

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Planning and Community Development Committee – September 6, 2018

AUTHOR: Andrew Allen, Manager, Planning and Development

SUBJECT: APPROACH TO CANNABIS LEGALIZATION

RECOMMENDATIONS

THAT the report titled Approach to Cannabis Legalization be received;

AND THAT Zoning Amendment Bylaw Nos. 310.183 and 337.117 be forwarded to the Regular Board meeting of September 6, 2018 for First Reading and Second Reading;

AND THAT public hearings be waived pursuant to Section 464 of the *Local Government Act*;

AND THAT Zoning Amendment Bylaw Nos. 310.183 and 337.117 be forwarded to the Ministry of Transportation and Infrastructure for approval, pursuant to Section 52 of the *Transportation Act*;

AND THAT upon completion of notice of waiving public hearing and *Transportation Act* approval, Zoning Amendment Bylaw Nos. 310.183 and 337.117 be forwarded to the Board for Third Reading and Adoption;

AND FURTHER THAT Procedures and Fees Bylaw No. 522 be amended to establish fees for:

- a) \$4,275, where an application is made to rezone property where cannabis production or retail is proposed to occur, and;
 - b) \$3,275, for review and response to a retail cannabis license application in a permitted zone.
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BACKGROUND

The SCRD Board adopted the following recommendation on July 26, 2018:

237/18 **Recommendation No. 10** *Cannabis Legalization – Bylaw Amendments*

The Infrastructure Services Committee recommended that the report titled Cannabis Legalization – Bylaw Amendments be received;

AND THAT; WHEREAS once the *Cannabis Act* is in effect, existing cannabis production and retail facilities may attempt to claim legal non-conforming status;

RESOLVED THAT staff prepare bylaw amendments to prohibit the production and retail of commercial (*non-medicinal*) cannabis being established as a lawful use in Residential and Rural zones;

AND THAT the work be completed on a schedule that would allow for adoption prior to the *Cannabis Act* implementation;

AND THAT staff amend Bylaw 310 and Bylaw 337 language around the terms Marijuana and Medical Marijuana to reflect the upcoming regulatory regime;

AND THAT definitions of Horticulture and Home Occupation be amended as necessary to reflect the main motion;

AND FURTHER THAT staff report to a future Committee meeting on public engagement processes in consideration of providing production and retail opportunities in locations and to the degree acceptable to the community, including opportunities presented by the Bylaw 310 Review Process.

DISCUSSION

Process for Adoption of Zoning Bylaw Amendments Prior to Cannabis Act Implementation

The *Cannabis Act*, and in particular legalization of non-medical cannabis is set to come into force on October 17, 2018. Pursuant to the Board resolution to adopt amendments to zoning bylaws prior to this date options are provided in this report. An expedited approach could include opting out of referrals to advisory committees, First Nations, and a public information meeting. Approval from Ministry of Transportation and Infrastructure (MOTI) is required pursuant to Section 52(3)(a) of the *Transportation Act* as the zoning bylaws affect areas within a radius of 800m from the intersection of a controlled access highway with any other highway. One part of expediting the bylaw amendment process involves the consideration of the public hearing. There are two options to consider; one is to waive the public hearing and the other is to hold a public hearing immediately before or after a Regular Board meeting.

Waiving of Public Hearing

Section 464 (2) of the *Local Government Act* permits waiving of a public hearing on a proposed zoning bylaw if an official community plan is in effect for the area that is subject to the zoning bylaw and the bylaw is consistent with the official community plan. Official community plans for the five electoral areas are currently in effect for the areas subject to the two zoning bylaws. The current zoning bylaws have a number of regulations pertaining to cannabis production. The proposed zoning amendment bylaws are intended to further regulate the production and retail of cannabis in residential and rural areas. The bylaws are not attempting to limit the general land use patterns as identified within land use designations of the OCP's, nor do OCP's provide specific direction on production and retailing of cannabis. The previous bylaw amendments which established the production facilities within select zones in each bylaw were also previously considered to be consistent with the respective OCP's. Therefore, the proposed bylaws are consistent with the general intent of the OCPs, and Section 464 (2) is applicable.

Public Hearing in Association with Board Meeting

The other option is to hold a public hearing in conjunction with a board meeting. The Board can hold a public hearing prior to its regular meeting and without further notice adopt or defeat or recommend changes which do not alter the use or density. If the public hearing is a delegated hearing then either staff or one of the delegated Board members can provide a report to the remainder of the Board. This is not routine SCRD practice, however the procedure is outlined within Section 470 of the *Local Government Act*. There are certain conditions to consider, including the specific start time of the public hearing and its relation to other previously scheduled board and committee meetings and whether the public hearing will be delegated or convened by the Board as whole.

There are factors to consider in the decision to either hold or waive the public hearing. Holding a public hearing can be seen as increasing the accountability of the decision making process. However, if the intent is to “close the door” on cannabis production and retail on an interim basis, and open it again later, it is then during the process of “re-opening of the door” where public participation will occur and be most effective.

Section 467 of *Local Government Act* requires an advertisement in two consecutive newspapers to indicate that a public hearing will be held or waived, and the last publication must not be less than 3 days and not more than 10 days before the bylaw is given third reading.

Proposed Zoning Bylaw Amendments

Current Provisions Pertaining to Cannabis Production or Retail

In both zoning bylaws, “marihuana production facility” is defined as a facility used for the cultivation, processing, testing, destruction, packaging and shipping of marihuana as permitted under federal legislation. The definition does not distinguish between medical and non-medical purposes, or define the scale of production. At the time of the bylaw amendments the Board chose not to distinguish a difference between medical and non-medical as the regulatory regime was continually evolving. Initial bylaw amendments were focused on medical production, however it was recognized that non-medical production was also a potential future issue.

Currently within Zoning Bylaw No. 310, cannabis production is permitted within I7 zone, specific parcels within I1 and I5B zones and AG and RU2 zones only for parcels exceeding 8 hectares in size. In Zoning Bylaw No. 337, cannabis production is permitted in RU2 and RU3 zones for parcels exceeding 8 hectares only. However, in terms of production, cannabis may potentially be considered by a property owner as part of a horticulture operation, which is permitted in all zones in both bylaws. It may also be considered to be part of a home based business or home occupation which is permitted in all zones in Bylaw 337 and most zones in Bylaw 310. It can also potentially be argued to be a part of an agriculture or garden nursery operation which is permitted in several rural zones.

“Retail” is not defined in either bylaw, therefore according to zoning language a retail facility can include the sale of cannabis. Retail is permitted in various zones in both bylaws. The retailing of cannabis can also potentially be part of horticultural, agricultural or garden nursery product sales.

Terminology in the bylaws that may relate in some way to cannabis production or retail include the definitions for “horticulture”, “greenhouse”, “garden nursery”, “agriculture”, “agricultural building”, “agricultural product sales”, “horticultural product sales”, “home occupation” and “home based business”.

Recommended Amendments

Based on the above overview of current provisions in the zoning bylaws, to implement the Board’s motion to prohibit non-medical cannabis production and retail in residential and rural zones, a number of zoning amendments are recommended. The proposed amendment bylaws can be found in Attachments A and B to this report.

To reflect the terminology for “cannabis” which is used in federal and provincial legislation, the words “marihuana” and “marijuana” in both bylaws should be replaced by “cannabis”. There is one reference in the I5B zone in Bylaw 310, which refers to “medical marihuana” in respect to building siting. It is also recommended this be amended to refer to cannabis.

To distinguish between medical and non-medical (commercial or recreational) cannabis, definitions should be added for both terms:

- Cannabis, medical means cannabis used for medical purposes and that has the authorization of healthcare practitioners under the *Access to Cannabis for Medical Purposes Regulations* or *Cannabis Act*.
- Cannabis, non-medical means cannabis that is not used for medical purposes and does not have the authorization of healthcare practitioners under the *Access to Cannabis for Medical Purposes Regulations* or *Cannabis Act*.

In the respective general use provisions sections of each bylaw, a new provision could be added to prohibit cannabis production and retail for non-medical purposes in all residential and rural zones. This is a broad provision to set the overall regulation for non-medical cannabis production and retail in terms of where it is not permitted.

To prevent cannabis production or retail being interpreted as part of other permitted uses in these zones, such as horticulture, home occupation, garden nursery, parcels over 8 hectares in a RU2 zone, etc., an additional provision should also be added that states that non-medical cannabis production or retail being part of other permitted uses in these zones should also be prohibited. This additional provision will override any existing provisions and definitions that may be interpreted as permitting cannabis production or retail. With this additional provision in place, it is unnecessary to amend other definitions such as “home occupation” and “horticulture”.

Public Participation: Short-Term Management of Cannabis Production and Retail Opportunities

Following adoption of the proposed bylaw amendments, SCRD may receive an application to amend the provisions of a residential or rural zone to add cannabis production or retail as a permitted use through a rezoning process.

In such cases, if an application is received, the legislated processes for zoning bylaw amendment (and, if required, an official community plan bylaw amendment) would be enacted. This would entail a report to the SCRD Board, referral to advisory committees, external agencies, a public information meeting and a public hearing. This process would fulfill the requirements set by Liquor and Cannabis Regulation Branch (LCRB) for gathering residents' views. Based on the anticipated level of attention attracted by such an application and the additional time required for correspondence with LCRB, staff recommend that a fee of \$4,275 be established for rezoning and/or official community plan amendment applications involving cannabis. The current rezoning application fee is \$2,400 (or \$2,900 if joint with an OCP amendment). Bylaw amendment fees have not increased in several years and staffing, advertising and venue booking fees have steadily increased. Consideration will be given to all fees identified within Procedures and Fees Bylaw No. 522, however it is anticipated that cannabis-related bylaw amendments will involve more staff time than an average application. This fee increase assumes an additional 15 hours of professional planning time and an additional 5 hours of administrative time beyond an average rezoning application. This is consistent with similar jurisdictions.

SCRD could also receive a notice of application as a referral from LCRB related to a provincial retail license to sell cannabis in a commercial zone, where it would be a permitted use. Upon receiving a notice of application, staff recommend that a report be made to the Board for direction on whether to respond. Non-response would "end a license application in progress because the LCRB cannot issue a license unless the local government gives the LCRB a positive recommendation that the license be issued" (Source: [Local Governments' Role in Licensing Non-Medical Cannabis Retail Stores](#), Province of BC website).

Should the Board direct staff to proceed with responding to the notice of application, a public participation process to gather residents' views will be required. This can be accomplished through a zoning bylaw amendment, if applicable. However, if the zoning does not need to be changed there should still be a process to gather community input. Staff recommend that a public information meeting be conducted, which includes elements similar to a public hearing, such as notification and the opportunity to receive written comments. Acknowledging that the time and resources required for such a process would be similar to a rezoning process involving cannabis with the exception of the formal public hearing, staff recommend that a fee of \$3,275 be levied for review of an application for a provincial cannabis retail license. This fee reflects the cost of a similar work flow, minus public hearing advertising costs.

Public Participation: Planning for Future Cannabis Production and Retail Opportunities

An opportunity exists to integrate a public feedback opportunity for cannabis production and retail zones within the review of Zoning Bylaw 310. As the second, broad-reaching public participation phase for this project will be initiated in Q4 2018, this integration can be accomplished seamlessly. A need to plan for legalized cannabis has already been identified during Phase 1.

Example opportunities include:

- Within the home-based business focus area, specific questions related to zoning for home-based businesses involving cannabis production and sales can be posed.
- Questions relating to retail in commercial areas (e.g. how many stores? Distances from other uses?) can be posed.

Results from this work can be considered in the context of further provincial regulations such as the rural retail licensing framework, once released. Feedback received will be analyzed and can guide recommendations for possible further topic-based and/or area-based public participation. Consideration will be made of the differences between Bylaw 310 and Bylaw 337 and that Bylaw 310 is presently under review whereas Bylaw 337 is not.

Staff will report as directed to a future Committee with analysis and recommendations.

Organizational and Intergovernmental Implications

The bylaws must be referred to the Ministry of Transportation and Infrastructure. Ministry approval is required prior to adoption of the bylaws.

The proposed approach for the bylaw amendments has been reviewed by SCRD legal counsel.

Financial Implications

Fees for rezoning applications involving cannabis uses and for review of a retail cannabis license application are proposed. Demand on staff resources and other further financial implications will be monitored.

Timeline for next steps or estimated completion date

In order to meet the tight timeline for enacting the bylaws, it is recommended the bylaws be forwarded to the September 6, 2018 regular Board meeting for first and second readings, followed by referral to MOTI and advertising for waiving of a public hearing. Upon completion of advertising and MOTI approval the bylaws will be forwarded to the Board for third reading and adoption. Subject to receiving a timely response from MOTI, the bylaws may be adopted at the October 11, 2018 Regular Board meeting.

Further analysis on planning for future cannabis and production retail opportunities is anticipated to be brought forward in early part of 2019 as the review of Zoning Bylaw 310 continues and as the provincial government continues to establish the rural area regulatory framework.

Communications Strategy

The advertising for waiving of the public hearing will be published in a local newspaper, and information related to the bylaws and the waiving of public hearing will be posted on the SCRD website.

STRATEGIC PLAN AND RELATED POLICIES

The following SCRD Strategic Plan objectives and success indicators relate to the subject of this report:

- Incorporate land use planning and policies to support local economic development.

CONCLUSION

In preparation for cannabis legalization in October 2018, this report provides an approach on how SCRD regulations and processes can respond to the new legislation.

This report recommends zoning bylaw amendments to further regulate cannabis production and retail in residential and rural areas, and provide public participation strategies for short-term management and future planning for cannabis production and retail. Necessary procedures to enact the bylaws within timeline prior to the cannabis legalization are also recommended.

Fees for planning services related to cannabis-related land use applications/referrals are proposed.

Attachments

Attachment A – Proposed Zoning Amendment Bylaw 310.183, 2018

Attachment B – Proposed Zoning Amendment Bylaw 337.117, 2018

Reviewed by:			
Manager	X – A. Allen	Finance	
GM	X - I. Hall	Legislative	X - A. Legault
CAO	X - J. Loveys	Other	X - Counsel

**SUNSHINE COAST REGIONAL DISTRICT
BYLAW NO. 310.183**

A bylaw to amend *Sunshine Coast Regional District Zoning Bylaw No. 310, 1987*.

The Board of Directors of the Sunshine Coast Regional District, in open meeting assembled, enacts as follows:

PART A – CITATION

1. This bylaw may be cited as *Sunshine Coast Regional District Zoning Bylaw No. 310.183, 2018*

PART B – AMENDMENT

2. *Sunshine Coast Regional District Zoning Bylaw No. 310, 1987* is hereby amended as follows:
 - i. Replace the words “marijuana”, “marihuana” and “medical marihuana” with “cannabis” throughout this bylaw.
 - ii. Add the following new definitions in Section 201:
 - a. “cannabis, medical” means cannabis used for medical purposes and has the authorization of healthcare practitioners under the *Access to Cannabis for Medical Purposes Regulations* or *Cannabis Act*,
 - b. “cannabis, non-medical” means cannabis that is not used for medical purposes and does not have the authorization of healthcare practitioners under the *Access to Cannabis for Medical Purposes Regulations* or *Cannabis Act*,
 - iii. Insert the following new section immediately following Section 510:

Non-medical Cannabis Production and Retail

511 Notwithstanding any other provisions of this bylaw:

(1) Non-medical cannabis production facilities and retail are prohibited in:

- (a) Residential Zones including R1, R1A, R2, R2A, RM1, RM2, RM3, CD1 and CD3 Zones; and
- (b) Rural Zones including CR1, CR2, RU1, RU1A, RU1B, RU1C, RU1D, RU2, RU2A, AG, RU4, RU4A, RU4B, RU5 and RU5A Zones.

(2) For certainty, non-medical cannabis production facilities and retail are not permitted within any use permitted within the following zones:

- (a) Residential Zones including R1, R1A, R2, R2A, RM1, RM2, RM3, CD1 and CD3 Zones; and
- (b) Rural Zones including CR1, CR2, RU1, RU1A, RU1B, RU1C, RU1D, RU2, RU2A, AG, RU4, RU4A, RU4B, RU5 and RU5A Zones.

PART C – ADOPTION

READ A FIRST TIME this	####	DAY OF MONTH ,	YEAR
READ A SECOND TIME this	####	DAY OF MONTH ,	YEAR
PUBLIC HEARING HELD PURSUANT TO THE LOCAL GOVERNMENT ACT this	####	DAY OF MONTH ,	YEAR
READ A THIRD TIME this	####	DAY OF MONTH ,	YEAR
APPROVED PURSUANT TO SECTION 52 OF THE TRANSPORTATION ACT this	####	DAY OF MONTH ,	YEAR
ADOPTED this	####	DAY OF MONTH ,	YEAR

Corporate Officer

Chair

**SUNSHINE COAST REGIONAL DISTRICT
BYLAW NO. 337.117**

A bylaw to amend *Sunshine Coast Regional District Area A Zoning Bylaw No. 337, 1990*.

The Board of Directors of the Sunshine Coast Regional District, in open meeting assembled, enacts as follows:

PART A – CITATION

1. This bylaw may be cited as *Sunshine Coast Regional District Area A Zoning Bylaw No. 337.117, 2018*.

PART B – AMENDMENT

2. *Sunshine Coast Regional District Area A Zoning Bylaw No. 337, 1990* is hereby amended as follows:
 - i. Replace the words “marijuana” and “marihuana” with “cannabis” throughout this bylaw.
 - ii. Add the following new definitions in Section 201:
 - a. “cannabis, medical” means cannabis used for medical purposes and that has the authorization of healthcare practitioners under the *Access to Cannabis for Medical Purposes Regulations* or *Cannabis Act*,
 - b. “cannabis, non-medical” means cannabis that is not used for medical purposes and does not have the authorization of healthcare practitioners under the *Access to Cannabis for Medical Purposes Regulations* or *Cannabis Act*,
 - iii. Insert the following new section immediately following Section 519:

Non-medical Cannabis Production and Retail

520 Notwithstanding any other provisions of this bylaw:

- (1) Non-medical cannabis production and retail are prohibited in:
 - (a) Residential Zones including RS1, R1, R1A, R1B, R2, R2A, R3, R3A, R3B, R3C, RM1, RM2, RM3, CD1, CD2, CD3 and CD5 Zones; and
 - (b) Rural Zones including CR1, RU1, RU1A, RU1B, RU1C, RU1D, RU2, RU2A, RU3, RU4 and RU5 Zones.

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Planning and Community Development Committee – September 6, 2018

AUTHOR: Yuli Siao, Senior Planner

SUBJECT: POTENTIAL FOR A TEMPORARY MOVABLE SMALL HOME PILOT PROJECT IN RURAL AREAS

RECOMMENDATION(S)

THAT the report titled Potential for a Temporary Movable Small Home Pilot Project in Rural Areas be received;

AND THAT a report be provided to the Committee in Q1 2019 with regard to:

- a) a pilot project plan to implement temporary use permits for temporary small movable homes, proposed to have a duration of three years, focus on auxiliary dwellings, and include a cap of 20 permits per electoral area per year reviewed annually;
- b) amendments to Zoning Bylaw Nos. 310 and 337 and Procedure and Fees Bylaw No. 522;

AND FURTHER THAT this report be referred to SCRD Advisory Planning Commissions and Vancouver Coastal Health for comment.

BACKGROUND

The SCRD Board adopted the following recommendation on February 22, 2018:

075/18 **Recommendation No. 2** *Temporary Housing Pilot Project Delegation*

THAT staff report to a Planning and Community Development Committee meeting in Q3 2018 with regards to the potential for a Temporary Movable Small Home Pilot Project in Rural Areas.

This report analyzes different aspects of this proposal and potential impacts on the SCRD's land use planning, service and operation, and recommends an approach to implement the proposed pilot project to be further developed for implementation.

DISCUSSION

A proposal for a temporary housing pilot project was presented to the Board through a delegation on February 8, 2018 (Attachment A). The proponent requested the SCRD to consider a pilot project for issuing temporary use permits for small movable homes as secondary dwellings on residential parcels. This type of home could include recreational vehicles (RV), mobile homes, small, movable and habitable structures known as tiny homes, or other similar structures.

The intent of the pilot project as proposed is to:

- provide an option to help address the affordable housing challenge on the Sunshine Coast;
- test the feasibility and impact of this type of housing on rural areas;
- obtain feedback from the community; and
- help to shape possible permanent policies and regulations.

In response to this proposal, the following sections provide an overview of potential implications of such a project on SCRD's policies, regulations, services and operations and a potential strategy to implement the project.

Potential to Provide Affordable Housing

This proposal arose from the urgent need for affordable housing on the Sunshine Coast. It is one of many possible solutions to the housing challenges discussed in recent community consultations on housing, particularly within a series of public information meetings conducted by the SCRD regarding Official Community Plan (OCP) policies to support the development of affordable housing. A past staff report indicates that there are a substantial number of residential parcels eligible for building an additional dwelling. Secondary dwellings offer the potential to improve housing affordability for both home owners and renters. However, the cost to build a conventional dwelling can be high. A prefabricated tiny home, mobile home or recreational vehicle may be a more affordable solution. The cost of these small structures is substantially lower than a permanent dwelling, and they are movable and relatively easy to set up. They can provide a quick, inexpensive and temporary housing solution. The small, movable and low-cost nature of these structures also make them suitable for a pilot project to test whether or not this type of housing can be a viable solution for providing affordable housing, as well as its feasibility, acceptance in the community and impact on infrastructure and the rural environment.

Testing Potential Zoning Regulations

During the community consultation on policies to support affordable housing, the minimum dwelling building width (6m) required in some zones, such as the R1 zone was identified as one of the technical barriers for constructing smaller, more affordable houses, especially as auxiliary dwellings. Most tiny homes have a width less than 6m and therefore not permitted as a dwelling unless a development variance permit is granted. A pilot project for temporary infill tiny homes could allow this type of housing without a development variance permit, and can gather information on how it can integrate with the neighbourhood.

The focus of the pilot project is for the infill of an individual tiny home as an auxiliary dwelling on individual parcels, rather than cluster development of multiple tiny homes on a single parcel. Cluster housing development will require different zoning regulations and different criteria on layout, design, utility and infrastructure, and therefore is beyond the recommended scope of the project. Lessons from the pilot project may be applied to future cluster-style applications or research projects.

Building Bylaw Implications

SCRD Building Bylaw 687 allows the issuance of a building permit for a prefabricated small structure like a tiny home, as long as it is set on a permanent foundation, meets Building Code requirements, and complies with the zoning bylaw.

Bylaw 687 also allows issuing temporary building permits for temporary buildings or travel trailers (such as RVs) without a permanent foundation for a period of up to 12 months. Such permits may be renewed up to four times for a maximum of five years in total. The buildings and structures proposed by the pilot project are considered temporary buildings and therefore these provisions of Bylaw 687 can accommodate these structures if they also comply with any other applicable regulations of the Bylaw, the BC Building Code and the zoning bylaw.

Potential Implications for Infrastructure and Servicing

Where an auxiliary or secondary dwelling is permitted within the zoning bylaw, the type of building (either conventional built or prefabricated) for such a dwelling makes no significant difference in the dwelling's demand for water supply, drainage, sewage treatment, waste disposal, fire protection, electricity, transportation, and other utilities and services. Instead, the size and number of infill dwellings and the number of occupants will drive the demand for these services. If a tiny home pilot project generates a great number of temporary infill dwellings within a short period of time, then it may have an impact on servicing and infrastructure.

Potential Implications for Sewage Disposal and Drinking Water

Vancouver Coastal Health (VCH) provided a letter of support for the pilot project subject to a number of considerations. VCH recommends that a tie-in to an existing sewerage system with appropriate modifications for increase in capacity is the best solution in dealing with sewage disposal of the infill home. Where an on-site sewerage disposal system is inappropriate due to site conditions, VCH accepts installation of a holding tank on a case by case basis and subject to filing of a maintenance contract. Drinking water must be provided from either a permitted water system (e.g. SCR D water system) or a private well or surface water source with granted license for the use for the removable home or the entire property.

Potential Implications for SCR D Staff Resources

The small home pilot project will result in an increase in the issuance of temporary use permits and potentially bylaw compliance requests related to this type of housing in the community, and thus increase demand for SCR D staffing resource in processing permits, investigating complaints, enforcing conditions of the permits and monitoring the progress of the project.

Potential Implementation Strategy

Temporary Use Permit

A temporary use permit is a regulatory tool authorized by the *Local Government Act* to allow a use that is not permitted by a zoning bylaw on a temporary basis. A temporary use permit may specify the conditions under which the temporary use may be carried on. An official community plan or a zoning bylaw may designate areas where temporary uses may be allowed.

Based on the above analysis, there is a potential to apply temporary use permits as a tool to facilitate a pilot project.

In order for the project to proceed, Bylaws 310 and 337 must be amended to designate temporary use permit areas specifically for temporary small infill homes, and include specific terms and conditions for the use.

To ensure that the temporary dwellings meet the goals of the project and technical requirements, the following specific provisions for the temporary use permit may be considered:

- Create and define a brief and easily understood term specifically for temporary movable small homes that are proposed in the pilot project. The term “tiny home” is recommended, as it captures the essence of this type of structure and has been widely used and understood.
- Only one tiny home is permitted on a parcel where more than one dwelling is permitted and the tiny home counts towards the maximum total number of permitted dwellings.
- A width less than 6m for a tiny home is permitted.
- A building permit or a temporary building permit must have been granted for the tiny home.
- If the tiny home is to be placed within a development permit area, a development permit must have been granted for the tiny home.
- Approval from VCH must have been granted on sewerage system or holding tank and drinking water system.
- The tiny home must not be used for short-term vacation rental or tourist accommodation purposes.
- The tiny home should be intended to provide an affordable housing choice for property owners and renters.
- The tiny home must comply with all other applicable provisions of the zoning bylaw.
- A fee must be paid for processing the permit application regardless whether or not it will be approved.
- A deposit must be paid to incentivize the removal of the tiny home at the end of the permit term.

Procedures and Fees Bylaw

To implement temporary use permits, the Planning and Development Procedures and Fees Bylaw 522 is also recommended for amendment to include provisions for fees, deposits, application procedures and approval conditions. Staff would prepare recommended application fees as part of proposing bylaw amendments.

Monitoring

As discussed in above sections, monitoring is critical to this pilot project. Monitoring will be carried out, especially by the building, planning, bylaw enforcement and infrastructure divisions. Information will be gathered with respect to the allocation pattern of permits, demographics of participants, complaints, change in water usage, community feedback, and so forth. SCR D can also invite housing experts and stakeholders to participate in community consultation and monitoring efforts.

Managing the Scale

Staff recommend an incremental approach in implementing the project while carefully monitoring the impacts and public reception. The SCR D should establish a cap for the number of permits that can be issued. The project should begin with a small cap, such as 20 permits per electoral area per year. Based on the initial result of project monitoring and assessment of impact on SCR D infrastructure and servicing, the cap can be gradually adjusted. It is recommended that any pilot project be limited to a 3-year term. An annual report on the project should be provided to the Board for review and direction. At the end of the project term, based on monitoring result and feedback, the Board can terminate the project, or make further decisions on specific provisions and potential regulations for small movable homes.

Public Participation

The pilot project plan should be refined through a public participation process. This is recommended to include referrals Advisory Planning Commissions, the Sunshine Coast Housing Committee and Vancouver Coastal Health to refine project parameters. As part of the bylaw amendment process, referral of specific amendments to agencies and Advisory Planning Commissions would occur, and public information meeting(s) and public hearing(s) would take place related to amending the zoning bylaws.

Organizational and Intergovernmental Implications

If the pilot project is implemented, it may have implications for SCR D infrastructure and servicing, and on external agencies as discussed in this report. Staff will monitor the implications and include the results in project reporting.

Financial Implications

If the pilot project is implemented, it may have financial implications on SCR D infrastructure and servicing. These will be reviewed and reported annually.

Timeline for next steps or estimated completion date

If the Board decides to proceed with the recommendation of this report, the processes for bylaw amendments related to the project will proceed for first reading in Q1 2019.

Communications Strategy

If the Board decides to proceed with the recommendation of this report, a communication strategy will be prepared.

STRATEGIC PLAN AND RELATED POLICIES

The following SCRD Strategic Plan objectives and success indicators relate to the subject of this report:

- Collaborate with community groups and organizations to support their objectives and capacity.
- Land use policies and regulations are supporting affordable housing.

The subject of this report is also aligned with the following land use principles of the Regional Sustainability Plan: 'We Envision' for the Sunshine Coast:

We envision complete, compact, low environmental-impact communities based on energy-efficient transportation and settlement patterns.

CONCLUSION

In response to the proposal for a temporary small movable home pilot project, this report analyzes various aspects of the proposal and their implications for the SCRD. It is feasible to implement this project and the basic parameters for project design and an implementation strategy are provided for consideration.

On Board direction, staff will report to a Committee in Q1 2019 with a pilot project plan to implement temporary use permits for temporary small movable homes and amendments to Zoning Bylaw Nos. 310 and 337 and Procedure and Fees Bylaw No. 522.

The pilot project is recommended to be 3 years, focus on temporary small movable homes as auxiliary dwellings and include a cap of 20 permits per electoral area per year. These recommendations will be refined through the public participation process.

Attachments

Attachment A – Temporary Housing Solution – Pilot Project Proposal

Reviewed by:			
Manager	X – A. Allen	Finance	
GM	X – I. Hall	Legislative	
CAO	X – J. Loveys	Other	

Temporary Housing Solution - Pilot Project Proposal

Submitted by Pam Robertson

This proposal was created through the process of the LEAP program sponsored by Community Futures. I entered the program with the intention to source out a viable way to build a tiny house community specifically to aid in the housing crisis. There were many twist and turns but in the process this idea was born. The end of the program required us to deliver our ideas to the community. I believe that there is an appetite for this kind of a pilot project, as evidenced by the selection of my work as the “People’s Choice” award that I received at the LEAP Launch 2018 event.

This proposal is presented as a possible temporary solution for the housing crisis on the Sunshine Coast. This is a **pilot project requesting that the SCRD consider issuing a specific Temporary Use Permit allowing property owners the ability to have a temporary secondary home, subject to existing Land Use policies**. The temporary secondary home will include recreational vehicles or small temporary mobile/relocatable and Micro housing structures built to applicable regulatory standards and building codes. For example, RV tiny houses (built to CSA Z240 RV specifications), Park Models (built to CSA Z241 specifications), shipping containers or buildings on skids.

This is a request for a **pilot project** created with consideration to the SCRD’s staff’s recent review showing the 90% underutilized properties that are zoned for a secondary dwelling. This represents approximately 2200 properties in the regional district rural areas, and there are many more eligible properties outside of these areas, which have the capacity to accommodate a temporary secondary dwelling. In community discussions the question of how to incentivize Smart Growth-oriented infill building has come up repeatedly, given current building costs. I believe this pilot would encourage that. We are asking that the Temporary Use Permit be in effect for a period of three to four years. This will give a substantial time frame for assessments to be created, monitored and reviewed, to determine the successes or any setbacks of the project.

This project will provide property owners, the ability to have a properly licensed and certified Recreational Vehicle or an equivalent mobile building set up on their property. This will give opportunity to have a trial period of a secondary dwelling, to determine the decision to move forward in the future to a permanent structure, or with the opportunity for neighbor input, renew the Temporary Use Permit. This is an immediate temporary solution for displaced members of the community, which can accommodate them during the wait period for the municipalities to decide on and to construct more permanent housing solutions. It also is a safety net for displaced people, preventing homelessness.

Potential considerations could include insulating the unit from the Short-Term Rental market through the TUP stipulations or other means, as well as ensuring the units meet existing density, setback and other Official Community Plan or Bylaw regulations.

This pilot project will hopefully remove the “underground” building and RV residences that are rampant across the Sunshine Coast and will protect the property owners and the occupants and neighbors of these illegal dwellings. This will also ease some of the stress associated with having an illegal RV or other type of unauthorized dwelling that exists right now, potentially alleviating some of the mental health risks of unstable housing situations, putting the community at peace.

This would also require a permit issued by VCH allowing a septic solution for the temporary housing. Attached to this information page is the letter from the Vancouver Coastal Health Authority giving its support for this pilot project

The primary implementation of a temporary housing septic installation, will be to create a RV hook up to the existing septic field. These will be assessed and signed off by a qualified engineer, thus eliminating the need for a separate septic field. This will all be assessed prior to the permit application, to determine the needs of the property and placement of the temporary housing. Should the temporary housing need to be placed in a location that is not conducive to connecting to the existing septic, it will need a temporary holding tank.

The manufactured fiberglass holding tank will be installed by a knowledgeable septic installation company. There will be a contract drafted and signed between the holding tank installation company and the property owner and the holding tank will be included in a scheduled waste removal system.

On completion of the pilot project, if the outcome is favorable and there is a permanent allowance of these temporary secondary dwellings, the holding tanks will be converted into approved (engineered) septic field systems. If the outcome is unfavorable, and will not proceed into a permanent situation, the holding tanks will be removed by the responsible installation company. This will be included in the original contract.

It will be only a matter of time before the government embraces the tiny house movement. There have been other municipalities who are close to recognizing tiny or micro homes, and are infilling their urban areas with them. It would be great to have this in place, thus having a proactive approach to what has become a North American wide issue. I have included below, some information about provinces and states who are close to accepting RV tiny homes and Micro homes as full-time residences.

<http://www.cbc.ca/news/canada/newfoundland-labrador/tiny-home-subdivision-stephenville-1.4480928>

<http://www.cbc.ca/news/canada/newfoundland-labrador/tiny-home-subdivision-stephenville-1.4480928>

<http://www.oregon.gov/bcd/committees/Pages/hb2737.aspx>

It is requested that the staff report back at the next planning and development committee meeting, and that this be viewed as an urgent matter, moving towards the next piece of the affordable housing spectrum. Thank you for your consideration and I look forward to the opportunity to discuss this with you at your committee meeting.

Pamela Robertson
PR Housing Solutions & Robertson Safety Solutions
748 Creekside Crescent
Gibsons, BC V0N1V9

RE: Letter of Support for Housing Infill Proposal and Sewage Considerations

Ms. Robertson:

Our office has received your request for a letter of support for your pilot project to allow housing infill in areas of the SCR D zoned for a second dwelling. I can offer the following comments:

Housing as a Social Determinant of Health

VCH has already provided comment on the importance of diverse housing options for communities. Using existing zoning bylaw structures and lowering barriers for homeowners to access this opportunity is an effective way to promote an increase in density. This has been identified by the recent SCR D OCP bylaw amendment.

Providing diverse housing options and tenure types is known to have a positive impact on general physical and mental health in a variety of ways. Specifically, by increasing the availability of small, affordable housing units, the Regional District can help serve vulnerable populations in the region.

During the development of criteria for these housing units, VCH recommends that the proposed housing units:

- Are used for long term tenants only.
- Are constructed from quality, high-efficiency materials and fixtures.
- Are available at the low-mid range of market value.
- Are subject to SCR D Building Inspection.

Sewage Disposal

VCH recommends that on-site sewerage disposal systems be installed with these units wherever possible. A tie-in to an existing sewerage system with appropriate modifications for increase in capacity is the best solution for this proposal. This work must be completed in accordance with the Sewerage System Regulation (SSR) by an Authorized Person as defined by Section 7 of the Regulation.

In the event that an on-site sewerage disposal system is deemed inappropriate, VCH will accept applications for the installation of a holding tank on a case by case basis. The criteria in the VCH Holding Tank guideline apply. The application must also include:

- A maintenance plan, including frequency of pumping and maintenance provider.
- A signed and sealed letter from a qualified sewerage professional or engineer stating that the circumstances do not support installation of a Type 1, 2, or 3 sewerage system or connection to an existing system.
- A proposed date when the holding tank will be removed from service. If the housing arrangement is to continue, the dwelling will be converted to an on-site sewerage system in accordance with the process outlined in the SSR.

Drinking Water

Drinking water must be provided from an approved source. This includes a permitted water system (ie. SCR D water system) or a dedicated source serving only the housing unit (ie. a private well or surface water supply). Disinfection is recommended for all surface sources. Suggestions and recommendations for private water supplies can be given upon request.

VCH supports this pilot project given the above noted considerations. We look forward to working with you in the future.

If you have any questions regarding this letter, please contact the undersigned.

Sincerely,



Chris Morse, C.P.H.I.(C)
Environmental Health Officer
Vancouver Coastal Health
604-885-8701