

COUNCIL REPORT

Date: 21 February 2019

File: 7.4.10

To: Warren Waycheshen, CAO - for Mayor and Council

From: Gwendolyn Sewell, Director of Community Planning & Development

Re: Resolution adopted 19 February 2019 [Council Resolution R19-053 (D)]
Proposed Amendment of *Official Community Plan* Policy 4.3.3



Action: Consider three options to advance consideration of proposed amendment of *Official Community Plan* (OCP) Policy 4.3.3, per resolution adopted during consideration of 461 Quatsino report on page 37 of the 19 February 2019 agenda, and clarify instructions to staff by resolution.

1. Recommendations (Alternatives a, b or c)

- a. **THAT R3-C Mixed Use Social Housing Zone and Official Community Plan Amendment Bylaw No. 1934, 2018 be amended at Second Reading; with Clause (2) revised to read:**

Kitimat Official Community Plan, Schedule D Future Land Use (Northern Area) map, is hereby amended to show subject parcel on Schedule A, which is attached to and forms part of this bylaw, as “Neighbourhood”; and

OCP Policy 4.3.3 is hereby amended to read: “Preserve the diversity of housing types (e.g., single houses and multi-unit housing such as duplexes, row houses, apartments, and condominiums), lot sizes and price ranges by ensuring that infill and new development supports housing choice. Kitimat should monitor housing diversity over time and adopt policies should the need arise in the future for affordable, rental and special needs housing”;

and

FURTHER THAT deliberations of R3-C Mixed Use Social Housing Zone and Official Community Plan Amendment Bylaw No. 1934, 2018 proceed on the basis that OCP Policy 4.3.3. reads:

Preserve the diversity of housing types (e.g., single houses and multi-unit housing such as duplexes, row houses, apartments, and condominiums), lot sizes and price ranges by ensuring that infill and new development supports housing choice. Kitimat should monitor housing diversity over time and adopt policies should the need arise in the future for affordable, rental and special needs housing.

OR

- b. **THAT wording of OCP Policy 4.3.3 be amended in conjunction with consideration of Density Benefit Policy OCP Amendment Bylaw No. 1933, 2018;**

and

FURTHER THAT Deliberations of R3-C Mixed Use Social Housing Zone and Official Community Plan Amendment Bylaw No. 1934, 2018 proceed on the current (unamended) wording of OCP Policy 4.3.3.

OR

- c. **THAT wording of OCP Policy 4.3.3 is amended in a stand-alone OCP Amendment Bylaw to read:**

Preserve the diversity of housing types (e.g., single houses and multi-unit housing such as duplexes, row houses, apartments, and condominiums), lot sizes and price ranges by ensuring that infill and new development supports housing choice. Kitimat should monitor housing diversity over time and adopt policies should the need arise in the future for affordable, rental and special needs housing.

and

FURTHER THAT Deliberations of R3-C Mixed Use Social Housing Zone and Official Community Plan Amendment Bylaw No. 1934, 2018 proceed on the current (unamended) wording of OCP Policy 4.3.3.

2. Background and Staff Comment

On 19 February 2019, during debate of a report titled "Technical Issues Update for R3-C Mixed Use Social Housing Zone and Official Community Plan Amendment Bylaw No. 1934, 2018" (i.e., 461 Quatsino) Council added a clause to the recommended motion to strike sentence "As Kitimat currently has a significant inventory of both vacant, rental and affordable housing, there is no requirement for municipal programs to increase the availability of housing in these categories in the next five year" from OCP Policy 4.3.3. Motion R19-053 was adopted as amended. Despite Council's Resolution, Policy 4.3.3 reads as follows until it is amended by bylaw following full statutory procedure and consultation:

4.3.3 Preserve the diversity of housing types (e.g. single houses and multi-unit housing such as duplexes, row houses, apartments, and condominiums), lot sizes and price ranges by ensuring that infill and new development supports housing choice. As Kitimat currently has a significant inventory of both vacant, rental and affordable housing, there is no requirement for municipal programs to increase the availability of housing in these categories in the next five years. Kitimat should monitor this over time and adopt policies should the need arise in the future for affordable, rental and special needs housing.

Background and Staff Comment, cont'd

The purpose of this report is to determine whether consideration of that amendment should proceed with OCP Amendment Bylaw 1933 (Density Benefits), Amendment Bylaw 1934 (461 Quatsino) or as a stand-alone amendment bylaw. Each has implications for existing processes.

If Council wishes to consider Bylaw 1934 on the basis of a revised OCP Policy 4.3.3, the appropriate course of action is to amend OCP policy concurrent with Bylaw 1934. Bylaw 1934 can be amended at Second Reading to add a clause amending OCP Policy 4.3.3. The statutory process must then be repeated, including agency referrals, public consultation, consideration of financial plan and waste management plan, and a revised public notice. The public hearing scheduled for 4 March would be cancelled, and a new date set that accommodates referrals and additional consultation. Recommendation (a) would initiate this approach.

If Council wishes to continue with Bylaw 1934 without further changes to OCP Policy, either of the options given as Recommendation (b) or (c) would be appropriate.

The two possibilities outlined under Recommendation (b) and (c) consider OCP Policy 4.3.3 amendments in conjunction with Density Benefit Policy OCP Amendment Bylaw No. 1933 or as a stand-alone OCP amendment bylaw. Each approach is discussed below.

- a. Density Benefit Bylaw 1933 has received First Reading. Referral agencies were confirmed by Council on 19 February. There is sufficient time to revise the bylaw to address changes to OCP Policy 4.3.3 before notice of public hearing is issued. Public Hearing is scheduled for 1 April 2019.
- b. Stand- alone OCP Amendment Bylaw would allow Council to consider this amendment independently. It would also allow time for the District to review all current housing policies, should Council wish to consider further updates to the OCP. This is a larger project, but would ensure alignment of the OCP with Council's upcoming strategic plan objectives, and could also incorporate recommendations from the proposed 2019 Housing Action Plan. A co-ordinated housing review may be the best way to revise housing policy; particularly the need for early and on-going consultation, complexity, expected level of public and developer interest, and agency referral requirements.

It is reasonable to update OCP Policy 4.3.3, but is not essential to do this before considering R3-C Mixed Use Social Housing Zone and Official Community Plan Amendment Bylaw No. 1934. The OCP was adopted in 2008, when the housing situation in Kitimat was different than today. The local housing market underwent a period of rapid change and low vacancy rates during the Rio Tinto Alcan Modernization project, and a new era of change arrived in early October 2018 with a final investment decision (FID) by LNG Canada. The Kitimat housing market was very different after that 1 October 2018 FID announcement. Policy changes to reflect volatility may be appropriate. There may not be a need for the municipality to supply rental, affordable and accessible housing, but it is appropriate for municipal policies to encourage these types of housing to be provided by the market, senior government agencies and the non-profit sector.

Background and Staff Comment, cont'd

If Council proceeds with either Recommendation options (b) or (c), Council must give consideration to Bylaw 1934 with OCP policies as they presently stand, and as they stand at time of consideration of final adoption. Council should not consider Bylaw 1934 in anticipation of an OCP amendment that has not completed the statutory process. At present, staff anticipate Bylaw 1934 would be considered prior to other possible OCP amendments and therefore Policy 4.3.3 should be considered with the "five year" (from 2008) sentence in place.

3. Budget Implications


Cancelling the Public Hearing of Bylaw 1934 scheduled for 4 March 2019 would require second set of published notices at cost of approximately \$4500.



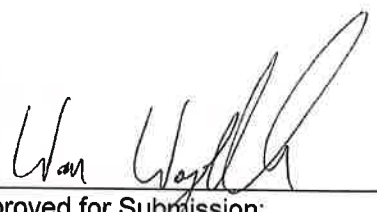
Dir. of Finance

4. Alternate Motion

Motion as determined through Council debate.



Submitted by:
Gwendolyn Sewell, MCIP, RPP
Director of Community Planning & Development



Approved for Submission:
Warren Waycheshen,
Chief Administrative Officer