



STAFF REPORT TO COMMITTEE

DATE OF REPORT September 27, 2023

MEETING TYPE & DATE Electoral Area Services Committee Meeting of October 18, 2023

FROM: Development Services Division
Land Use Services Department

SUBJECT: Application No. RZ23A03 (Stonebridge)

FILE: RZ23A03

PURPOSE/INTRODUCTION

The purpose of this report is to present an application to consolidate and update zoning for the Stonebridge Lands in Mill Bay and several adjacent parcels. There are five existing zones spanning 10 parcels.

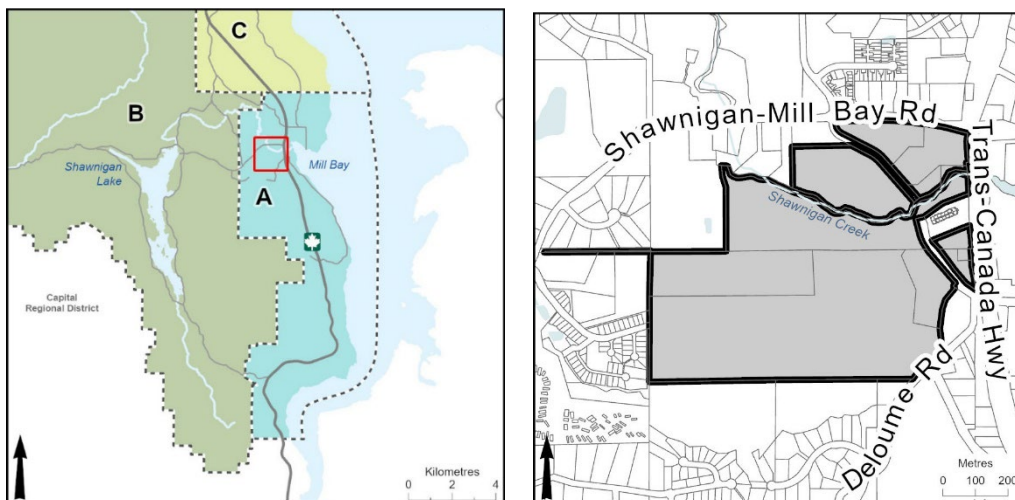
The application is proposing to consolidate the five existing zones into one comprehensive development zone with five areas. The applicant anticipates that the Stonebridge development will have up to a 15 year build out.

The Board is being asked to consider referral to external agencies prior to advancing amendment bylaws. External agency feedback will be addressed through a subsequent report to the Electoral Area Services Committee (EASC), prior to potential consideration of bylaw readings.

RECOMMENDED RESOLUTION

That it be recommended to the Board that Application No. RZ23A03 (Stonebridge), be referred to external agencies as outlined in the Staff Report to the October 18, 2023, Electoral Area Services Committee meeting.

LOCATION MAP



BACKGROUND

The subject properties are located in Electoral Area A. The lands are PIDs 010-208-089, 025-942-310, 000-278-131, 009-488-286, 009-487-247, 009-487-221, 009-528-601, 004-173-287, 029-533-601, and 009-497-803. These properties have collectively been referred to as the “Stonebridge Lands” and “Pioneer Square”. They represent a key land assembly in the heart of Mill Bay. See Attachment B for property locations and current and proposed zoning.

Previous applications have been approved for the lands, including an OCP and zoning bylaw amendment to increase residential density, expand options for commercial uses, accommodate a senior citizens’ care/housing facility, etc. all of which are reflected in the existing zoning. CVRD staff estimate that based on the land area and existing zoning, the total number of dwelling units that could be constructed today is approximately 753 dwelling units and 176 congregate care (seniors housing) units, for a total of 929 units.

The current application consists of three key elements:

1. Rezoning the subject properties to a new comprehensive development zone.
2. Amendments to the Official Community Plan to re-designate some of the lands to *Commercial (Mixed Use)* and to *Stonebridge Comprehensive Development Designation*.
3. Updating and consolidating the community amenity covenant associated with the Stonebridge lands.

The applicant has noted that the purpose of this application is to simplify and update the zoning bylaw. These updates would allow for the expansion of housing options to encourage more affordable and attainable options. The applicant has noted that the final density of the Stonebridge project will be limited based on available infrastructure, primarily domestic water. Based on these constraints, the applicant currently anticipates a maximum build out of 526 - 561 units (depending on unit type), plus 100,000 ft² of commercial buildings. Based on the present constraints, the applicant submits that the proposed reductions in minimum lot sizes do not necessarily equate to increases in density and is requesting not to limit the permitted total amount of residential dwelling units.

OFFICIAL COMMUNITY PLAN / POLICY CONSIDERATIONS

Official Community Plan for the Electoral Areas Bylaw No. 4270 (HOCP):

Attachment B provides a breakdown of the zoning, size, OCP designation and location of each lot under application.

The bulk of the subject property is designated Residential in the OCP, and Stonebridge Comprehensive Development in the Local Area Plan.

The portion of the property that was formally the site of Pioneer Square Mall is designated Commercial in the OCP and Village Commercial in the Local Area Plan. The property is within the Mill Bay Growth Containment Boundary.

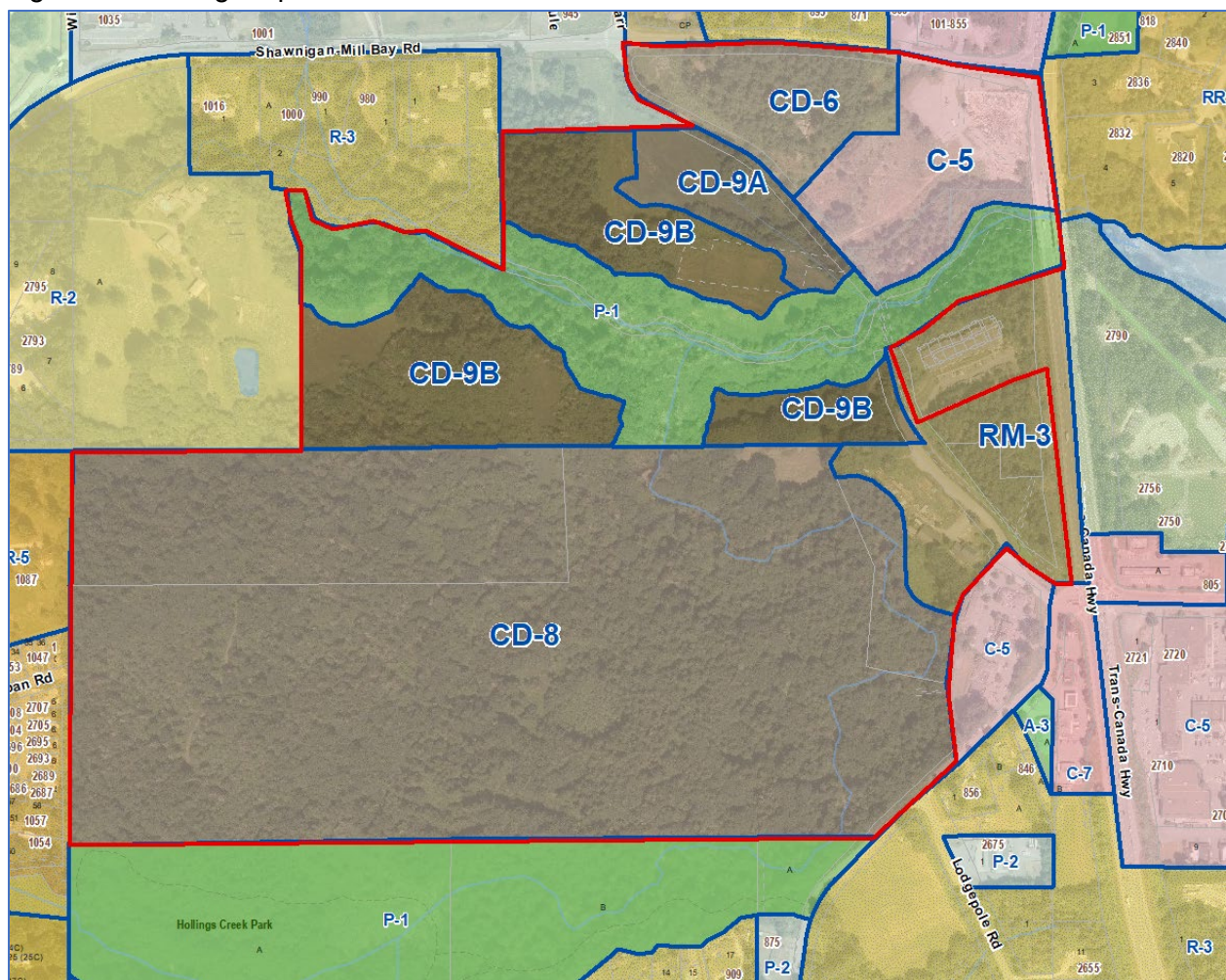
Development Permit Areas:

The subject property is currently subject to the following Development Permit Areas (DPA): DPA-1 [Riparian Protection](#); DPA-2 [Sensitive Ecosystem](#); DPA-4 [Aquifer Protection](#); DPA-5 [Wildfire Hazard](#); DPA-9 [Intensive Residential](#); DPA-10 [Multi-Family Residential](#); DPA-11 [Commercial and Mixed-use](#); DPA-13 [Energy and Water Conservation; Greenhouse Gas Emissions Reduction](#).

South Cowichan Zoning Bylaw No. 3520:

The subject property is split into eight distinct zones: [CD-8](#) – Village Comprehensive Development 8 – Stonebridge South [CD-9A](#) – Village Comprehensive Mixed Use 9A [CD-9B](#) – Village Comprehensive Residential 9B [RM-3](#) – Medium Density Multiple Family Residential 3 [R-2](#) – Village Suburban Residential 2 [C-5](#) – Village Commercial 5 [CD-6](#) – Village Comprehensive Development 6 – Congregate Care [P-1](#) – Parks 1

Figure 1 – Zoning Map



COMMISSION / AGENCY / DEPARTMENTAL CONSIDERATIONS

The application was referred to internal divisions, and preliminary comments have been received (Attachment C). If the Board advances the application, these comments and the external agency feedback will be addressed through a subsequent report to the EASC, prior to consideration of bylaw readings.

External Agency Referrals:

Should the Board choose to proceed with the application, external referrals to the following agencies are recommended:

- Malahat Nation
- Ministry of Forests
- Ministry of Environment and Climate Change Strategy
- BC Hydro
- Island Health (VIHA)
- Parks Advisory Commission (Area A)
- Mill Bay Water Works
- Ministry of Transportation & Infrastructure
- Ministry of Water, Land and Resource Stewardship
- B.C. Transit
- Royal Canadian Mounted Police (RCMP)
- Cowichan Valley School District (SD 79)
- Advisory Planning Commission (Area A)
- Parks Advisory Commission (Area A)
- Mill Bay Fire Department

Advisory Commission Referral:

The Board may forward the application to the Area A – Cowichan Bay Advisory Planning Commission (APC) and Parks Advisory Commission (PAC) for feedback. The APC has the responsibility of providing recommendations to the Board and acting as the citizens' voice in the planning process. The PAC may wish to comment on parks-related aspects of the proposal. Although the APC and PAC have no particular decision-making powers of their own, they can provide local perspectives for the CVRD Board to consider.

PLANNING ANALYSIS

Next Steps:

If the EASC wishes to advance this application, it may recommend to the Board that staff be directed to forward the application to external agencies. Staff would return to the EASC for consideration of referral comments and next steps.

The applicant has put together a summary of the key uses and conditions that they would like to have included in the requested Comprehensive Development zone (Attachment A). The draft zone has not been prepared by staff, and is provided for discussion purposes only.

Key elements of the applicant's proposal include:

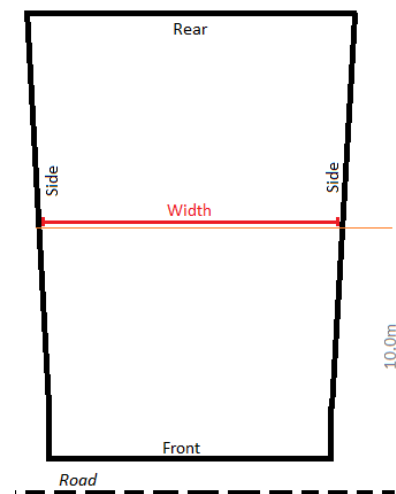
- Zoning regulations that would allow for multiple fully serviced show homes to be built on larger lots (capable of further subdivision);
- A reduction in minimum parcel size for single-family lots from 450 m² to 300 m²;
- A reduction in the minimum parcel sizes for duplex lots from 700 m² to 500 m²;
- A reduction in the minimum lot size for senior congregate care facilities to 1,000 m²;
- An expansion in areas where multi-family dwellings can be constructed;
- A reduction in the minimum lot size & width for secondary suites (in duplexes and single-family dwellings);
- A reduction in some minimum parcel line setbacks;
- Permitting "Drive-thru" uses on parcels within 'Area 4', located east of Barry Road; and
- An option for workforce housing within 'Area 4' of the proposed zone.

Parcel Width:

The applicant has proposed a definition for parcel width:

"Parcel Width" means the horizontal distance between side lot lines measured at right angles to the lot depth and ten metres from the front lot line.

The applicant proposes to require a minimum 10 m parcel width for single-family lots (which may be 300 m² or larger). The applicant also proposes a 14 m parcel width for duplex lots (which may be 500 m² or larger). The intent of the minimum parcel width requirement is to ensure that there is sufficient space for parking areas on smaller lots (particularly for those with suites).



Staff note that the DPA – 9 [intensive residential] design guidelines encourage developments that situate active uses (e.g. landscaped boulevards, usable patios, etc.) in front yards, and locate garages at the rear of a dwelling (e.g. lane access). Should the Board advance this application, a recommended condition of rezoning will be to incorporate updates to DPA – 9 Guidelines to achieve a balance of soft and hard landscaping in front yards that feature front-access parking.

Workforce Housing:

The applicant originally suggested that in Area 4 (currently the [RM-3 Zone](#)), workforce housing units could be a permitted use. A definition of workforce housing was provided as a form of residential tenure that allows limited stays. The applicant does not wish to pursue a housing agreement.

In conversation with staff, the applicant has indicated a willingness to pursue an alternative to workforce housing, and include a 'hotel' use with special regulations to allow 'extended-stay' in the proposed zone. This would enable the operator to target guests staying five or more nights such as emergency service workers (e.g. firefighters), and short-term contract workers.

Show Homes:

The applicant is requesting a zoning provision that would enable multiple homes to be built on a single lot that is capable of further subdivision. A zoning regulation reduces the risk/liability to the CVRD in the event that show homes are sold and/or occupied prior to subdivision by enabling the development of a multiple dwelling building strata.

Density:

As the rezoning process is fundamentally a question about the impacts of proposed land uses and density, the potential density permitted under existing and proposed zoning, as well as the potential density given site constraints must all form part of the staff analysis and discussion.

As part of the proposed comprehensive development zone, the applicant is proposing to reduce the minimum parcel size for suites, single-family lots, and duplex lots; further, the areas where multi-family dwellings will be permitted shall be expanded.

Table 1 - Zone Comparison

Existing Zones	Proposed CD Zone
Approximately 2.2 ha (22,095 m ²) of the subject lands are zoned CD-6 <ul style="list-style-type: none">Permits senior's congregate housing and accessory commercial and service uses.Minimum parcel size is 1 hectare (10,000 m²).Maximum density of residential facility units and personal care units combined shall not exceed 80 units per hectare (approx. 176 units for the subject lands).	Area 1 – replaces the existing CD-6 zoning, and reduces the land area available for seniors congregate care. <ul style="list-style-type: none">No density cap other than a 55% lot coverage, 1000 m² min parcel and, 22 m (approx. 6 storey) height limit.
Approximately 1.49 ha (14,904 m ²) of the subject lands are zoned CD-9A <ul style="list-style-type: none">The CD-9A zone permits Seniors residences and multi-family dwellings on lots 1,000 m² or larger.A maximum number of 140 dwelling units are permitted in this zone.	Area 2 – replaces a portion of lands zoned CD-9B, and all of the lands zoned CD-9A. <ul style="list-style-type: none">No density cap; density limited by minimum lot size, parcel coverage, setbacks and building height.Minimum density of 150 multi-family dwelling units

<p>Approximately 7.86 ha (78,632 m²) of the subject lands are zoned CD-9B</p> <ul style="list-style-type: none"> • The CD-9B Zone allows for a minimum parcel size of 450 m² (single family), 700 m² (duplex), and 1,000 m² (multi-family). • Maximum 140 dwelling (subject to the transfer of riparian assessment areas for park purposes, amenity contributions, and two serviced duplex parcels). <p>Approximately 34 ha (345,727 m²) of the subject lands are zoned CD-8.</p> <ul style="list-style-type: none"> • Minimum parcel size of 450 m² (single family), 700 m² (duplex), and 1,000 m² (multi-family). • Secondary suites permitted on lots 600 m² or larger for single-family, and on all duplex lots. • The base number of units (not including suites) that can be created are 325 units (subject to 8 ha of land being transferred to the CVRD). 	<p>Area 3 – replaces the remainder of the lands zoned CD-9B, as well as the lands zoned CD-8.</p> <ul style="list-style-type: none"> • No density cap; density limited by minimum lot size, parcel coverage, setbacks and building height.
<p>Approximately 2.48 ha (24,840 m²) of the subject lands are zoned RM-3</p> <ul style="list-style-type: none"> • The RM-3 Zone allows for a minimum parcel size of 2,000 m² for multi-family dwellings. • The RM-3 zone allows for a maximum of 35 dwelling units per hectare (approx. 86 units for the subject lands). 	<p>Area 4 – replaces the existing RM-3 zoning</p> <ul style="list-style-type: none"> • No density cap; density limited by minimum lot size, parcel coverage, setbacks and building height. • Drive-Thru and Workforce housing/ long-term hotel stay uses added.
<p>Approximately 3.14 ha (31,482 m²) of the subject lands are zoned C-5</p> <ul style="list-style-type: none"> • Allows for commercial uses, as well as multiple family residences above the ground floor of any building. • Minimum parcel size is 1,000 m² for parcels serviced by a community water and sewer system. • Allows for a maximum of 20 dwelling units per hectare (approx. 62 units for the subject lands). 	<p>Area 5 – replaces the existing C-5 zoning</p> <ul style="list-style-type: none"> • Retains the maximum 20 dwelling units per hectare; however, additional land added from the existing CD-6 zoning to Area 5.

While the proposed zoning increases permitted density, the applicant submits there is insufficient water to support the density that is currently permitted under existing zoning. The applicant has provided a build-out estimate (561 units max). The applicant submits that while the reduction of minimum lot sizes does increase potential density through zoning, the servicing constraints will limit the actual build out of the site.

While reductions in minimum lot sizes do not necessarily equate to increases in density given the servicing constraints of the land, the CVRD must take the long-term view that comprehensive developments may change hands years or generations in the future. Changes to the market may expedite or delay the build out of the development, and the infrastructural constraints that exist today may change in the future.

Options to address density include:

- **No increase** in the permitted density - a unit cap within each area (e.g. as 929 units are permitted under existing zoning, a density limit could be included for each area and type of development within the proposed comprehensive development zone). The proposed CD zone can provide clarity on how density will be distributed between Areas 1 – 5.
- **Increase** in the permitted density - this may be subject to density bonusing provisions (contributions to the appropriate reserve fund per dwelling unit) to offset the impacts to parks, fire protection services, etc.). The CVRD Board may also wish to explore water conservation measures (building design and landscaping) to address impacts to the aquifer.

Proposed Covenant:

The general intent of the updated/modernized covenant is to remove the density bonusing provisions from the CD-8 Zone (South Lands) and provide one combined covenant for all of the lands.

The existing Covenant only applies to a portion of the lands. The portion of the lands zoned CD-8 Zone is not covered by the covenant and density bonusing provisions are embedded in the zoning bylaw.

The applicant proposes to maintain the same Park Fund Contribution for Electoral Area A, the transfer of greenspace (riparian areas with trail and sign improvements), the transfer for usable park land (e.g. tot lots with amenities), and the transfer of two parcels to an affordable housing provider. The applicant proposes some modifications to the schedule for providing Park Fund Contributions to the CVRD, as well as some additional clarity regarding protections to the Stonebridge (e.g. replacement and repair thresholds).

Should the Board advance this application a referral will be provided to the Advisory Planning Commission and Parks Advisory Commission for comment/feedback. Staff would return to the EASC for consideration of the referrals and any recommended conditions of bylaw adoption.

Official Community Plan Amendments:

The portion of the subject lands zoned [RM-3](#) allows for mixed use developments (commercial ground floors with accessory residential on upper-storeys). The proposed zoning and OCP designation would change this from mixed-use housing to residential and/or commercial (providing flexibility for standalone commercial and/or standalone residential developments in addition to mixed use buildings). These lands are proposed to be added to the Village Commercial designation.

A portion of the lands currently zoned [CD-6](#) adjacent to Pioneer Square lands, is proposed to be added to the Village Commercial designation.

If the Board advances this application, some modifications may be required to the Draft Modernized Official Community Plan (MOCP) to ensure consistency with permitted densities. Alternatively, this can be done as an internal housekeeping amendment once the MOCP is adopted.

If the Board advances this application staff may recommend:

- Possible amendments to DPA – 9 (Intensive residential) design guidelines. In particular, to deal with smaller narrow lots with front-access parking for suites.
- Possible amendments to DPA – 10 (multi-family) to establish targets for private amenity space and common amenity space in multi-family developments;
- Possible amendments to DPA - 11 (commercial and Mixed use) to establish targets for private amenity space and common amenity space in congregate care facilities, and,
- Possible amendments to DPA - 11 (commercial and Mixed use) to establish minimum standards for drive-thru establishments.

Additional Information:

Based on the feedback received during the initial referral process, additional information may be required. The Board may direct that these items be resolved prior to advancing bylaws. These items include:

1. An updated conceptual masterplan for the subdivision to show how the new housing typologies could be integrated alongside anticipated road networks;
2. A revised parks amenity package and concept plan (incorporating feedback from the Parks Advisory Commission and Advisory Planning Commission);
3. Updates to the DPA 9, DPA 10, and DPA 11 guidelines in conjunction with the application:
 - a. The developer may be asked to provide concept drawings for architectural form and character, landscaping, and parking.
4. A covenant (to be registered prior to bylaw adoption) to secure the following:
 - a. Water conservation measures in landscape and building design; and
 - b. Water storage options.
5. A covenant (to be registered prior to bylaw adoption) to secure a ratio of 1-bedroom, 2-bedroom, and 3-bedroom units in a percentage of new multi-family buildings;
6. A modified parcel width definition (or minim requirements for both property width and frontage) to ensure adequate parking areas for small lots with suites;
7. Updated development permit guidelines or zoning provisions for Drive-Thru Queue lane standards with respect to siting, length, landscaping/screening, double stacking, and separation from parking areas;
8. Increased clarity around the preservation and repair thresholds for the stone bridge, with details on an alternative modern pedestrian bridge design if the Ministry of Transportation and Infrastructure requires a road connection;

9. Density control measures (e.g. limits per CD Area or density bonusing provisions to offset the impacts of additional permitted densities beyond the existing zoning allowances);
10. Refinements to CD area specific regulations (e.g. limiting the height of multi-family buildings in Area 3, or further clarity on why flexibility in height is needed based on topographic challenges); and
11. A rainwater management plan to offset the impacts of increased impervious areas and encourage groundwater absorption.

This list will be further refined following the external agency feedback. These and other items may be addressed through a subsequent report to EASC, prior to consideration of bylaw readings.

OPTIONS

Option 1 (Advance the application): That it be recommended to the Board that Application No. RZ23A03 (Stonebridge), be referred to external agencies as outlined in the Staff Report to the October 18, 2023, Electoral Area Services Committee meeting.

Option 2 (Request Additional Information): That it be recommended to the Board that the preliminary staff report for Application No. RZ23A03 (Stonebridge), be referred back to staff for the following information [*requested information to be provided by the Board*], prior to further consideration.

Option 3 (Deny): That it be recommended to the Board that Application No. RZ23A03 (Stonebridge), be denied, [*specific reasons to be identified by the Board*].

Prepared by:



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Reviewed for form and content and approved for submission to the Committee:

Resolution:

☒ A/Deputy Corporate Officer

Financial Considerations:

☒ Chief Financial Officer

ATTACHMENTS:

Attachment A – Proposed CD Zone Components

Attachment B – Lot Breakdown

Attachment C – Internal Referral Responses

Attachment D – Applicant's Rationale

Attachment E – Existing Covenant