policy that favours Greenfield development in a rural area over compact development options in existing Core Settlement Areas does not contribute to our collective efforts to minimize regional GHG emissions or take actions to address the climate crisis.

Further, Part 4 of the RGS provides a growth management framework wherein lands are designated in accordance with the growth management principles. The principles build on the Strategy’s goals, policies and objectives. Each of the principles is applicable to the proposed applications, in particular *“Limit the number of existing and planned Settlement Nodes outside of the Municipal Areas and ensure that such nodes are developed in a compact and transit-supportive manner”*.

The principles and the growth management policies that follow distinguish between the types of Core Settlement Areas. This is to say that the RGS directs growth to Core Settlement Areas in an order of precedence and scale: comparing all core settlement area types is to compare apples and oranges. Municipal Areas are defined by their jurisdictional boundaries and have *“considerable capacity to accommodate growth through intensification (by means of secondary suites and infill development) and new compact development”*. Rural Settlement Nodes have been identified based on existing settlement and *“shall accommodate growth through a balance of new development, intensification and improvements to public infrastructure. Infrastructure improvements will need to include the provision of appropriate water and sewer services along with enhanced public transit and active transportation options”*. Settlement Expansion Areas are *“areas of existing development on the fringes of Municipal Areas that should eventually be incorporated through boundary extensions*

and provided with publically owned water and sewer services in order to address existing public health and environmental issues.”

The process for developing settlement expansion areas is to be municipally lead. The RGS is designed to enable municipalities to determine if, and when, a designated settlement expansion area should be incorporated by a public boundary extension process. The amended applications seek to drive the process of municipal boundary extension by creating a settlement node contiguous with an existing settlement expansion area. This removes control of the municipal boundary discussion away from the City of Courtenay and alters the growth management scheme for the region.

It is staff's professional planning opinion that the amended proposal, being the creation of a new rural settlement node contiguous with settlement expansion area land and the City of Courtenay, should be refused as a new rural settlement node is not needed at this time. The RGS, rural and municipal OCPs, and the Regional Housing Needs Assessment all prioritize development within the existing core settlement areas as a means to make the most efficient use of existing and planned utility servicing, develop housing that is affordable to Comox Valley residents, and protect rural lands from fragmentation.

If the Board wishes to explore the amended applications in further detail, staff suggest that the revised proposal be circulated to external agencies for comment especially the City of Courtenay as the revised OCP amendment and related zoning proposal may impact the City of Courtenay the most in respect to its future municipal boundaries and growth management objectives.

Options

At this time, the Board has the following options:

1. Refuse the applications.
2. Request the applicant to provide additional information relating to one or more of the following:
 - a. Provision of drinking water
 - b. Provision of sewer service
 - c. Provision of rainwater management
 - d. Road network plan
 - e. Park plan
 - f. Environmental impact assessment
 - g. Proposed zoning regulations
3. Refer the application to the Board to consider whether or not to initiate a process to amend the RGS.

Analysis of these options follows:

1. Refuse the applications.

The Board has discretionary authority to support or refuse an application to amend an OCP or zoning bylaw. Similarly, the Board has discretionary authority to initiate an amendment process to its RGS. The CVRD adopted the RGS to establish regional level policies and objectives and manage growth.

Refusal of the application would allow the land to be used and developed in accordance with the existing regulations. The land is zoned Rural Twenty (RU-20) which allows for residential, agricultural, silvicultural uses, among those other uses listed in the RU-20 zone, and subdivision of the lands to lots with a minimum area of 20 hectares. As the land is no longer part of the Private Managed Forest Land Program, a development permit (which

includes watercourse dedication) would be required for clearing or altering land within 30 metres of a watercourse.

2. Request the applicant provide additional information.

Should the Board be of the opinion that more detailed information on the proposal would be relevant to making a decision to approve or refuse the application, it may request the applicant to provide that information.

In selecting this option, the Board must state specifically what additional information is being requested. Relevant to this proposal and the information previously supplied (Appendix C), additional information may include one or more of the following:

- Water Feasibility Study prepared by a qualified professional that outlines (a) the source of water, (b) treatment plant, (c) projected capital cost to construct and (d) projected operating costs;
- Sewer Feasibility Study prepared by a qualified professional that outlines (a) the receiving body for treated water, (b) treatment plant, (c) projected capital cost to construct and (d) projected operating costs;
- Rainwater Management plan prepared by a qualified professional that outlines (a) methods of rainwater management to be used in the absence of a drainage service, (b) expectations of a drainage service, including necessary infrastructure, receiving body for drainage, projected capital cost to construct and projected operating costs;
- Road Network Plan illustrating public road access points, proposed road cross-sections consistent with the Ministry of Transportation and Infrastructure rural standards;
- Park Plan outlining proposed dedications of land for parks and trails and park infrastructure for accessing and utilizing the park (e.g. trail construction, parking lot, etc.);
- Draft Comprehensive Development zone that addresses the specifics of the proposed subdivision and development, including building envelopes, parking, permitted uses and other relevant or proposed zoning regulations.

Staff does not recommend this option because these items are conceptually addressed in the application and are inconsistent with the direction of the RGS to direct growth towards existing serviced areas and the additional details will not overcome this inconsistency. However, the additional information will better inform the costs and expectations of developing new services at this location outside the Municipal Areas and Settlement Nodes.

3. Refer the applications, as presented in the applicant's revision, to the Board for consideration of initiating an RGS amendment.

Neither the OCP nor Zoning Bylaw can be amended in a manner inconsistent with the RGS. Therefore, to proceed with the application, as presented, an amendment to the RGS is required before any OCP/Zoning amendment bylaws can be adopted. Bylaw No. 274 requires the Board, by resolution, to initiate an RGS amendment process. With this option staff will prepare a report to the Board outlining the RGS amendment procedure, expected timeline and costs, and participation and voting rights of municipal and electoral area members.

Staff does not recommend this option because, based on current information, such an amendment would be contrary to the RGS goals of ensuring a diversity of housing that responds to evolving demographics; providing affordable, effective and efficient infrastructure that conserves land, water

and energy resources; developing an accessible, efficient and affordable multi-modal transportation network; and minimizing GHG emissions.

Staff recommends Option 1, to refuse the applications on the basis that the proposal is not consistent with the growth management plans of the CVRD as directed by the RGS and OCP.

Financial Factors

The applicant has paid the application fees for an OCP and Zoning Bylaw amendment. If the Board initiates an amendment to the RGS, the applicant will have to pay fees in accordance with Bylaw No. 274, being the “Regional Growth Strategy Fees and Charges Bylaw, 2014”.

Legal Factors

This report and its recommendations have been prepared in accordance with the LGA and applicable CVRD Bylaws.

Intergovernmental Factors

Appendix A lists the comments received from First Nations and external agencies on this application.

Interdepartmental Involvement

Planning staff is leading the review of this application. Input from other CVRD departments has been integrated into this report and application review process.

Citizen/Public Relations

The Advisory Planning Commissions for Electoral Areas A, B and C all reviewed the application and provided comments. APC A did not adopt a resolution as a group but members provided comments as individuals. APC B also did not adopt a resolution but provided comments as a group noting, “*The Regional Growth Strategy review is coming up and can deal with a number of issues associated with this proposal; The affordable housing segment is not clear and needs further consideration; More information is required on several issues, including traffic and secondary suites; and Clarity is required on costs for the delivery of a sewage system.*”

APC C adopted the following resolution:

“THAT the Area C Advisory Planning Commission support the Comox Valley Regional District’s (CVRD) continued efforts to discuss and negotiate the proposed development by 3L Developments Inc., as outlined in the memorandum dated July 6, 2020, in order to secure the greenway and ecological values of the Puntledge River, without compromising the principles that are the foundation of the Regional Growth Strategy;

AND FURTHER THAT the APC recommends that the CVRD and 3L Developments Inc. pursue resolutions to the following questions:

- 1. Who pays for the following once ownership of the river and riparian occur:*
 - the liability in the river and riverbed,*
 - the insurance costs*
 - the cost to taxpayers if the project fails?*
- 2. Once the amenity land is acquired by the CVRD, will the ownership of the river and riparian be transferred to the provincial government?*
- 3. What constraints and conditions would the CVRD require of the proponent during the discussion, hearing and permitting phases of the 3L development?*
- 4. What is the authority of the CVRD to change the OCP?*
- 5. What will the CVRD ask for in that development process?*

6. *What are the plans for accommodating existing essential community services such as, schools, bus transportation, emergency medical services, and fire protection?*
7. *What are the plans to address services such as, source of drinking water, sewer, hydro, and road access corridors?*
8. *Considering the potential cost and impact of the development over time, what are the possibilities for the CVRD to secure a bond, or other form of security for the CVRD on the development?*

While this application has not been subject to public notification at this stage, the CVRD has nonetheless received correspondences from members of the public that will be incorporated in the public record and presented in the public hearing binder if the applications proceed to that stage. The correspondence received to date have been made available to the Directors.

Attachments: Appendix A – “Comments from External Agencies and First Nations”
Appendix B – “Letters from applicant’s agent Rob Buchan dated August 3 and October 30, 2020 to amend application”
Appendix C – “CVRD Staff report, dated June 10, 2020”

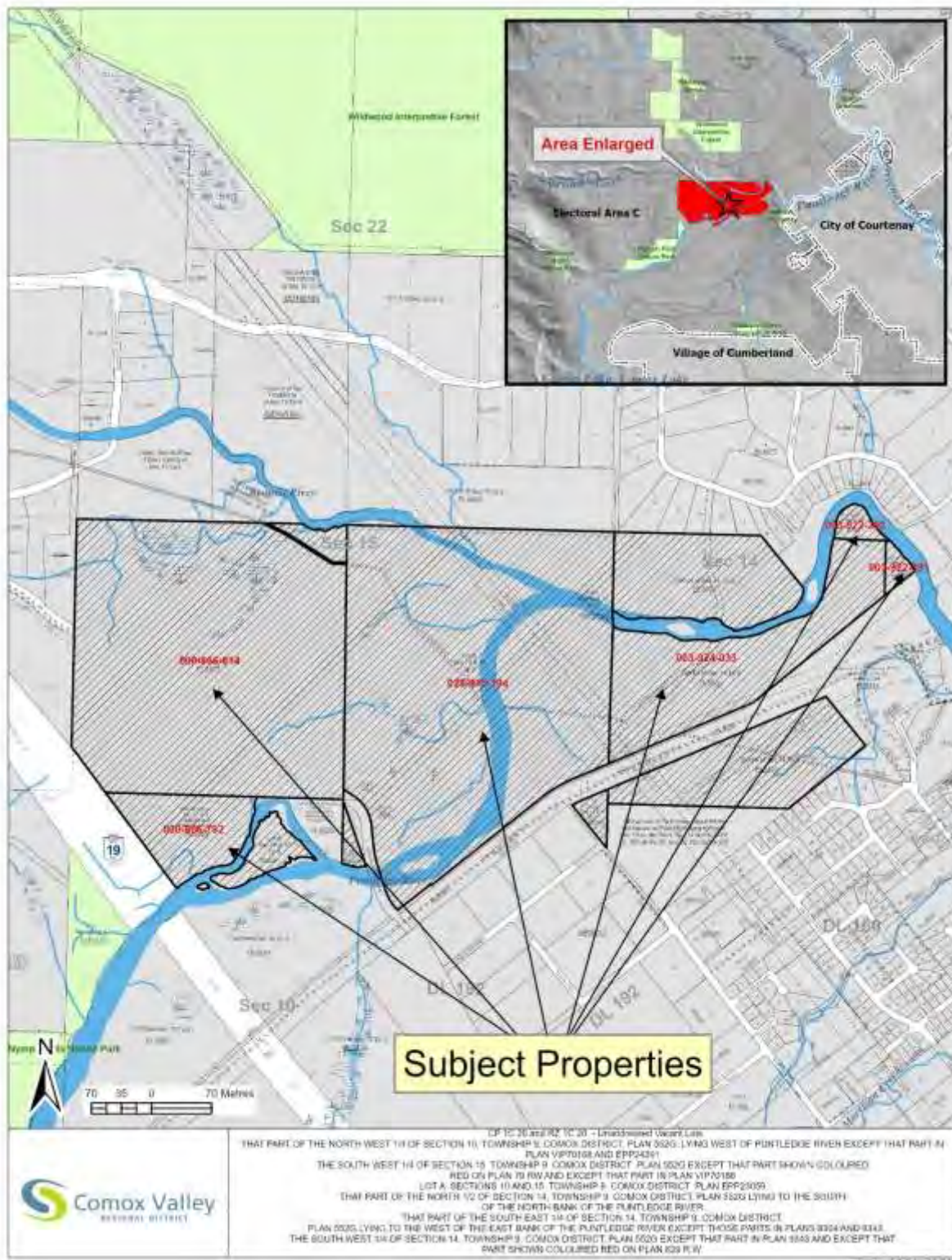


Figure 1: Subject Properties



Figure 2: Air Photo (2018)



Figure 3: Originally Proposed Official Community Plan Designations



Figure 4: Amended Development Plan

Jodi MacLean

From: Kelly, Brendan TRAN:EX <Brendan.Kelly@gov.bc.ca>
Sent: October 6, 2020 12:51 PM
To: Jodi MacLean
Cc: Alana Mullaly
Subject: RE: Referral - Proposed Official Community Plans and Zoning Bylaw Amendments (CP1C20 & RZ1C20)

MoT File: 2020-04866

The Ministry of Transportation and Infrastructure has no objections to the proposed OCP and Rezoning Amendments subject to:

- A Traffic Impact Study acceptable to the Ministry prior to OCP and Rezoning.

Subdivision considerations may include, but are not limited to the following:

- A Stormwater Management Plan in accordance with Chapter 1000 of the BC Supplement to TAC Manual
- Geotechnical Hazard Assessment in accordance with Ministry requirements
- Confirmation of potable water supply for each lot
- Confirmation of sewer disposal for each lot in compliance with current health regulations
- A Development Phasing Plan
- Public Road dedication of the private logging road bisecting the property including upgrades to Ministry Standard Specifications

Brendan Kelly
Senior Development Services Officer
Ministry of Transportation and Infrastructure
Vancouver Island District
250-331-9903

From: Jodi MacLean <jmacLean@comoxvalleyrd.ca>
Sent: July 7, 2020 3:35 PM
To: Kelly, Brendan TRAN:EX <Brendan.Kelly@gov.bc.ca>; BCA Vancouver Island Assessment Region BCA:EX <vancouver.island@bcassessment.ca>; 'McMullen, Adriana' <Adriana_McMullen@BCTransit.Com>; 'Steve.Watson@bchydro.com' <Steve.Watson@bchydro.com>; FrontCounter BC FLNR:EX <FrontCounterBC@gov.bc.ca>; Service BC CITZ:EX <ServiceBC@gov.bc.ca>; 'marla.holuboch@viha.ca' <marla.holuboch@viha.ca>; 'ian.heselgrave@sd71.bc.ca' <ian.heselgrave@sd71.bc.ca>; 'comoxvalleyhousing@gmail.com' <comoxvalleyhousing@gmail.com>
Cc: Alana Mullaly <amullaly@comoxvalleyrd.ca>
Subject: Referral - Proposed Official Community Plans and Zoning Bylaw Amendments (CP1C20 & RZ1C20)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Please review this referral regarding proposed amendments to the Comox Valley Regional District's Official Community Plans and Zoning Bylaw. Generally, the proposed amendments would enable the applicant to subdivide and develop several rural lots with an estimated 780 housing units, 1,400 m² of commercial floor area, and 97 ha of park with a privately-developed water and sewage treatment systems. The application, as well as a

CVRD staff report on it, can be viewed at this ftp site here: <https://ln2.sync.com/dl/3ef0659b0/hmuswb2a-uirbfpvd-d66fe8yn-95ib969z>

Please respond with an indication of your agency's interest in this proposal. If you have difficulty accessing the files or would like to further discuss the application and process, please contact Alana Mullaly, Senior Manager of Sustainability and RGS, at 250-334-6051.

Thanks.

Jodi MacLean
Rural Planner, Planning and Development Services Branch
Comox Valley Regional District
770 Harmston Ave.
Courtenay BC V9N 0G8
Tel: 250-334-6041; toll free: 1-800-331-6007

Bylaw Referral Form Response Summary

Development Proposal Referral Form

File: 3350-20/CP 1C 20

3360-20/RZ 1C 20

3L Developments Inc., 0768816 BC Ltd.

(Planner: A. Mullaly)

☐ Approval recommended for reasons outlined below

☐ Interests unaffected or general comments related to this development proposal outlined below

☐ Approval recommended subject to conditions outlined below

☒ Approval NOT recommended due to reasons outlined below

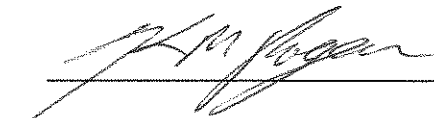
THAT Council direct staff to provide the following comments to the Comox Valley Regional District 3L Developments Inc. 0768816 BC Ltd. Referral:

THAT the Council for the Village of Cumberland not support the proposed 3L Developments Inc. 0768816 BC Ltd. Request to the CVRD with the following comments:

The proposal does not meet the RGS requirement that Settlement Nodes are not (or planned to be) contiguous with Municipal Areas.

From Council meeting held Aug 10 2020

Signed By:



Title:

Aug 11 2020

Agency:

Village of Cumberland

Date:

Aug 11 2020

Please return your response by **August 7, 2020**
or by email to planning@comoxvalleyrd.ca

3350-20 / CP 1C 20
3360-20 / RZ 1C 20

From: Alana Mullaly
Sent: Wednesday, September 02, 2020 12:50 PM
To: jwall@comox.ca
Cc: kamenz@comox.ca; Sylvia Stephens
Subject: RE: 3-L Referral Statement

From: jwall@comox.ca [<mailto:jwall@comox.ca>]
Sent: September 2, 2020 12:38 PM
To: Alana Mullaly <amullaly@comoxvalleyrd.ca>
Cc: kamenz@comox.ca
Subject: 3-L Referral Statement

Hi Alana,

In regards to the 3-L referral the Town of Comox notes that this development is not in conformance with the regional growth strategy as well not in alignment with the Town's densification plans.

Thanks,

Jordan Wall
Chief Administrative Officer



Town of Comox
250-339-2202 ext. 230
www.comox.ca

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Jodi MacLean

From: Alana Mullaly
Sent: September 21, 2020 9:17 AM
To: Ton Trieu; Jodi MacLean; Scott Smith
Subject: FW: Amendment to Comox's Comment Regarding 3-L

F.Y.I.

From: jwall@comox.ca [<mailto:jwall@comox.ca>]
Sent: September 18, 2020 9:28 AM
To: Alana Mullaly <amullaly@comoxvalleyrd.ca>
Subject: Amendment to Comox's Comment Regarding 3-L

Hi Alana,

I'd like to include an amendment to the previous comment the Town of Comox submitted regarding the 3-L development application,

'In regards to the 3-L referral the Town of Comox notes that this development is not in conformance with the regional growth strategy as well as not in alignment with the Town's densification plans. However, the Town is interested in a process which would return Stotan Falls to public access and use'

Thanks,

Jordan

Excellent health and care, for everyone,
everywhere, every time.



August 6, 2020

Alana Mullaly
Senior Manager of Sustainability and RGS
Planning and Development Services Branch
Comox Valley Regional District
770 Harmston Road
Courtenay, BC V9N 0G8

Dear Mrs. Mullaly:

RE: Bylaw Referral Files CP 1C 20 & RZ 1C 20, 3L Developments Inc., 0768816 BC Ltd.

There have been significant advances in recent years linking urban planning with a variety of health outcomes. These include the encouragement of physical activity, healthier eating, cleaner air and healthier living environments.

In reference to the 780 housing unit Official Community Plan amendment as referenced above, Island Health (VIHA) appreciates the opportunity to provide evidence based recommendations and comments. Our regulatory concerns and considerations from a Healthy Built Environment perspective are itemized below.

Highlights

Healthy Housing: The OCP amendment and rezoning application indicates the desire to add housing stock to the market by offering a variety of housing options such as secondary suites, duplexes and multifamily residential building. Providing mixed income housing developments and supporting affordable housing programs has health and economic benefits. Lower housing costs are associated with an increase in disposable income, making it easier for individuals and families to afford non-housing related essentials such as medication and nutritious food. Individuals and families are also supported to stay in one place for a longer period which improved their social well-being and builds connections with the community.¹

Natural Environment: The applicant is proposing to have a large portion of the land dedicated for public use, including Stotan Falls and areas along the Puntledge River. As mentioned in the OCP amendment and rezoning application this would address a gap in current parks and greenways leading to bigger and more connected greenways and trails, not only providing more safe space for wildlife but more opportunities for community members to engage in recreational activities. Living in neighbourhoods with increased access to elements of the natural environment such as trails or parks, is known to provide significant physical and mental health benefits. Benefits such as increased active transport, physical activity, reduction in stress,

depression, chronic disease and an increase in social wellbeing and cognitive functioning can all be linked to exposure to nature.¹

Regulatory Considerations

Drinking Water

- The proposed development mentions that the lots will be serviced by a water system owned and operated by a private entity. All drinking water systems in BC are regulated under the Drinking Water Protection Act and Regulation. Under the *Drinking Water Protection Act and Regulation*, any construction, installation, alteration, or extension of (a) a water supply system, or (b) works, facilities, or equipment that are intended to be a water supply system or part of a water supply system, must be issued a construction permit from our Public Health Engineer. Consultation with our Drinking Water Officer and an operating permit will also be needed.
- Prior to the zoning of this property it is highly recommended that the applicant prove that a sustainable water source exists on the property, demonstrating that the minimum amount of water needed at maximum build out is available to service the site. This is especially important given there are 780 proposed housing units, with each of the proposed 355 single detached homes having provisions for a secondary suite, in addition to proposed recreational and commercial space for the community. There are potential concerns over water quantity given the source has yet to be determined by the proposal.
- Compliance with the Surface Water Treatment Objectives (Microbiological) in British Columbia (for surface water supplies) or Ground Water Treatment Objectives (Microbiological) in British Columbia (for groundwater supplies) will need to be met.

Sewage Disposal

The proposed development does not detail what type of waste water system will be servicing the sites. If individual onsite sewage systems are proposed for each lot then the lots will be assessed against the Island Health subdivision standard in relation to lot size and soil suitability.

- If the system servicing the development has a proposed daily sewage flow of less than 22,700 L/day then the system would fall under the Public Health Act- Sewerage System Regulation, enforced by Island Health.
- If the daily sewage flows are 22,700 L/day or above then the Municipal Wastewater Regulation under the Environmental Management Act would apply. This piece of legislation is enforced by the Ministry of Environment; please refer to this agency for further comments.

Commercial Area

Depending on the type of businesses to be located in the retail center, the Public Health Act and associated regulations may apply if food establishments or recreational water facilities are proposed. Please contact our office for more information as the development is further planned out and prior to any construction.

Recommendations under Island Health's Healthy Built Environment Initiative

Healthy Neighbourhood Design: It is noted that the property and surrounding area supports an active lifestyle in terms of access to natural areas, however opportunities for commuting by active means and having live-work-play options in close proximity is limited. It is a car-dependent location and the walkscore as the site currently exists, is zero. Even with the full build out of the development, the walkscore is not expected to improve by a significant amount. This is flagged from a Healthy Neighbourhood Design perspective. From a social well-being standpoint, urban sprawl type development has been associated with a variety of problem, such as a loss of a sense of place or community, isolating lifestyles, the stress of communities, reliance on the automobile, and neighbourhoods segregated by ethnicity and economic class.¹

We encourage the CVRD to consider this impact, contain urban sprawl and create complete, livable communities in line with Objective 1-A of the CVRD Regional Growth Strategy which states; **Locate housing close to existing services** *More complete and sustainable communities typically locate residential development in close proximity to services, amenities, and jobs Housing in a complete community is developed with densities sufficient to support frequent local and regional transit. The proximity and density makes more effective use of infrastructure and public resources, and also supports healthier transportation choices, like walking and cycling. More compact, efficient residential development also allows environmentally sensitive and working landscapes to be better protected.*

Transportation Networks: In addition to the healthy neighbourhood design concerns, there are also questions around the feasibility of the proposed development to support a healthy transportation network. The proposal does not address how a development in a rural area will effectively reduce the reliance on motor vehicles. Island Health agrees with the CVRD that the transport suggestions provided by the developer, such as ride shares, shuttles and carpooling, are out of the developers control and are unlikely to be implemented when the development is complete. There is currently no public transit servicing the area or in walking distance to the proposed development. Given that the area is car dependent and the small size of the proposed commercial space, it is unlikely that the necessary amenities would be present to make this a compact community in and of itself, resulting in most errands needing to be completed using a motor vehicle. Increased reliance and use of motor vehicles is known to contribute to negative environmental impacts such as increased air pollution, and reduced physical activity. It is recommended that the development include traffic calming methods within the neighbourhood which can help reduce speed and increase pedestrian and cyclist safety as well as encourage active transportation modes.

If you have any questions or comments please do not hesitate to contact this office to discuss further.

Regards,



Ella Derby, Bsc, BTech, CPHI (C)
Environmental Health Officer
Island Health

cc: Nancy Clements, Drinking Water/Land Use and HBE Consultant, Island Health
Charlene Mackinnon, Senior Environmental Health Officer- North Island, Island Health
Charmaine Enns, Medical Health Officer – North Island, Island Health

¹ BC Centre for Disease Control. Healthy Built Environment Linkages Toolkit: making the links between design, planning and health. Version 2.0 [http://www.bccdc.ca/pop-public-health/Documents/HBE linkages toolkit 2018.pdf](http://www.bccdc.ca/pop-public-health/Documents/HBE_linkages_toolkit_2018.pdf)



Bylaw Referral Form Response Summary

Development Proposal Referral Form

File: 3350-20/CP 1C 20

3360-20/RZ 1C 20

3L Developments Inc., 0768816 BC Ltd.

(Planner: A. Mullaly)

Interests unaffected or general comments related to this development proposal outlined below

The Comox Valley Coalition to End Homelessness is a collective of 29 local non-profit agencies who plan, coordinate, recommend, advocate for, and implement responses to reducing homelessness and increasing affordable housing in the Comox Valley. One of our mandates is to help to develop and support local low-barrier housing initiatives such as subsidized housing, supportive housing, emergency shelters and transitional housing.

The Coalition supports the findings from the 2020 Comox Valley Regional District Housing Needs Assessment Report which indicates that a predominant need in our community is for nonmarket affordable rental housing. The Coalition uses the CMHC definition of housing affordability meaning no more than 30% of one's income is spent on housing. The proposed 3L Development does not address the non-market housing need through the proposed secondary suites nor does the proposal outline how the proposed secondary suites would be made affordable or connected to much needed transit for lower income individuals and families to be able to access services, get to work and to school, etc.

The interests of the Coalition are unaffected as the issues of affordable and non- market housing do not appear to be addressed by the 3L proposal.



Comox Valley Schools
School District No. 71
Office of the Superintendent of Schools

607 Cumberland Road
Courtenay, B.C. V9N 7G5
Fax (250) 334 5552
Telephone (250) 334 5500

VIA E-MAIL ONLY: imaclean@comoxvalleyrd.ca

July 13, 2020

Comox Valley Regional District
770 Harmston Ave.
Courtenay, BC
V9N 0G8

Dear Ms. Jodie MacLean

Re: Seeking Input to Proposed Official Community Plans and Zoning Bylaw Amendments (CP1C20 & RZ1C20)

The Comox Valley Regional District has requested input from School District No. 71 regarding the proposed official community plans and zoning bylaw amendments (CP1C20 & RZ1C20).

The Regional District has stated that, the proposed amendments would enable the applicant to subdivide and develop several rural lots with an estimated 780 housing units, 1,400 m² of commercial floor area, and 97 ha of park with a privately-developed water and sewage treatment systems.

School District No. 71 would like to propose that land be set aside for a school site.

Currently, the Ministry of Education area standard recommendations for a school site to support a 400-capacity school is approximately 2.3 - 2.7 hectares. Please see the attached documents from the Ministry of Education.

If you would like to discuss this further, please do not hesitate to contact me.

Sincerely,

Tom Demeo
Superintendent of Schools
School District No. 71 (Comox Valley)

cc: Nicole Bittante, Secretary-Treasurer – SD71 (Comox Valley)

School Site Areas

Capacity	Elementary	Middle	Secondary
200	1.5	1.6	
250	1.6	1.7	
300	1.8	1.9	2.2
350	1.9	2.0	2.4
400	2.3	2.5	2.7
450	2.5	2.6	2.8
500	2.7	2.8	2.9
550	2.8	2.9	3.1
600	3.0	3.4	3.6
650	3.1	3.6	3.7
700	3.3	3.7	3.8
750	3.5	3.8	4.0
800	3.7	4.3	4.5
850		4.4	4.6
900		4.6	4.7
950		4.7	4.9
1,000		4.8	5.0
1,100			5.3
1,200			5.6
1,300			5.8
1,400			6.1
1,500			6.3
1,600			6.6
1,700			6.8
1,800			7.1
1,900			7.4
2,000			7.7
2,100			7.9
2,200			8.2
2,300			8.5
2,400			8.7
2,500			9.0

**WE WAI KAI NATION
CAPE MUDGE BAND
690 Headstart Cres
Campbell River, BC V9H 1V8**



July 13, 2020

3350-20 / CP 1C 20

3360-20 / RZ 1C 20

J. MacLean

A. Mullaly

Comox Valley Regional District
770 Harmston Ave
Courtenay, BC, V9N 3P6

Re: CVRD Referral CP 1C 20 and RZ 1C 20 (3L Developments Inc.)

File: 3350-20 / CP 1C 20 – 3360-20 / RZ 1C 20– Comox Valley Regional District

The We Wai Kai Nation is in receipt of the above-mentioned application regarding CVRD Referral CP 1C 20 and RZ 1C 20 (3L Developments Inc.). This application is located within the We Wai Kai statement of intent area; it is the interest of the We Wai Kai Nation to respectfully maintain our rights and access to resources throughout our territory.

The We Wai Kai Nation has no comment at this time regarding this application being issued. Please note that this “No Comment” letter is specifically for this application and is without prejudice to all future consultation with our nation regarding other applications within our traditional territory including the renewal or any alteration of this application.

The We Wai Kai Nation may choose in the future to address the issues of Aboriginal rights and title infringement and compensation through the treaty process, the courts or other dispute resolution process. We also reserve the right to raise objections if any cultural use, archaeological sites or environmental impacts are identified when the above development is being carried out or if we discover impacts on our rights or interest that we had not foreseen.

Should you require any further information, please do not hesitate to contact our office.

Sincerely,

Samantha Chickite
Lands & Referral Clerk
We Wai Kai Nation

Resolution from Courtenay Council's September 21, 2020 meeting minutes:

"4.2.3 Comox Valley Regional District Referral CP 1C 20/RZ 1C 20 - 3L Developments Inc. (0470-20/3900-00 REF00009) Moved By Hillian Seconded By Frisch That based on the September 21st, 2020 staff report "Comox Valley Regional District Referral CP 1C 20/RZ 1C 20 - 3L Developments Inc." that Council direct staff to respond to the attached referral recommending that the bylaws be rejected as they are inconsistent with the Regional Growth Strategy

Carried"

K'ómoks First Nation Referral Response Summary Form

File: 3350-20/CP 1C 20

3360-20/RZ 1C 20

Planning and Development Services: Scott Smith (A. Mullaly)

☐ General comments – see below☐ Interests unaffected☐ Issues requiring attention – see comments below☒ Opposed due to reasons outlined below**Comments:**

After meeting with the proponent, K'ómoks First Nation has concerns with this application that cannot be addressed, and therefore we are not in support of. We defer to the CVRD on the amendment of their Official Community Plans and the Zoning Bylaw, and potential trigger to amend to the Regional Growth Strategy. This application is located within the K'ómoks statement of intent area; it is the interest of the K'ómoks Nation to respectfully maintain our rights and access to the lands and resources throughout our territory.

Signed by:



Date:

Nov 5 / 2020

Title:

Chief

Please return your response by August 13, 2020

Referral response may be electronically forwarded to planning@comoxvalleyrd.ca.

CVRD Board, and
Electoral Services Committee
770 Harmston Avenue
Courtenay, BC
V9N 0G8

August 3, 2020

Dear Sirs and Madams

Re: 3L Development Proposal for Riverwood

We have been listening intently to comments made about aspects of the Riverwood Proposal and we have reviewed the Regional District's recently released housing assessment. Our desire, as previously stated, is to consider new information as it becomes available and to amend the proposal where such amendments have merit. In this regard, we would respond to two significant matters which are the ownership of water and waste water services and the significant matter of affordable housing.

One of the concerns that have been expressed is regarding the prospect of private ownership of potable water, drainage and sewer services. In response, we would advise that while 3L is committed to providing these and remains willing to have these operated as a private utility, 3L would be agreeable for these utilities to be owned and operated by the Regional District. Accordingly, we would request the Board's consideration for such an arrangement. We would be pleased to work with the Regional District in exploring the options for public ownership and operation of the utilities.

Another significant community concern in the Region is affordable housing and this matter has been assessed and reported on in the recent housing study which has concluded that housing affordability was negatively impacted in 2016 due to high demand (which means a lack of balancing supply). It concludes that there will need to be another 200 housing units in Area C by 2025, and it highlights a need for more rental housing, especially non-market rental housing.

In response to this recent information, 3L is amending its proposal to include land that would be zoned and serviced and given to the Regional District in trust for development as affordable rental housing in partnership with BC Housing. We suggest that this initiative could support 30 to 40 affordable rental housing in the form of apartments within the development. This affordable rental housing would be in addition to the proposed 330 secondary suite homes and the market multifamily units. Finally, it is worth underscoring the supply/demand issue identified by the housing consultants. Starting in 2016, higher demand for housing that started required additional supply. A lack of supply saw housing prices increase. Policies that do not facilitate sufficient supply are part of the affordability

problem. The Riverwood proposal will facilitate additional supply, additional market rental housing and non-market rental housing.

In closing, we note that there remains strong public desire to have access to the lands and the rivers in Riverwood. We would welcome the Regional District purchase of the lands for parkland. In the absence of a purchase, the Riverwood proposal would provided the desired access, and the planned public road and bikeways through the property.

Thank you for your consideration,

Robert Buchan FCIP, PhD
iPlan Planning and Development Services Ltd

cc Scott Smith
 Alana Mullaly

Scott Smith
Director of Planning
770 Harmston Avenue
Courtenay, BC, V9N 0G8

October 30th, 2020

Dear Mr. Smith:
Re: 3L Development Proposal for Riverwood

Thank you for meeting with me on October 28th to discuss our proposed amendment for the Riverwood lands. We have listened to the comments and discussions through the APC meetings, referral responses, and staff reports and have made significant changes to our proposal in response.

There was significant concern expressed about urban development occurring on the north side of the Puntledge River and outside of planned core settlement areas. In response we are proposing development within the core settlement area currently proposed as Urban Expansion in the RGS. This would require a reclassification of these lands from Urban Expansion to Settlement Node. We request that the board consider this to be a minor amendment to the RGS.

Another issue of concern is the prospect of privately owned and operated utilities. We originally proposed to service the development with private water and sanitary sewer service. While we are prepared to proceed with this approach, we request connection into the public water and sanitary sewer system. Further, should such connection not be allowed, we propose to transfer the utilities to the Regional District at no cost for public ownership and operation. In both cases, we would pay for all servicing costs.

Please note that we are not proposing to change the designation of the Rural Settlement lands north of the Puntledge River (see attached plan). These lands include six rural lots (each 4.05 hectares in size), amenity lands for a community Farmers' Market and Agriplex, and a parcel of land for the Komox First Nation. We would propose to prepare a phased development agreement and transfer the amenity and Komox lands in phase one of the development.

The proposed housing mix is changed from 880 dwelling units (335 houses, 335 suites, 110 multifamily units) to 799 dwelling units (272 single family lots, 272 secondary suites, 110 small lots, 95 low density multifamily and 50 units medium density). This is an overall reduction of 91 dwelling units.

In terms of affordable housing, our original proposal included 335 secondary suites and an increase of housing supply as measures for making housing more affordable. In addition to these provisions, we are amending our proposal to also:

- 1) include 110 small lots/small houses (an approach that reduces the capital cost of developing housing making it more attainable). This would allow minimum 300 m^2 lots with maximum house floor area of 140 m^2 .
- 2) give two acres of medium density multifamily land (25 units per acre) to the CVRD for the purpose of affordable housing. This would be achieved through a partnership between the CVRD and an affordable housing provider. The CVRD would enable this to be affordable by contribute the land.

In combining the 110 small lots, land for 50 units of affordable multi-family, 272 suites, the development proposal includes 432 affordable/attainable units. This represents about 54% of the dwelling units being in the affordable/attainable housing range. We understand that there will be questions about the cost of rent for suites and cost of other units. As we move forward with this proposal, we would be able to provide additional information.

In terms of the requested broad zoning regulations contemplated, we offer the following for your review and feedback:

Single family lots:

- Minimum 450 m^2 ;
- Front and rear lot line setbacks 5 meters;
- Side lot lines 1 meter;
- Exterior side lot line 2 meters;
- Secondary suites permitted;
- Home Occupations permitted.

Small lots:

- Minimum 300 m^2 ;
- Front lot line setback 5 meters;
- Rear lot line setback 4 meters;
- Minimum lot width 9.5 meters;
- Side yard setbacks 1 meter.

Multifamily low density:

- Maximum 15 dwellings per acre;
- Townhouse and apartment forms.

Multifamily medium density:

- Maximum 25 units per acre;
- Townhouse and apartment forms.

Finally, we understand that there will need to be updated assessments (environmental, archaeological, traffic, etc), which we would undertake upon the process moving forward. As previously stated, we are interested in a solution that

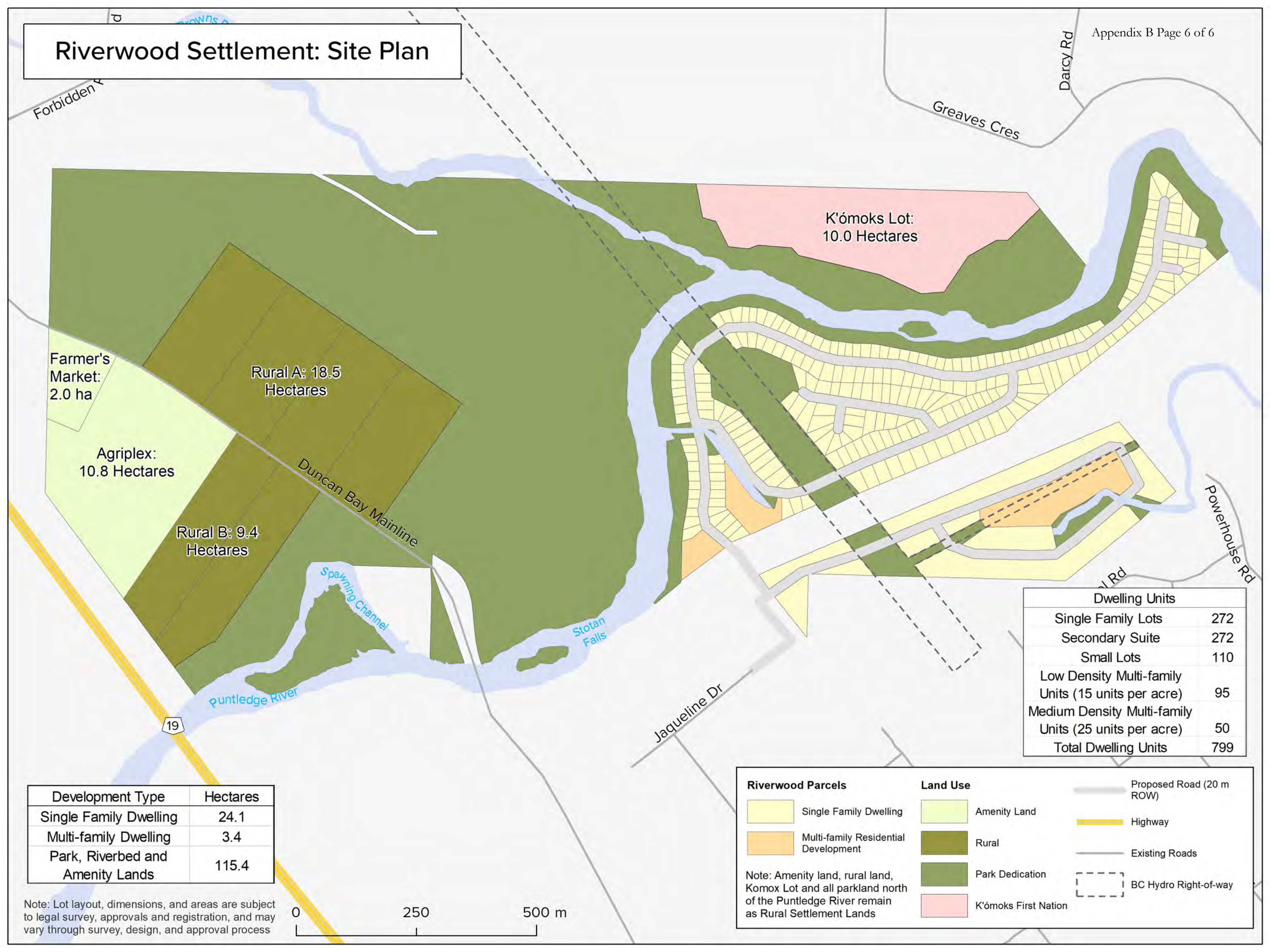
enables the protection and public use of these important lands and we will continue to address comments and concerns should they arise.

Thank you for your consideration.

Dr. Robert Buchan FCIP, PhD
iPlan Planning and Development Services Ltd

cc CVRD Board
Electoral Services Committee

Riverwood Settlement: Site Plan



Farmer's Market:
2.0 ha

Agriplex:
10.8 Hectares

Rural A: 18.5
Hectares

Rural B: 9.4
Hectares

K'ómoks Lot:
10.0 Hectares

Duncan Bay Mainline

Spawning Channel

Stotan Falls

Puntledge River

Jaqueline Dr

Greaves Cres

Darcy Rd

Powerhouse Rd

Development Type	Hectares
Single Family Dwelling	24.1
Multi-family Dwelling	3.4
Park, Riverbed and Amenity Lands	115.4

Note: Lot layout, dimensions, and areas are subject to legal survey, approvals and registration, and may vary through survey, design, and approval process

Dwelling Units	
Single Family Lots	272
Secondary Suite	272
Small Lots	110
Low Density Multi-family Units (15 units per acre)	95
Medium Density Multi-family Units (25 units per acre)	50
Total Dwelling Units	799

Riverwood Parcels

- Single Family Dwelling
- Multi-family Residential Development

Note: Amenity land, rural land, Komox Lot and all parkland north of the Puntledge River remain as Rural Settlement Lands

Land Use

- Amenity Land
- Rural
- Park Dedication
- K'ómoks First Nation

Proposed Road (20 m ROW)

Highway

Existing Roads

BC Hydro Right-of-way



Staff Report

DATE: June 10, 2020

FILE: 3350-20 /CP 1C 20
3360-20 /RZ 1C 20

TO: Chair and Directors
Electoral Areas Services Committee

FROM: Russell Dyson
Chief Administrative Officer

Supported by Russell Dyson
Chief Administrative Officer

R. Dyson

RE: Official Community Plan and Rezoning Applications – 3L Developments Inc.

Purpose

To introduce Official Community Plan (OCP and Zoning Bylaw amendments proposed by 3L Developments Inc. to develop their lands with 780 housing units (335 single detached units each with provision for a secondary suite, 54 townhouse units and 56 multi-family units), 1,400 square meters of neighbourhood commercial floor area, and 97ha of open space (e.g. park land). The proposal triggers the need for an amendment to the Regional Growth Strategy (RGS).

Recommendation from the Chief Administrative Officer:

THAT the Comox Valley Regional District Board endorse the agency referral list as outlined in Appendix A of staff report dated June 10, 2020, and direct staff to commence the external agency referral process for properties known as:

- That Part of the NW ¼ of Section 10, Township 9, Comox District, Plan 552G, Lying West of Puntledge River, except that part in Plan VIP70188 and EPP24391 (PID 000-866-792);
- The south west ¼ of Section 15, Township 9, Comox District, Plan 552G, except that part shown coloured red on Plan 79 RW and except that part in plan VIP70188 (PID 000-866-814);
- That Part of the north ½ section 14, Township 9, Comox District, Plan 552G lying to the South of the North bank of the Puntledge River (PID 003-922-308);
- That Part of the south east ¼ of section 14, Township 9, Comox District, Plan 552G lying to the west of the east bank of the Puntledge River except those parts in Plans 8304 and 9343 (PID 003-922-391);
- The south west ¼ section of Section 14, Township 9, Comox District, Plan 552G, except that part in Plan 9343 and except that part shown coloured red on Plan 829 R.W. (PID 003-924-033)

as part of a repeal of Bylaw No. 2042, 1998, being the “Rural Comox Valley Official Community Plan Bylaw, 1998” and proposed amendments (File: CP 1C 20; RZ 1C 20) to Bylaw No. 337, being the “Rural Comox Valley Official Community Plan Bylaw No. 337, 2014” and Bylaw No. 520, being the “Rural Comox Valley Zoning Bylaw No. 520, 2019”;

AND FINALLY THAT Comox Valley Regional District staff consult with First Nations in accordance with the referrals management program dated September 25, 2012.

Executive Summary

- The subject properties total approximately 201 hectares in area and are designated under two Official Community Plans as Rural Area and Rural Settlement Area/Settlement Expansion

Area, respectively. The majority of the lands are zoned Rural Twenty (RU-20). These designations allow for residential development (single detached units with accessory dwelling units) on parcel sizes of no less than 20 hectares. A small portion is zoned upland resource (UR-40). This zone permits a range of resource uses and one single detached dwelling per lot as an accessory use.

- 3L Developments Inc. is proposing to repeal the existing OCP designation on a portion of the lands (under Bylaw No. 2042, being the “Rural Comox Valley Official Community Plan Bylaw, 1998”) and amend the OCP designation on the remaining lands to Settlement Node and Rural Settlement Area (under Bylaw No. 337, being the “Rural Comox Valley Official Community Plan Bylaw No. 337, 2014”).
- The applicant is proposing a new settlement node comprising 335 single detached dwelling lots; 335 secondary suites; 54 townhouse units and 56 multi-family units (total of 780 residential units). The proposal includes 1400 square metres of neighbourhood commercial floor area, 97 hectares of open space (proposed as park), and a 10 hectare parcel for K’ómoks First Nation.
- The applicant’s proposal triggers the need for an amendment to the Comox Valley Regional Growth Strategy, Bylaw No. 120, being the “Comox Valley Regional District Regional Growth Strategy Bylaw No. 120, 2010”, to re-designate the lands from Rural Settlement Area and Settlement Expansion Area to Settlement Node and Rural Settlement Area.
- The RGS states that an amendment to the RGS may be proposed by a member municipality, the Electoral Areas Services Committee, or the Board, including on behalf of an external agency or private land owner. For this reason, the applicant is introducing the proposal to the Electoral Areas Services Committee with an application to amend the OCP and Zoning Bylaws to determine whether the Board will support advancing the proposal to the RGS amendment process.
- The Board can deny the OCP and Zoning applications at this stage; refer the applications to external agencies and First Nations for comment; refer the applications to the Board (Committee of the Whole directors’ vote) to consider whether to initiate an amendment to the RGS; or request that the applicant provide additional information about the proposal prior to considering next steps (i.e. pursuant to the Development Approval Information Areas Bylaw).
- Staff recommends referring the applications to external agencies and First Nations for comment such that detailed feedback can be received (including additional information needs).

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Government Partners and Stakeholder Distribution (Upon Agenda Publication)

City of Courtenay	✓
Town of Comox	✓
Village of Cumberland	✓
K’ómoks First Nation	✓

Background/Current Situation

In 2018, the Board initiated an RGS amendment process to review 3L Developments Inc.'s proposal to re-designate the subject lands from "Rural Settlement Area" and "Settlement Expansion Area" to "Settlement Node" in order to develop the lands with 1,100 residential dwelling units and provide lands for public use (i.e. park). The Board adopted a consultation plan to consider the proposal as a standard amendment to the RGS.

A public information meeting was held and over 200 citizens attended. The RGS Steering Committee (i.e. Chief Administrative Officers for the Comox Valley Regional District (CVRD) and each member municipality) recommended, following analysis of the proposal by the RGS Technical Advisory Committee (i.e. CVRD and municipal planning staff), that the Board deny the proposed amendment on the basis of existing and approved housing supply within the core settlement areas (i.e. a new settlement node was not needed to accommodate projected growth). The Board denied the application in October 2018.

In December 2018, the Board amended the implementation section of the RGS to state that an amendment to the RGS may be proposed by a member municipality, the CVRD Electoral Areas Services Committee, or the CVRD Board, including on behalf of an external agency or private land owner. Essentially, any proposed amendment requires a local government to bring it forward for the Board's consideration. No longer can a landowner make an application to amend the RGS directly to the CVRD Board. The idea is that the local government that is most likely affected by the proposed amendment (e.g. the lands are within the local government's planning area jurisdiction) should have an opportunity to consider how any given proposal to amend the RGS impacts the local OCP and zoning.

3L Developments Inc. has therefore submitted an application to the CVRD to amend the Rural OCP and Zoning Bylaw in order to develop a new settlement node comprising 780 residential units (335 single detached dwellings, 335 secondary suites, 54 townhouse units, 56 multi-family units), 1,400 square meters of commercial floor area, 97 hectares of open space (proposed to be park and trails), a "community room and gathering place", and a 10 hectare parcel for K'ómoks First Nation. The applicant has submitted the following studies in support of the application:

- Archaeological Overview Assessment, I.R. Wilson Consultants Ltd., August 2009
- Transportation Assessment, Bunt and Associates Engineering Ltd., October 2009
- Ecology and Wildlife Summary, FishFor Contracting Ltd., December 2009
- Floodplain Assessment, McElhanney Consulting Ltd., July 2018
- Geohazard Assessment, Base Geotechnical Inc., July 2018

The applicant proposes water and sewer systems "to be provided and operated by on-site private utilities". The application package also notes that "storm water (is) to be managed with an integrated storm water management plan". Minimum parcel sizes are not identified (Appendix B). The applicant states *"in responding to comments regarding the previous application, this OCP and rezoning proposal has set out to reduce the development foot print and maximize rural and green space...As a result it has less impact and protects more land"*.

Official Community Plan Designations

The majority of the subject properties are designated "Rural" under Bylaw No. 2042 (Rural Official Community Plan, 1998). Note that these are the only lands in the electoral areas that still have a designation under the former OCP. The balance of the subject properties are subject to the current Rural OCP (Bylaw No. 337) and are designated either "Rural Settlement Area" or "Settlement Expansion Area" (Appendix C).

Official Community Plan Bylaw No. 2042

3L Development Inc.'s proposal would require repeal of the "Rural" designation and replacement with a new designation under Bylaw No. 337. The "Rural" designation was intended to encourage land use patterns that minimize urban sprawl, ensure "appropriate and adequate" rural servicing, minimize potential negative impacts on the environment and the productive potential of adjacent resource lands, and support the provision of affordable housing appropriate to its rural setting. Permitted land uses include: residential (i.e. single detached, secondary suites, mobile homes), forestry, agriculture, manufacturing and processing. The minimum parcel size for subdivision (in the absence of public water and/or sewer systems) defaults to the minimum specified in the applicable zone (i.e. Rural Twenty – 20 hectares).

Official Community Plan Bylaw No. 337

The portions of the properties designated under Bylaw No. 337 are "Rural Settlement Area" and "Settlement Expansion Area". The rural settlement area designation allows residential development with parcel sizes ranging between 4 hectares and 20 hectares. The Plan envisions that each new residential lot shall have its own potable water source (well) and its own septic system (with both on-site primary and secondary disposal lands identified). The intent of the rural settlement area is to provide for rural living without causing fragmentation of rural lands or negative impact on working landscapes (e.g. agriculture, silviculture). One of the reasons for the minimum 4 hectare parcel size is to ensure that over the long-term lands proposed for subdivision will be self-sustaining and not require an unplanned extension of public water and sewer services.

The "settlement expansion area" designation was created to identify lands with either the potential for increased density (once incorporated into a municipal area and connected to public water and sewer service) or historically developed lands that will require public servicing given historic densities and related on-site servicing challenges. Until such time as settlement expansion area lands may be incorporated in a municipality and provided with public water and sewer service, the lands have minimal development potential. For example, the OCP states that the minimum parcel size for subdivision is 4ha.

Zoning Bylaw No. 520

All of the lands are subject to Zoning Bylaw No. 520, being the "Rural Comox Valley Zoning Bylaw No. 520", adopted in 2019. The majority of the subject properties are zoned Rural Twenty (RU-20); one portion is zoned Upland Resource (UR-40), including a portion of the land identified by the applicant as K'ómoks First Nation "development lands". The RU-20 zone permits a range of principal uses, including single detached dwellings, agriculture, forestry, sawmills, wood processing, mineral extraction, crushing and screening. The UR-40 zone includes principal uses such as agriculture, silviculture, wood processing, firearm ranges, and mineral extraction, crushing and screening (Appendix D). Surrounding and nearby lands, particularly north of the Puntledge, are similarly zoned for rural density (e.g. on-site services) and land use (including Agricultural Land Reserve lands).

3L Development Inc.'s Proposed OCP Designations and Zoning Amendment

The applicant is proposing to re-designate the lands to "settlement node" and "rural settlement area" under Bylaw No. 337 (i.e. eliminate the settlement expansion area designation entirely) (Appendix B).

Settlement nodes are one of four types of "core settlement areas": this is an electoral area designation that applies to the communities of Union Bay, Saratoga, and Mt. Washington. When the RGS was being developed, these communities were identified as existing settlements that could benefit from full public servicing and, if publically serviced, could have potential to accommodate

additional rural density and uses. The scale and density of the Union Bay and Saratoga settlement nodes in particular was deemed viable to support, in future, provision of public utilities and services such as rural transit and access to elementary schools (and/or sufficient economy of scale to support bussing to schools). They are not contiguous with municipal areas nor are they intended to replicate all of the features and services that are found in a municipal area. New settlement nodes can only be created through an amendment to the RGS.

The applicant characterizes the proposed settlement node as follows:

“The Riverwood Settlement Node is an approximate 445 residential unit village. It incorporates a mix of housing forms including single family dwellings with Secondary Suites, Townhouses, Low Rise Apartments. Within this mix, it is contemplated that there will be rental housing, social and assisted housing opportunities. Riverwood will be a compact village scale neighbourhood that will include opportunity for living, recreating, working, playing and growing food. Riverwood is sited to protect the surrounding ecosystems and access to greenway, bikeway and trail systems.”

The applicant’s reference to “445 residential units” does not include the potential for 335 secondary suites.

Although the applicant has submitted a concurrent rezoning application, no zoning has been proposed (e.g. permitted uses, minimum parcel size for subdivision). Within the application package it is stated that “*the community facility along with trails, parks and allotment gardens will be provided as community amenities?*”. Staff note that the Board has adopted a voluntary community amenity policy that would need to be considered if and when the Board considers the proposed zoning amendment. The appropriate time to consider any voluntary offer of community amenities is through the public re-zoning process. The applicant has also stated that a separate development parcel will be given to K’ómoks First Nation but no new OCP designation or zoning is proposed to enable its subdivision from the balance of the lands or development with uses other than what currently exists.

Water, Wastewater and Rainwater Management

As noted elsewhere, 3L Developments Inc. is proposing greenfield development (i.e. a new community) with private water and wastewater utilities owned and operated by a private entity. The properties are not within a local service area. Although the applicant has not yet provided any servicing details, staff note that many private water and wastewater services in BC are challenged in maintaining operations and infrastructure in accordance with provincial utility standards over the long-term. The CVRD has seen several recent examples of private utility operators approaching the CVRD to take over their private systems including Sandwick, King Coho, and Watutco. The Union Bay and Graham Lake Improvement Districts have also requested that the CVRD undertake conversion studies. None of the long term planning for the regional water and sewer systems has included development in this area, which would significantly increase the cost and operational impacts of extending community water and sewer to this location if requested by future residents.

The Board received a report from staff in September 2019 outlining some of the factors to be considered in both supporting development that relies on privately owned and operated community utility systems and factors to be considered when approached by private utility operators with a request to take over service to a community. At present, there are two non-CVRD utility operators serving a population with more than 300 connections in the electoral areas (i.e. Union Bay Improvement District’s water service – currently part of a provincially sponsored governance review, and Mt. Washington’s water and sewer services). The majority of the private utility systems serve populations with fewer than 15 non-residential connections.

As noted in staff's September 2019 report, there are very few opportunities for the CVRD to influence private utility decisions, despite the CVRD potentially being required to take over those utilities in future. To be clear, the opportunity to consider whether development that relies on private utility servicing should be enabled is the OCP amendment/rezoning stage. There is no opportunity at the subdivision stage or building permit stage.

In respect to rainwater management, the documents provided by the applicant are silent on how the proposed development will manage rainwater (although the application package states that “storm water to be managed with an integrated storm water management plan”). A Rainwater Management Plan will need to be developed that demonstrates how the proposed development will meet the rainwater management policies and objectives of the OCP. Additionally the applicant will have to demonstrate how the proposed development will meet the requirements of the Ministry of Transportation and Infrastructure's TAC BC Supplement, Chapter 1000. The proposed scale of development suggests that some level of community rainwater management infrastructure may be necessary to maintain the natural water balance of the development site. This would likely require either a private utility or the establishment of a local service area to construct, operate and maintain the community infrastructure. Again, staff highlights the concern with the long-term ability of a private utility to sustain this type and scale of infrastructure on behalf of a residential community.

Cultural values

The lands are within the territory of the K'ómoks First Nation. The applicant has provided an archaeological overview assessment, completed by I.R. Wilson Consultants in 2009. Note that it is not attached to this report as it identifies the location of archaeological sites. The author states that the overview assessment is intended to identify and assess heritage resource potential. It is not to be used as a detailed assessment or mitigation plan. If the Board refers this application to external agencies and First Nations for review, there will be an opportunity to undertake more thorough assessment of the lands such that the cultural values of the subject lands can be identified and protected through the rezoning process (i.e. require detailed assessment per the Development Approval Information Area Bylaw).

Multi-modal Transportation

The applicant states that “traffic sustainability measures including walking, cycling, car pooling and car sharing” will be incorporated in the development in accordance with Bunt and Associates' 2009 Transportation Assessment. Note that this report was prepared while the RGS was in preparation and prior to the current OCP but does reference the Comox Valley Sustainability Strategy. The report has not been updated to reflect the proposed number of residential units or commercial floor area, rather is based on a phased construction plan of 60 single detached dwellings in 2012 and 540 single detached dwelling units in 2022. The Bunt assessment proposes ideas to:

1. Encourage walking (i.e. “*Centrally located services (convenience shopping, daycare, etc.) to reduce the need to travel outside the neighbourhood; walkable access to a variety of transportation and community services; traffic calmed streets with (sic) achieve 20-30km/h operating speeds; an extensive, inviting and safe network of sidewalks and trails within the neighbourhood and connecting to destinations outside of the neighbourhood with good lighting, signage and way-finding maps; pedestrian-permeable and/or small development blocks. Approximately half of the development land is dedicated as park land to ensure continued public access to the Puntledge River and Browns River Trail systems and other natural amenities of the area.*”)
2. Encourage cycling (e.g. on-street bike lanes, multi-use pathways within the right-of-way or off-street paved multi-use pathways, connections to future cycling network, way-finding, bike racks, charging station for electric bikes and scooters).
3. Provide transit to key destination: No BC Transit service therefore the “*developer could provide a community shuttle van and operating funds for a private transit service*”.

4. Encourage car-pooling: *“the developer could include a community amenity space in the central transportation hub that includes a ‘Ride Share Board’ and/or internet access that would allow residents to match to other residents”*.
5. Encourage car sharing: *“the neighbourhood could potentially support two car-share vehicles...it may be that the development is too small or not sufficiently dense to be a good candidate (for a car share operator to invest)”*.
6. Discourage excessive parking supply.
7. Eliminate trips: *“high speed internet should form a key requirement for the development and it should be something delivered to each unit at time of purchase”* – the assessment includes this idea in the context of shopping online and working from home as means to eliminate trips.

While the assessment proposes some ideas for reducing the reliance on private vehicles it does not address how a greenfield residential development in a rural area achieves viable multi-modal connectivity or overcomes the challenges of economies of scale required to achieve modal shift. Staff note that many of the ideas suggested within the report are outside of the control of the developer and the CVRD and would instead rely on external agencies to alter rural standards of service provision (or require CVRD service area establishment).

If the Board opts to refer these applications for external agency comment, both the Ministry of Transportation and Infrastructure and BC Transit will be invited to provide detailed comments on the proposal.

Parks, the Environment and Climate Change

The applicant is proposing a voluntary community amenity of dedicated land for public use, including Stotan Falls and the bed of the Puntledge River. As noted previously, the Board has adopted a voluntary community amenity policy that would need to be considered at the rezoning stage (i.e. following an amendment to the RGS to create a new settlement node). The applicant states that “once Riverwood is rezoned, there will be public access to Stotan Falls and River trails”.

Lands along the Puntledge River and Browns River (Puntledge Triangle) including Stotan Falls have been identified as a priority acquisition piece in the Rural Comox Valley Parks and Greenways Strategic Plan 2011 – 2030. The large contiguous park size being proposed would address a gap in the current parks and greenways system for larger nature parks that could provide recreation opportunities as well as provide sufficient size to protect wildlife habitat and ecological integrity. As such, the proposed parkland dedication meets the following specific park objective as per the Rural Comox Valley Parks and Greenways Strategic Plan 2011 – 2030:

Objective 2.2 – *“Secure access to community amenities and special features, such as Stotan Falls, swimming holes, beaches, fossil beds, cultural and historic sites.”*

If this proposal proceeds, staff will work with the applicant to refine the terms of the proposed park dedication, including assessment of the geohazard and floodplain considerations within the riverine and terraced systems and will report back to the Board accordingly.

The applicant has provided an “ecology and wildlife summary” prepared in 2009 by FishFor Contracting Ltd. If the rezoning application proceeds, an updated report will be requested per the CVRD’s Development Approval Information (DAI) Bylaw.

In addition to the parks and open space policies, the OCP includes climate change policies. Adopted in 2014, the policies are primarily focussed on the reduction of greenhouse gas emissions and include targets for those reductions. Recognizing fossil-fuel burning transportation and home heating as the largest sources of emissions, the OCP directs the majority of rural development to

existing settlement nodes where transit and active transportation infrastructure can be more readily provided. Conversely, the applicant is proposing a new settlement node in order to develop the subject lands. One of the fundamental principles of growth management in respect to mitigating climate change is to direct new development to existing developed areas. Compact development is infill development within existing core settlement areas with existing or planned infrastructure. It is difficult to suggest that greenfield development in the rural area on the fringe of a municipality is anything but urban sprawl that detracts from the ability to make the most efficient use of already developed lands and infrastructure.

The applicant states that through the use of covenants (i.e. private contracts between the CVRD and individual landowners) the dwellings will be required to be constructed to “Built Green” standards. “Built Green” is a third-party, non-profit organization that promotes and certifies energy efficiency in new construction. BC has introduced the “Energy Step Code”: these are performance requirements for new construction. The goal is to move BC towards net zero energy readiness by 2032. In the meantime, local governments have the authority to require that new construction meets one or more steps of the Energy Step Code as an alternative to the BC Building Code’s prescriptive energy efficiency requirements. Staff do not foresee the need to introduce covenants (which take more local government resources to monitor and enforce than public law such as requirements of the Building Bylaw). Rather, compliance with the Energy Step Code will assure that new buildings are performing as advertised.

Housing and Affordability

The applicant states that the creation of a new settlement node will augment housing supply and therefore contribute to increased housing affordability in the Valley.

“We suggest that not all of the capacity for new housing identified in the RGS may be easily or readily developed. One solution to this is to increase the sources of new housing through an additional settlement node so that additional housing is actually produced...As long as the core areas are actually approving sufficient development, the new settlement node would augment the housing produced in the core hopefully with the result working towards a better balance of supply and demand.”

The applicant does not provide any detail on how the proposed housing units will be made affordable. To be clear, “affordable” means that household shelter costs equate to less than 30 per cent of total before-tax household income. Increasingly, however, affordability calculators include consideration of a household’s transportation costs. The findings of our housing needs assessment include a strong connection between housing and transportation needs. For example, if a household must have a private vehicle to travel to work/school/services the household’s costs increase. Housing location is a key factor in a household’s ability to use travel modes other than private vehicles. As the subject properties are not within a BC Transit service area, households will not have the option to swap a vehicle for a transit pass in order to improve household affordability. It is also important to consider the impact of proposed private utilities on household costs and the degree to which this type of servicing impacts the overall affordability of housing. Finally, the property is outside of the Courtenay Fire Protection District: households may experience increased home insurance premiums.

The soon to be completed Regional Housing Needs Assessment identifies the gaps that have been created in our reliance on market housing to achieve true affordability. There is a need for more non-market housing, particularly dedicated rental housing (i.e. purpose built rental). The services that can readily improve household affordability are generally not found in rural areas.

Growth Management

The applicant states that the “*Riverwood Settlement Node is key to the ability of the Comox Valley Regional District to achieve several of its important regional growth management...goals*” and that the proposal is “*consistent with many of the CVRD’s growth management policies*”. The applicant continues that the proposal “*does not create additional planned settlement areas; rather it simply shifts planned growth from one part of the property to another part*”. The applicant suggests that the removal of lands from the future, municipal land base (i.e. settlement expansion area lands) is akin to the creation of a new settlement node in the rural areas.

To be clear, the RGS and both OCPs designate the entirety of the subject properties for rural uses and density (until such time as the settlement expansion area portion may be incorporated into a municipal area). The applicant’s proposal does, in fact, alter the growth management scheme for the subject properties as well as the Region as a whole (including proposal of a different future municipal boundary). As noted previously in this report, settlement expansion areas were identified as either having existing residential density that may require public water and sewer servicing in the future to avoid an environmental or health crisis, or because of their potential (once incorporated in a municipality and serviced) to absorb additional density. In the meantime, development in the settlement expansion area lands is limited and change that would increase density, impact or intensity of use is not envisioned (i.e. OCP identifies a minimum 4ha area parcel size for subdivision).

Also noted previously, settlement nodes are not intended to replicate the density and related services found within a municipal area. Creation of a new settlement node within the rural area before the existing settlement nodes or municipalities have reached build-out is not consistent with the growth management objectives of the RGS.

3L Development Inc.’s proposal to “*shift planned growth*” is regionally significant in that investment decisions by private landowners, local government and higher level governments (e.g. land use and infrastructure development) will be affected. Shifting the location for growth potential will also shift or detract from the infrastructure opportunities and needs within existing Core Settlement Areas. These are the same arguments that were presented to the Board in 2018 in the context of 3L Development Inc.’s RGS amendment application. Since the Board last considered a proposed new settlement node, region-specific population, housing and employment data has been collected (through the Regional Housing Needs assessment project in 2019 and 2020) and re-confirms that, on balance the Region is building enough housing for its growth needs. The Region is challenged by a lack of truly affordable housing that the market has not, to date, been able to provide.

Policy Analysis

The *Local Government Act* (RSBC, 2015, c. 1) (LGA) grants the authority to adopt an OCP and Zoning Bylaw and states that any local government that does so must define procedures for amending the bylaws. Bylaw No. 328, being the “Comox Valley Regional District Planning Procedures and Fees Bylaw No. 328, 2014”, defines a procedure for amending the Rural OCP and Zoning Bylaw. Further, the LGA requires that a local government consider every application that it receives to amend an OCP or Zoning Bylaw.

This circumstance is unique in that the proposed OCP and zoning amendments trigger the need to amend the RGS. Only the Board is granted the authority through the LGA to initiate an amendment to the RGS (i.e. no requirement to consider an amendment to the RGS). The RGS Bylaw states that an amendment to the bylaw may be proposed by a member municipality, the Electoral Areas Services Committee, or the Board, including on behalf of an external agency or private land owner.

For this reason, the applicant is introducing the proposal to the Electoral Areas Services Committee with an application to amend the OCP and Zoning Bylaws.

Staff has identified the following steps for the Board to take in order to consider the applications made by 3L Developments Inc.. Note that legal counsel has reviewed this process:

1. Landowner applies to the CVRD to amend the Rural OCP (procedures bylaw allows for concurrent zoning bylaw amendment application where desired by the applicant).
2. Electoral Areas Services Committee receives a staff report and makes a recommendation for the CVRD Board (electoral area directors' vote).
3. Board (i.e. electoral area directors' vote) considers the application and identifies next steps which may include referral of the application to external agencies and First Nations, referral of the application to the Board (Committee of the Whole directors' vote) to immediately consider whether to initiate an RGS amendment process, or denial of the application.
4. If the Board (i.e. electoral area directors' vote) refers the application for external review, staff will report back with comments and recommend next steps on the OCP and Zoning Bylaw amendment applications. Recommended next steps may include referral of the proposal to the Committee of the Whole in order to consider whether to recommend to the Board that an RGS amendment should be initiated; or denial of the applications.
5. If the Board opts to initiate an amendment process to the RGS, staff will report back with a recommendation about the type of process to be followed (i.e. standard or minor) and then the process outlined in Appendix E will kick in.

It is important to note that the Board cannot adopt a bylaw that is not consistent with the RGS. This prevents any changes to the Rural OCP or Zoning Bylaw prior to a decision on the RGS designation of the subject lands.

Options

1. Proceed with referral of the application to external agencies and First Nations.
2. Refer the applications directly to the Board to consider whether or not to initiate an amendment to the RGS (Committee of the Whole directors' vote).
3. Request that prior to any further consideration of the applications, the applicant be required to supply additional studies or information (pursuant to Bylaw No. 369, Development Approval Information Area Bylaw, 2015); or
4. Deny the applications.

Staff recommends option one as this provides an opportunity for external feedback on the proposal (including any specific additional information requirements) prior to the potential initiation of an RGS amendment process.

Financial Factors

The applicant has paid the application fees for an OCP and Zoning Bylaw amendment. Fees relating to the required RGS amendment will only be levied if and when the Board initiates an amendment to the RGS.

Legal Factors

This report and its recommendations have been prepared in accordance with the LGA and applicable CVRD Bylaws.

Regional Growth Strategy Implications

The applicant's proposal to amend the OCP designations and zoning of the lands triggers the need for an amendment to the RGS. As noted earlier in this report, the first step in the process is for the electoral area directors to consider, through a public process, how the proposal impacts the intent of

the Rural OCP and zoning. If the electoral area directors, via a board resolution, concur with staff's recommendation to refer the applications externally, staff will report back with external agency and First Nations' feedback as well as provide a recommendation on the applications, including process next steps.

Impacts of this regionally significant proposal relative to the goals of the RGS are highlighted throughout this report. Fulsome review of the RGS implications of the applicant's proposal will be undertaken by the RGS Technical Advisory Committee and RGS Steering Committee if the Board initiates an amendment to the RGS.

Intergovernmental Factors

If the Board opts to refer this application externally for comment, the government agencies and First Nations identified in Appendix A will be consulted and asked to provide feedback on the proposal. Member municipalities and K'ómoks First Nation have been provided with a copy of this report upon agenda publication.

Interdepartmental Involvement

Planning staff is leading the review of this application. Input from other CVRD departments has been integrated into this report and will continue to be collected as the application moves through the review process.

Citizen/Public Relations

Staff recommends that the application be referred to the Area C Advisory Planning Commission. Any further statutory decisions (e.g. bylaw preparation, RGS initiation) will trigger the community consultation components of the LGA (e.g. consultation plan, public hearing).

Attachments: Appendix A – “External Agency and First Nation Referral List”
 Appendix B – “3L Development Inc.’s Application”
 Appendix C – “OCP designation map”
 Appendix D – “RU-20 and UR-40 zoning”
 Appendix E – “RGS amendment process”