



STAFF REPORT TO COMMITTEE

DATE OF REPORT January 20, 2025

MEETING TYPE & DATE Electoral Area Services Committee Meeting of February 5, 2025

FROM: Development Services Division
Land Use Services Department

SUBJECT: Application No. RZ24A02 (746, 750, 754, 760, and 766 Handy Road and 2673 and 2691 Mill Bay Road, PIDs: 001-293-605, 000-697-770, 001-293-648, 001-293-613, 001-293-630, 001-293-621, 001-349-325)

FILE: RZ24A02

PURPOSE/INTRODUCTION

The purpose of this report is to introduce a Zoning Bylaw and Official Community Plan (OCP) amendment application for the properties located at 746, 750, 754, 760, and 766 Handy Road and 2673 and 2691 Mill Bay Road (PIDs: 001-293-605, 000-697-770, 001-293-648, 001-293-613, 001-293-630, 001-293-621 and 001-349-325).

The applicant proposes to amend the Zoning Bylaw and OCP to permit the development of two apartment buildings (122-139 units) and four blocks of townhouses (22 units) on these parcels to be consolidated.

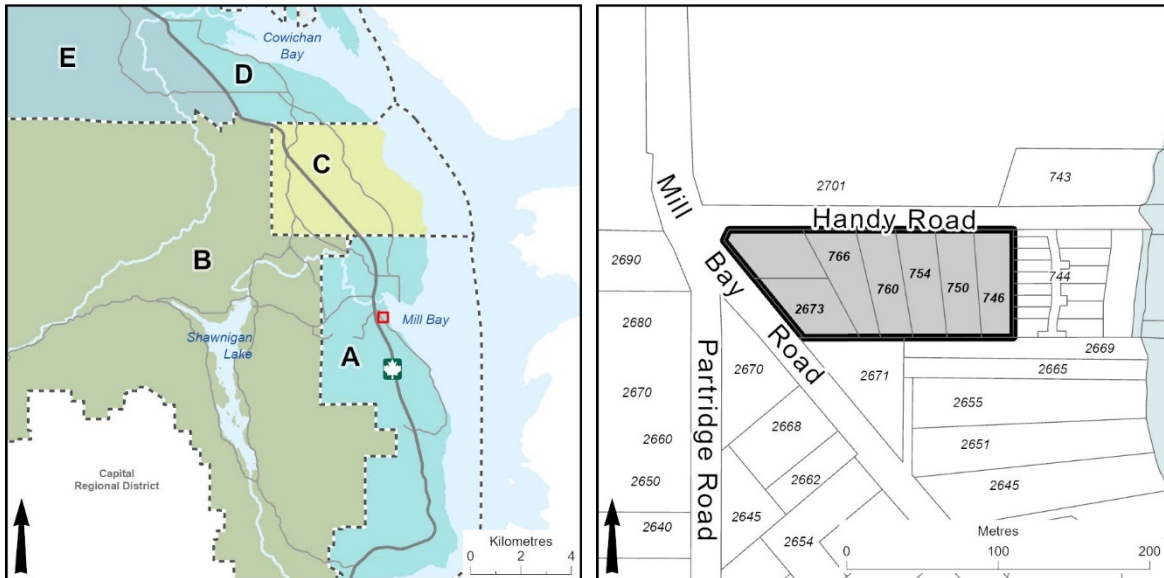
RECOMMENDED RESOLUTION

That it be recommended to the Board that Application No. RZ24A02 (746, 750, 754, 760, and 766 Handy Road and 2673 and 2691 Mill Bay Road, PIDs: 001-293-605, 000-697-770, 001-293-648, 001-293-613, 001-293-630, 001-293-621, 001-349-325), be referred to the following external agencies and First Nations:

1. Ministry of Transportation and Transit;
2. Ministry of Land, Water, and Resource Stewardship:
 - a. Water authorizations (water licensing);
 - b. Ecosystems (*Water Sustainability Act*); and
 - c. Fish Habitat (RAPR);
3. BC Hydro;
4. Cowichan Valley School District (School District 79);
5. Electoral Area A – Mill Bay/Malahat Advisory Planning Commission;
6. Electoral Area A – Mill Bay/Malahat Parks Advisory Commission;
7. Cowichan Tribes;
8. Ts'uubaa-asatx First Nation;
9. Stz'uminus First Nation;
10. Tsawout First Nation;
11. Tsartlip First Nation;
12. Pauquachin First Nation;
13. Tseycum First Nation;
14. Te'mexw Treaty Association; and

15. Malahat Nation.

LOCATION MAP



BACKGROUND

The subject properties are within Electoral Area A - Mill Bay/Malahat. They are within the Mill Bay Village and adjacent to the Mill Bay Marina. The site is next to Brentwood College to the north, Mill Bay Shopping Centre to the west, townhouses and Mill Bay Marina to the east, and properties with detached dwellings to the south. The site comprises seven parcels; six of which are currently occupied by older single detached dwellings. Six of the properties are currently zoned R-3, and one, 750 Handy Road, is zoned R-3A.

A development is proposed to be built on the above properties, proposed to be consolidated, with a total site area of about 1.2 ha. It would include four blocks of 3-storey townhouses (22 units) and two 5-6 storey apartment buildings (122-139 units), along with an underground parkade, surface parking areas, a courtyard and landscaping throughout the site.

Frontage improvements are also being proposed or considered, such as new pedestrian paths along Handy Road and a pedestrian crossing of Mill Bay Road at Handy Road to connect to the adjacent Mill Bay Shopping Centre and the bus stop. The development concept plans can be found in Attachment C.

POLICY AND REGULATION CONSIDERATIONS

Official Community Plan:

The site is presently designated “Residential” in the Official Community Plan Schedule L, and “Village Residential” in the Area A Local Area Plan. The lands are within the Growth Containment Boundary. Desired density is not specified in the Village Residential designation. The land use designation for the site in the proposed draft Modernized OCP (Bylaw 4373) is Village Residential,

which allows a density between 25 and 50 units per hectare. The MOCP also places the site in the Central Mill Bay Comprehensive Development Special Study Area.

OCP Land Use Policies:

4.10.1.1 Provide a wide range of housing and lifestyle options for various stages of life and different community lifestyles, as the community demographics continue to change.

4.10.2.4 Encourages development of multi-family housing in a manner that is clustered and is not disruptive to the environment and existing adjacent human-made structures.

4.11.1.1 Supports the provision of water and sewer services that will meet the needs of existing residents within settlement nodes and protect public health and the natural environment.

4.13 Encourages roadside paths and infrastructure for pedestrians and cyclists.

LAP Policies:

1.9.17.1 Provide an affordable housing option in Mill Bay Village.

2.9.18.1 Considers development variances for siting to preserve views or natural features.

Development Permit Areas:

The subject properties are currently subject to the following Development Permit Areas (DPAs): DPA-1 Riparian Protection, DPA-4 Aquifer Protection, and DPA-5 Wildfire Hazard. The OCP would need to be amended to include this site in DPA 10 Multi-Family Residential Development and DPA-13 Energy and Water Conservation; Green House Gas Emissions.

South Cowichan Zoning Bylaw No. 3520:

The R-3 Zone - Village Residential allows primarily single-family dwelling use, with the R-3A Zone also permitting parking and office uses; both zones also allow a number of accessory uses. The property at 750 Handy Road is currently in office use for the Mill Bay Marina.

Service Areas

The properties are within Mill Bay Waterworks District, Mill Spring Sewer System and Mill Bay Fire Service Area.

COMMISSION / AGENCY / DEPARTMENTAL CONSIDERATIONS

The application was referred to internal divisions and the Mill Bay Waterworks District, and preliminary comments have been received (Attachment E).

Key feedback includes:

Mill Bay Waterworks

Mill Bay Waterworks District does not have any excess water for this development. The developer would have to source its own potable/fire-fighting water supply and construct all of the on-site and

off-site infrastructure to connect to the District. The developer and the District have yet to enter into talks for an agreement for future water connections.

Environmental Services

The Mill Bay Waterworks District relies on water from Aquifer 206 (Mill Bay). The 2017 Preliminary Groundwater Budgets for Cobble Hill and Mill Bay notes that there is a strong deficit in Aquifer 206. As such, this community water supply stress issue should be addressed prior to proceeding with the development.

Parks & Trails Division

The Parks and Trails Master Plan identifies a roadside pathway/walkway along Handy Road. The roadside pathway would ideally be located on the south side of Handy Road along the frontage of the development and connect to a future roadside pathway along Mill Bay Road.

A public amenity contribution towards the Electoral Area A Mill Bay/Malahat Parks capital reserve fund should be considered as part of this rezoning proposal, given the development will increase demand for local parks services.

Building Division

The buildings will need to be equipped with sprinkler systems and served with multiple fire hydrants and tall ladder fire trucks. The Fire Department has no concern with these requirements.

Sewer (CVRD Utilities)

The seven properties within this application have been included within the Mill Springs Sewer Service area, and have purchased 25 sewer service capacity units. Further review will be required to determine required wastewater capacity for this project.

Transit

The proposed controlled pedestrian crossing along the Mill Bay Road & Handy Road intersection and roadside path along Handy Road would support better access to transit service.

External Agency Referrals:

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

- Ministry of Transportation & Transit
- Ministry of Land, Water, and Resource Stewardship
- Electoral Area A – Parks Advisory Commission (PAC)
- First Nations
- BC Hydro
- Electoral Area A – Advisory Planning Commission (APC)
- Cowichan Valley School District (School District 79)

First Nations:

Nations that may have interests within the area, according to Provincial mapping, include:

- Cowichan Tribes
- Te'Mexw Treaty Association
- Tsawout First Nation
- Tseycum First Nation
- Tsartlip First Nation
- Malahat Nation
- Stz'uminus First Nation
- Ts'uubaa-asatx First Nation
- Pauquachin First Nation

PLANNING ANALYSIS

The development concept is in line with the current OCP and LAP as outlined above. There has been a long history in Mill Bay of infill developments being supported in areas close to the Mill Bay Centre. The location is suitable for density increase sought by this rezoning application, which would permit higher density, multi-unit dwellings such as apartments and townhouses, and set basic zoning parameters such as setback, height, coverage, etc.

The concept design of the project seeks to fit the buildings with the shape of the land and provide connection with and separation from surrounding areas. Building volume and height decrease towards the waterfront. The proposed new walking paths and crosswalks help to improve walkable connection with Mill Bay Marina, Mill Bay Shopping Centre and public transit. Other contributions to enhance public amenity will be considered and negotiated through the subsequent review and referral processes. A Traffic Impact Assessment (Attachment D) is provided to support the proposed development. While the report indicates no significant impact on traffic, some technical perimeters and parking recommendations will need to be refined in the subsequent review process.

The site is within a number of Development Permit Areas (DPAs). A number of preliminary technical reports have been provided to address these as well as environmental, geotechnical and drainage aspects of the development. The reports indicate that the development is feasible and detailed technical issues will be addressed in the DP application process. To implement detailed design, it is recommended that the Official Community Plan be amended to include the site in relevant Form and Character DPAs.

Through the initial referral process, new water supply has been identified as critical to the development. In a broader context, new water source is a major constraint for denser future development in the Mill Bay Village area. The site is included within the Central Mill Bay Comprehensive Development Special Study Area of the MOCP. The purpose of the Special Study Area is to better understand development constraints, including new potable water sources. Resolving the water supply issue will require coordinated efforts among multiple property owners and the local community that have an interest in the underlying aquifer. Certainty in water supply for the development and community and First Nations support for the new water source should be considered a prerequisite for final approval of this rezoning application.

The applicant is working with Brentwood College on a new well drilled on their property. The water licence will require Mill Bay Waterworks District to be a co-applicant, and will require an agreement to expand the water system. Further study of water quantity, quality and impact on the aquifer will be conducted through that process.

It is recommended that the application proceed to the next stage, which includes referral to external agencies. The Board may choose to hold a public information meeting after external feedback has been received.

Once the stage above is completed, staff will prepare a report to the Board for consideration of next steps in the application process which may include presentation of draft amendment bylaws. Optionally, as discussed above, given the importance of water supply to new developments in this area, the Board may choose to postpone decision on the amendment bylaws until a comprehensive development plan for the Central Mill Bay Special Study Area has been completed and adopted into the MOCP.

OPTIONS

Option 1 (Advance the application to external referral):

That it be recommended to the Board that Application No. RZ24A02 (746, 750, 754, 760, and 766 Handy Road and 2673 and 2691 Mill Bay Road, PIDs: 001-293-605, 000-697-770, 001-293-648, 001-293-613, 001-293-630, 001-293-621, 001-349-325), be referred to the following external agencies and First Nations:

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12. Pauquachin First Nation;
13. Tseycum First Nation;
14. Te'mexw Treaty Association; and
15. Malahat Nation.

Staff recommend Option 1.

Option 2 (Request additional information):

That it be recommended to the Board that staff report back with additional information regarding the application as required by the Board prior to advancing the application.

Option 3 (Deny the application):

That it be recommended to the Board that Application No. RZ24A02 (746, 750, 754, 760, and 766 Handy Road and 2673 and 2691 Mill Bay Road, PIDs: 001-293-605, 000-697-770, 001-293-648, 001-293-613, 001-293-630, 001-293-621, 001-349-325), be denied.

Prepared by:



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Manager



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

Resolution:

Corporate Officer

Financial Considerations:

Corporate Financial Officer

ATTACHMENTS:

Attachment A – Background Table

Attachment B – Rationale Letter

Attachment C – Development Concept Plans

Attachment D – Traffic Impact Assessment

Attachment E – Preliminary Referral Comments