

Report

City of Merritt
REGULAR Council Meeting
June 30, 2020

File Number: 3900.2284

To: Scott Hildebrand, Chief Administrative Officer
From: Don McArthur, Planning Manager
Date: June 24, 2020
Subject: Zoning Bylaw No. 2284, 2020

RECOMMENDATION:

THAT Council give First Reading to Zoning Bylaw No. 2284, 2020.

And

THAT Council give Second Reading to Zoning Bylaw No 2284, 2020.

And

THAT Council direct staff to schedule a Public Hearing.

Executive Summary:

The proposed Zoning Bylaw No. 2284, 2020 (Attachments A, B and C) is intended to aid in the creation of additional housing options for current and future residents, provide more flexibility for business owners, and help attract development and investment to the community.

The content of this new Bylaw is markedly different than the previous edition, though the general layout has largely been maintained, along with some figures and language. This staff report summarizes the changes made to each Part, which collectively form a modernization of development regulations in Merritt (For a detailed listing of revisions, please see Attachment D).

It is important to note that the Zoning Bylaw is a working document and can be amended by Council, as necessary. Staff intend to make note over the coming year of any needed Zoning Bylaw revisions and bring a report to Council with a list of recommended amendments, following the adoption of the new Official Community Plan.

Background:

Staff conducted a review of the current Zoning Bylaw in December 2019 and January 2020. An initial list of over 300 potential amendments to modernize the Bylaw were identified. Instead of proposing a lengthy amendment bylaw, staff proposed revising the Bylaw in its entirety.

To save costs on hiring a consulting firm to revise the Bylaw, staff were tasked with reviewing and rewriting the Bylaw. Normally, the development of a new Zoning Bylaw would take up to one year to complete. Due to several potential developments, which hinge on modernized development regulations, staff set a goal to complete the Bylaw update before the summer of 2020.

While the Bylaw update has been led by Planning and Development Services department staff, important contributions have been made by staff from other City departments, including Corporate Services, Public Works, Fire Department, Communications and Economic Development, Recreation and Facilities, Finance, and Community Policing.

Developers, planning consultants, and real estate agents also provided feedback through a consultation process that began in March. Workshops were held at the Civic Centre on March 5th and 12th.

Summary of revisions:

Part 2 Interpretation

The General Definitions section has been extensively revised. The existing definitions were modified for clarity, many new definitions were developed to provide guidance on existing uses and additional definitions were created for new uses and subject matter. Furthermore, language was added to help direct readers to the correct definitions or regulation sections.

Part 3 Enforcement

The content of the Enforcement section has not changed dramatically. The Prohibition regulations have been revised for clarity and the Penalties section has been edited to be more concise.

Part 4 General Regulations

Part 4 and Part 5 of the current Bylaw were merged into one section to provide a more streamlined document. The existing regulations were revised for clarity and to reduce

barriers to development. New regulations were also developed for several topics to provide direction for residents and developers.

Several existing sections were extensively revised to provide clarity and guidance for residents and developers.

A table was added to Section 4.11- *Siting Exceptions and Projections* which outlines the distance that a part of a building or a free-standing structure is permitted to extend into a parcel setback. The list of types of projections was also expanded to provide clarity for residents and developers.

Section 4.14 - *Fences* was overhauled to provide clear and concise regulations for the installations of fences on residential, commercial, industrial and institutional properties. Additionally, the *Visibility* section (4.15), which provides guidance on the height of structures within the sight triangle on corner parcels, has been moved to follow the *Fences* section, as these two sections are inter-related.

Section 4.16 - *Accessory Buildings* is much more concise than the regulation contained in the current Bylaw. Additionally, a provision that allow sheds for garden tools or bicycle storage in the front yard has been added, provided that the shed is a maximum of 1.25 metres (4 feet) in height and screened by a fence, hedge row or another means. This added front yard shed regulation is intended to aid front yard gardening and cycling within the city, activities that are aligned with current policy development. The Active Transportation Plan, and an Assessment of Food Security are both currently being developed.

The Shipping Containers section in the current Bylaw does not provide clear regulations on the use of such containers. Also, there are currently no safety regulations in the Zoning Bylaw for the use of shipping containers, which can be dangerous if not altered to reduce the risk of explosion. The newly developed regulations (Section 4.19) have been informed by recommendations from the Fire Chiefs' Association of BC and the Merritt Fire Department. The proposed regulations would continue to prohibit Shipping Containers for storage purposes in multi-family zones and the City Centre due to the risk of fire spread in these dense areas. They would also be prohibited for storage purposes in the newly created Tourist Commercial (C2) zone. Shipping containers would be permitted in all zones as buildings, or components of buildings, if converted to meet *BC Building Code* regulations.

The Home-based Businesses (4.32), Bed and Breakfast (4.33) and Secondary Suites (4.35) sections have all been overhauled to provide clarity for residents and to reduce barriers.

The Detached Secondary Dwellings section, 4.36, has also been revised. Infill housing, and carriage and laneway homes would create additional housing options for residents within the city. While the proposed revisions to this section are important to enable this housing form, proposed revisions to development regulations, including parcel coverage and setbacks, in the R1, R1A and R2 zones are also crucial.

In addition to the revisions to existing General Regulations sections, several new sections were developed to provide clarity and guidance for residents and developers.

The new sections are outlined in Table 1:

Table 1: New General Regulations Sections	
New Section	Importance or Benefit
4.4 Non-conforming Uses	Provides clarity for residents
4.5 Discretionary Uses	Provides the ability to expand the list of uses in each zone, and reduces the necessity of site-specific rezonings
4.8 Parcel Access	Provides clarity for residents on the number, dimensions, and location of driveways
4.10 Pie Parcels	Creates a distinction between Panhandle and Pie parcels, which increases clarity
4.12 Tall Buildings	Provides safety regulations for buildings of six storeys or more
4.17 Swimming Pools	Provides safety regulations, and siting and screening requirements, for pools
4.23 Party Wall Agreements	Provides direction on how to regulate the maintenance of Semi Detached and Townhome Dwellings that share a common wall
4.26 Density Bonuses	Provides incentive for developers to include amenities and/or affordable housing in their Multiple Unit Dwelling developments
4.27 Height Bonuses	Provides incentive for developers to include amenities, rental housing, affordable housing, affordable commercial and/or design elements in their High Density residential or mixed-use commercial developments
4.34 Short-Term Rentals	Creates regulation for Short-Term Rentals (AirBnB, VRBO, etc)
4.37 Backyard Hens	Reduces existing Animal Control Bylaw regulation for having backyard hens
4.38 Beekeeping	Reduces existing Animal Control Bylaw regulation for having backyard beehives

Part 5 Parking and Loading

The Parking and Loading section has been revised to provide clear regulation for vehicle, bicycle and motorcycle parking within the city. Parking reduction measures

have also been revised or added to provide more flexibility for business owners and developers.

Section 5.8 *Public Benefit Parking Reduction* has been added as an incentive to developers that provide community amenities, affordable housing or special needs housing within their development.

A City Centre Parking Reduction (outlined in Section 5.9) is being proposed to reduce the parking requirements for residential development in the City Centre. This proposed regulation is intended to assist in the revitalization of downtown and to encourage the construction of much needed multi-family housing in the community.

The Pay in Lieu of Parking section, 5.10, has been revised. The Strata Parcel Residential (R6), Medium Density Residential (R7) and High Density Residential (R8) zones have been added, and the in-lieu payment requirements have been lowered. Additionally, the City Centre fee schedule has been revised. Currently, there is no maximum on the number of parking spaces that can be eliminated in the City Centre for \$1 per space. The new proposal will allow developers to not provide the first 25% of required spaces for \$1, but the required payment in lieu would increase as the proportion of spaces not provided increased.

In lieu of providing the required number of off-street vehicle Parking Spaces on Parcels in the City Centre Parking Zone, as illustrated in Figure 5.2, an owner may provide to the City a sum of money, for deposit to the City's Active Transportation and Parking Infrastructure Reserve Fund, in the amount of \$1.00 per space for up to a 25% reduction, an additional \$100.00 per space for up to an additional 25% reduction, and an additional \$1,000.00 per space for any additional reduction beyond 50% of the total Parking Spaces required.

The vehicle parking requirements for residential zones have generally been reduced (see Attachment A, Table 5.16). Commercial and industrial zone vehicle parking requirements have also been reduced, with the intention of reducing the financial and spatial burdens of constructing excessive amounts of parking spaces for businesses.

Parking reductions would need to be accompanied, in the near future, by measures to diversify transportation options within the community. Importantly, the City of Merritt is currently developing an Active Transportation Plan, which will identify priorities and provide recommendations on implementing a cycling network and bicycle parking infrastructure.

Part 6 Landscaping and Screening

The Landscaping and Screening section of the Bylaw has been simplified. The proposed regulations are intended to provide clear and concise guidance on the implementation of landscaping for multi-family residential, commercial and industrial parcels within the city.

Importantly, the requirement of xeriscaping (the planting of drought tolerant, native species) has been retained (see Figure 1), as has the prohibition of cedars, which require excessive watering and pose a fire hazard. The permitted use of compact evergreen hedges has also been eliminated, which was recommended by the Fire Department as a key FireSmart measure. Non-compact hedge rows have been permitted in place of compact evergreen hedges (see Figure 2).

Figure 1: Xeriscaping



Figure 2: Non-compact Hedgerow



Part 7 Zoning Districts

The zoning district regulations, including the regulations for subdivision and site development, have been modernized to encourage housing construction, mixed use commercial development, light industrial business attraction, and City Centre revitalization.

The list of permitted uses for each zone has been expanded to provide more housing options for residents, more flexibility for business owners, and more incentive for developers and investors to choose Merritt as the location of their next project.

Discretionary Use has been added, which will provide additional use options in many zones, while providing staff the ability to direct the development of uses to appropriate locations and reduce the number of site-specific rezonings and variances.

The list of permitted and discretionary uses for Quilchena Avenue has been refined, so that over time the city's "main street" can transition from the primarily government and support services location that it currently is to the shopping and dining destination that the City Centre desperately needs.

Multiple Unit Apartment and Multiple Unit Townhome have been added as Secondary Uses in the Regional Commercial (C3) and Corridor Commercial (C4) zones in order to enable the construction of mixed use developments along the Voght St and Nicola Avenue corridors.

A new zone, Tourist Commercial (C2), has also been created to enable the development of hotel/ residential developments and encourage the improvement of

motels that are in a state of disrepair. Instituting policies and regulations that will encourage the improvement of housing conditions within the city is a key priority.

Regulations have also been developed for several zones which provide incentives for developers to construct Near Market (~90% of market rate), Subsidized (~70% of market rate) and Essential (~50% of market rate) housing. These regulations are intended to assist in the creation of additional housing options for young families and seniors.

To make the document easier to use, the zones have been re-ordered and renumbered. The zones are now arranged from low to high density/ intensity, as shown in Table 2:

Table 2: Zoning Districts			
Proposed Codes	Proposed Names	Existing Codes	Existing Names
AR1	Agricultural	AR1	Agricultural
R1	Single Family Residential	R1	Single Family Residential
R1A	Large Parcel Residential	R8	Large Lot Residential
R2	Low Density Residential	R2	Low Density Residential
R3	Small Parcel Residential	R9	Intensive Residential
R4	Residential Modular Home	R5	Residential Modular Home
R5	Mobile Home Park	R6	Mobile Home Park
R6	Strata Parcel Residential	R7	Comprehensive Residential
R7	Medium Density Residential	R3	Medium Density Residential
R8	High Density Residential	R4	High Density Residential
RC1	Residential Care Housing	RC1	Residential Care Housing
C1	Recreational Commercial	C6	Commercial Recreation
C2	Tourist Commercial	N/A	(did not exist)
C3	Regional Commercial	C9	Shopping Centre Commercial
C4	Corridor Commercial	C4	Highway Commercial
C5	Neighbourhood Commercial	C1	Neighbourhood Commercial
C6	City Centre District	C2	Central Business District
C7	Service Commercial	C3	Service Commercial
C8	Airport Commercial	C5	Airport Commercial
M1	Light Industrial	M1	Light Industrial
M2	Heavy Industrial	M2	Heavy Industrial
P1	Park and Cemetery	P1	Park, Cemetery, School
P2	Institutional and Public Use	P3	Institutional and Public Use
P3	Post-Secondary Educational	P4	Post-Secondary Educational
FD	Future Development	FD	Future Development
CD01-RC	Comprehensive Development	CD01-RC	Comprehensive Development

The Official Community Plan (OCP) identifies infill housing as a key measure for increasing density within the city. The Zoning Bylaw should reflect the policies outlined in the OCP, but the current Zoning Bylaw is not in alignment with the OCP's infill

housing policies. To enable infill housing, the minimum parcel area, depth and width for subdivision in several zones have been reduced. The current minimum parcel width for subdivision in the R1 and R2 zones ranges from 15 to 21 metres (~50 to 70 feet). Therefore, a parcel must be 30 to 42 metres (~100 to 140 feet) in width for it to be subdivided. There are very few R1 or R2 parcels in the city that are 30 metres in width. Thus, the current Zoning Bylaw regulation prevents subdivision of parcels, and by extension, prevents infill housing. The proposed subdivision regulations are aimed at correcting this inconsistency with the OCP.

Table 3 is a comparison of Merritt existing and proposed minimum parcel widths for subdivision to other Southern Interior cities. The closest comparable zone was selected for each zone in each city.

Table 3: Minimum Parcel Width for Subdivision						
Zone	Merritt (proposed)	Merritt (existing)	Kamloops	Vernon	Kelowna	Penticton
R1 (Single Detached)	9-11.0 m	16-21.0 m	11-15.0 m (RS4 zone)	10-14.0 m (R4 Zone)	12-15.0 m (RU2 Zone)	9.1-15 m (R2/3 zones)
R1 (Semi Detached)	18-21.0 m	N/A	18.0 m (RT1 zone)	10-14.0 m (R4 Zone)	18-20.0 m (RU6 Zone)	9.1-22 m (RD1/2 zones)
R1A (Single Detached)	15-18.0 m	16.5-20 m	15-16.5 m (RS1 zone)	10-14 m* (R4 Zone)	15-17.0 m (RU1 Zone)	16-18.0 m (R1 zone)
R1A (Semi Detached)	18-21.0 m	N/A	18.0 m (RT1 zone)	10-14 m* (R4 Zone)	18-20.0 m (RU6 Zone)	15-22.0 m (RD1 zone)
R2 (Single Detached)	9-11.0 m	15.0 m	11-15.0 m (RT3 Zone)	7.6-10 m (RST1 zone)	13-15.0 m (RU6 Zone)	9.1-15 m (R2/3 zones)
R2 (Semi Detached)	18-21.0 m	18.0 m	18.0 m (RT3 Zone)	7.6-10 m (RST1 zone)	18-20.0 m (RU6 Zone)	9.1-22 m (RD1/2 zones)
R3 (Single Detached)	7.5-9.0 m	10-15.0 m	11-15.0 m* (RT3 Zone)	7.6-10 m (RST1 zone)	7.5-9.5 m (RU7 Zone)	9.1-10.5 m (RD3 zone)
R3 (Semi Detached)	12-15.0 m	10-15.0 m	18.0 m* (RT3 Zone)	7.6-10 m (RST1 zone)	7.5-9.5 m (RU7 Zone)	9.1-10.5 m (RD3 zone)

* denotes no directly equivalent zone exists

While minimum parcel widths for subdivision vary widely depending on the city and zone, in general, the current Merritt minimum parcel widths for subdivision are greater than other cities in the Southern Interior. The proposed minimum parcel widths for subdivision would bring Merritt into alignment with the comparison cities.

The site development regulations, including density, setbacks, height and parcel coverage, have also been revised to enable the development of housing and commercial and industrial businesses.

Merritt has a limited supply of developable land. For the city to grow, neighbourhoods will need to have additional density through the development of infill housing, carriage homes, townhomes, and apartments/ condominiums. To meet the housing needs of current and future residents, regulations must be revised to enable the creation of these diverse housing forms. Densification has the added bonus for the City of Merritt and taxpayers of providing a higher amount of property tax revenue per square hectare than

low density single family residential. This is crucial in regard to infrastructure development and maintenance and the setting of property tax rates.

Table 4 provides a comparison of Merritt existing and proposed densities to other Southern Interior cities. The closest comparable zone was selected for each zone in each city.

Table 4: Maximum Density for Multiple Unit Dwellings						
Zone	Merritt (proposed)	Merritt (existing)	Kamloops	Vernon	Kelowna	Penticton
R2 (Townhomes)	60/ha (24/acre)	N/A	33/ha* (RM1 zone)	48-60/ha (RM1 zone)	No limit (RM2: FAR 0.65)	No limit (RM2: FAR 0.8)
R3 (Townhomes)	90/ha (36/acre)	N/A	75/ha (RM2 zone)	60-75/ha (RM2 zone)	No limit (RM3: FAR 0.75)	No limit (RM2: FAR 0.8)
R6 (Townhomes)	90/ha (36/acre)	N/A	75-125/ha* (RM2/RM2A zones)	100-125/ha (RH2 zone)	No limit (RM5: FAR 1.1-1.4)	No limit (RM5: FAR 2)
R6 (Condos)	90/ha (36/acre)	N/A	75-125/ha* (RM2/RM2A zones)	100-125/ha (RH2 zone)	No limit (RM5: FAR 1.1-1.4)	No limit (RM5: FAR 2)
R7 (Townhomes)	90/ha (36/acre)	60/ha (24/acre)	75-125/ha (RM2/RM2A zones)	100-125/ha (RH2 zone)	No limit (RM5: FAR 1.1-1.4)	No limit (RM3: FAR 1.6)
R7 (Apartments/Condos)	90/ha (36/acre)	60/ha (24/acre)	75-125/ha (RM2/RM2A zones)	100-125/ha (RH2 zone)	No limit (RM5: FAR 1.1-1.4)	No limit (RM3: FAR 1.6)
R8 (Townhomes)	120/ha (48/acre)	90/ha (36/acre)	No limit (RM3: FAR 5)	160-195/ha (RH3 zone)	No limit (RM5: FAR 1.1-1.4)	No limit (RM3: FAR 1.6)
R8 (Apartments/Condos)	150/ha (60/acre)	90/ha (36/acre)	No limit (RM3: FAR 5)	160-195/ha (RH3 zone)	No limit (RM6: FAR 1.5-2)	No limit (RM4: FAR 2)

* denotes no directly equivalent zone exists

While densities vary widely depending on the city and zone, in general, Merritt's current maximum densities are lower than other cities in the Southern Interior. The proposed maximum densities would bring Merritt closer to the densities of the comparison cities.

Minimum setbacks in residential zones have generally been reduced to enable the development of carriage and laneway homes and to be aligned with *BC Building Code* minimums. Commercial setbacks have been reduced in several zones to enable the development of pedestrian oriented buildings which front the street.

Maximum heights in lower density residential zones have been increased slightly to enable modern 9 or 10 foot ceilings in the principal residence, carriage homes above detached garages, and 4/12 or 5/12 pitched roofs without requiring a variance. Height increases have also been proposed for multi-family and commercial zones, so that development is more financially viable, as outlined in Table 5:

Table 5: Building Heights		
Zone	Proposed Height	Existing Height
Medium Density Residential (R7)	4 storeys (18 metres)	3 storeys (11 metres)
High Density Residential (R8)	Townhome buildings: 4 storeys (18 metres) Apartment buildings: 5 storeys (22 metres)	4.5 storeys (15 metres)
Tourist Commercial (C2)	5 storeys (22 metres)	(zone did not exist)
Regional Commercial (C3)	5 storeys (22 metres)	4 storeys (15 metres)
Corridor Commercial (C4)	5 storeys (22 metres)	4.5 storeys (15 metres)
Neighbourhood Commercial (C5)	4 storeys (18 metres)	2.5 storeys (10.5 metres)
City Centre Commercial (C6)	6 storeys (25 metres)	3.5 storeys (14 metres)

Parcel Coverage maximums have generally been increased to enable the construction of carriage and laneway homes and prevent the need for variances, especially for multi-family residential developments. The ability to use a larger portion of a parcel is also intended to make residential and commercial developments more financially viable, to help meet the city's goal to develop and grow.

Parcel Rezoning

In conjunction with the proposed Zoning Bylaw, several parcels have been identified for rezoning.

The City-owned Claybanks RV Park (1302 Voght Street) is currently zoned Recreational Commercial. Staff propose to rezone the parcels to the new Tourist Commercial (C2) zone. While the new zone will enable the existing use on the site to be retained, it will also provide the City of Merritt flexibility to add additional uses in future, if so desired.

See: Attachment F

The owner of the parcel on Chapman Street, near the corner of Coldwater Avenue, that was part of the former railway right of way, also owns the adjacent parcel at 1801 Coldwater Avenue. The railway parcel acquisition coincided with the owner dedicating land to the City where Chapman Street is located. The owner would like to consolidate the parcels to enable the construction of a multi-family residential building. However, the parcels are not currently the same zoning. The northern parcel is zoned City Centre District while the southern parcel is zoned High Density Residential. Staff propose that the southern parcel at 1801 Coldwater Avenue be rezoned to City Centre District (C6), as illustrated on the Zoning Map.

See: Attachment G

The City is planning to relocate the dog park, so that the Public Works yard facility can be expanded. The City owned parcel on Government Avenue, southeast of the Main Street bridge, has been identified as a potential location for the dog park. However, the

parcel is currently zoned for Institutional and Public Use. Staff propose to rezone the parcel to Park and Cemetery (P1) to enable the creation of the potential new park.

See: Attachment H

The City owned parcel south of the BC Hydro substation, which borders the Nicola River, is currently zoned Agricultural. Staff propose to rezone the parcel, which is rich with flora and fauna, to Park and Cemetery (P1) to preserve the land as a natural conservation area.

See: Attachment I

The parcel at 2502 Spring Bank Avenue, which is currently zoned Agricultural and borders the Nicola River, is being dedicated to the City as part of the development at 2514 Spring Bank Avenue. The parcel consists of the riparian area where development is not permitted. Staff propose to rezone the parcel to Park and Cemetery (P1).

See: Attachment J

Bylaw Updates

As a result of the introduction of the new Zoning Bylaw, numerous other bylaws will require revisions. Staff will bring reports to Council following the adoption of the new Zoning Bylaw to recommend amendments to the other bylaws in order to bring them into concordance. Table 6 lists bylaws that will require amendments.

Table 6: Other Bylaws Which Require Amendment		
<u>Bylaw Affected</u>	<u>Section(s) to be Revised</u>	<u>Related Zoning Bylaw Sections</u>
Animal Control Bylaw	Sections 49 - 64	4.37, 4.38
Building Bylaw	New regulations to be added	4.12
Business Licence Bylaw	New regulations to be added	Mobile Retail Vendor definition; 4.33
Fire and Safety Regulations Bylaw	New regulations to be added	4.12
Mobile Food Concession Business Regulation Bylaw	Bylaw to be eliminated and regulations moved to Business Licence Bylaw	Mobile Retail Vendor definition
Officer and Delegation of Authority Bylaw	No regulation to be added	Development Approving Officer definition
Sign Regulation Bylaw	Section 10(d)	4.32
Soil Deposition and Removal Bylaw	Bylaw needs to be created	4.2
Subdivision and Development Servicing Bylaw	Bylaw to be updated in entirety	4.20
Traffic Bylaw	Section 320	5.2

Options / discussion

1. THAT Council give First and Second Reading to Zoning Bylaw No. 2284, 2020 and direct staff to schedule a Public Hearing; or
2. THAT Council give First Reading to Zoning Bylaw No. 2284, 2020 and make any amendments deemed necessary prior to Second Reading; or
3. THAT Council give First and Second Reading to Zoning Bylaw No. 2284, 2020 and direct staff to conduct further public consultation prior to scheduling a Public Hearing; or
4. THAT Council direct staff to revise all or portions of Zoning Bylaw No. 2284, 2020 prior to further consideration.

Financial / Risk Implications:

N/A

Others Consulted:

- City departments
- Urban Systems
- Developers
- Real estate agents

Attachments:

Attachment A: Zoning Bylaw No. 2284, 2020.
Attachment B: Schedule A Zoning Map
Attachment C: Schedule B Floodplain Map
Attachment D: List of Amendments
Attachment E: PowerPoint Presentation
Attachment F: 1302 Voght Street
Attachment G: 1801 Coldwater Avenue
Attachment H: Government Avenue
Attachment I: Spring Bank Avenue Park
Attachment J: 2502 Spring Bank Avenue

Respectfully submitted,

Don McArthur
Planning and Development Services Manager