

DATE OF MEETING July 14, 2025

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SUBJECT CITY PLAN REVIEW 2025

OVERVIEW

Purpose of Report

To present the 2025 review of City Plan – Nanaimo Relmaged, including a review of housing policy, transit-oriented area policy, supportive housing distribution, and a summary of proposed housekeeping amendments.

Recommendation

That the Governance and Priorities Committee recommend that Council direct Staff to proceed with:

1. Preparing a bylaw to amend “City Plan Bylaw 2022 No. 6600” as outlined in the Staff Report dated 2025-JUL-14; and,
2. Consultation with the Ministry of Transportation and Transit, Snuneymuxw First Nation, District of Lantzville and Regional District of Nanaimo in accordance with Section 475 of the *Local Government Act*.

BACKGROUND

In early 2025, Staff commenced a review of *City Plan* (the City of Nanaimo’s Official Community Plan), as required by the *Local Government Act* (LGA), to ensure *City Plan* policy accommodates 20 years of housing in accordance with the *2024 Interim Housing Needs Report*. The review is also to ensure *City Plan* policy aligns with the “*Transit-Oriented Areas Designation Bylaw 2024 No. 7382*” (which was also required by the LGA). Staff are also proposing minor housekeeping amendments to maps and text in *City Plan* to respond to new information received by Staff from several departments. In addition, a policy related to the distribution of supportive housing is proposed.

City Plan – Nanaimo Relmaged (“*City Plan Bylaw 2022 No. 6600*”) was adopted in July 2022, and provides goals and policies to achieve a green, connected, healthy, empowered, and prosperous city. However, *City Plan* was not meant to be a static document, Section E6 ‘Implementation’ of the Plan states:

“City Plan is also adaptable, understanding that change is inevitable, and there may be a need to amend the Plan to respond to new conditions, circumstances, issues or opportunities. The intent of City Plan is to be visionary – but also be supportive of innovation and new ideas that accelerate progress towards our goals and create a livable and successful community.”

In 2025, a minor review of *City Plan* is underway as outlined in this report, and a comprehensive review of *City Plan* is scheduled for 2030. The comprehensive review in 2030 will be an

opportunity to consider the results of the *Monitoring Strategy* and determine if adjustments to policy are required to accelerate progress toward *City Plan* goals. |

DISCUSSION

The 2025 review of *City Plan* is to respond to LGA requirements to ensure there is policy in place for 20 years of housing need, and to ensure *City Plan* aligns with the “*Transit-Oriented Areas Designation Bylaw 2024 No. 7382*”. As part of this review Staff are also proposing housekeeping amendments, and a policy in response to a recent Council motion regarding distribution of supportive housing.

City Plan Housing Policy and Capacity Review

As required by Section 473.1 of the LGA, *City Plan* was reviewed to ensure it contains policy guidance to support the seven categories of housing need, and to accommodate 20 years of anticipated housing need. The seven categories are: i) affordable housing; ii) family housing; iii) seniors housing; iv) rental housing; v) shelters; vi) special needs housing; and vii) housing in proximity to transportation infrastructure that supports walking, bicycling, and public transit. A consultant was retained to support the review, and they found that *City Plan* already has sufficient policy to address the LGA requirements. The table in Attachment A provides a summary of the seven categories of housing need, and the number of existing policies in *City Plan* related to each housing category. The consultant also concluded that the *Integrated Action Plan* also has actions related to all seven housing categories.

The *2024 Interim Housing Needs Report* states that 23,776 housing units are needed in Nanaimo by 2041. An analysis was completed which reviewed the total remaining housing capacity that can be accommodated in the Urban Centre, Neighbourhood Centre, Mixed Use Corridor, Residential Corridor, and Neighbourhood land use designations in *City Plan* (see Attachment B). The analysis demonstrates that the future land use designations in *City Plan* still have the potential to accommodate approximately 147,000 housing units, which addresses much more than 20 years of housing need. Note that this potential is based on supported density policy, and does not reflect site constraints or site feasibility.

A full analysis has been completed and Staff have concluded that no new policies are required to be added to *City Plan* to address LGA requirements related to anticipated housing need. In 2025 and 2026, Staff will continue to work towards implementing the housing related actions and projects in the *Integrated Action Plan*, (i.e. creation of a new Zoning Bylaw, tenant protections, and Woodgrove Area Plan). A full review of the *Integrated Action Plan* is scheduled for 2026-2027, at which time Staff and Council can recommend new housing related actions and projects to implement the housing policy in *City Plan* to address housing need.

Zoning Bylaw Housing Capacity Review

Also, as part of the new provincial housing legislation, the LGA (Section 481.7) requires that the Zoning Bylaw accommodate 20 years of housing need as estimated in the recent *2024 Interim Housing Needs Report*. A review of the housing capacity allowable within the City’s current Zoning Bylaw was completed and it was determined that the small scale multi-unit housing (SSMUH) *Zoning Bylaw Amendment Bylaw 2024 No. 4500.223* adopted in June 2024 resulted in a net housing unit capacity of 63,976 units. Thus, it has been determined that the allowable capacity

for housing units in the City's current Zoning Bylaw far exceeds the required 20 year housing need estimate of 23,776 housing units. It is worth noting that the review only assessed the change in zoned housing capacity for SSMUH, but there are additional housing development opportunities in other residential zones (i.e. corridor, downtown and commercial centre zones). Staff are working towards an update of the Zoning Bylaw, however for 2025 the current Zoning Bylaw meets the LGA basic requirements related to anticipated housing need.

Distribution of Supportive Housing

At the 2025-MAY-05 meeting Council passed the following motion:

"That Council direct Staff to include draft policy as part of the upcoming City Plan review to encourage the distribution of new supportive housing projects through the community."

The map in Attachment C shows that currently supportive housing is largely concentrated in the centre and south end of Nanaimo. While City Staff have encouraged provincial staff to locate supportive housing in the north end of Nanaimo, to date eligible sites in the north end have not been realized.

The *2024 Interim Housing Needs Report* states that in the next 10 years the City will need 1,217 supportive housing units and 3,355 non-market rental units. It will be important that these housing forms are distributed throughout the City to meet the needs of residents in all of Nanaimo's neighbourhoods. The *2024 Point in Time Count (PIT)* interviewed unhoused residents of Nanaimo, and it was found that most individuals surveyed had long-term ties to Nanaimo and communities on Vancouver Island. "Rather than arriving from elsewhere in search of services, the majority appear to be experiencing homelessness in the community where they already live or have roots." The 2024 PIT data demonstrates that homelessness in Nanaimo is local, and the provision of many forms of subsidized non-market housing is needed throughout all of Nanaimo's neighbourhoods.

To encourage a more equitable distribution of supportive housing throughout the City, Staff recommend the following policy be added to *City Plan* - Section C3.2 "Affordable Housing":

"The City encourages supportive housing to be evenly distributed throughout the City."

This policy in *City Plan* will act as a reminder to all who are involved in supportive housing development that there is a need for this housing form in all neighbourhoods of the City.

Transit Oriented Areas (TOAs) Policy Review

As required by the Province, Council adopted the "*Transit-Oriented Areas Designation Bylaw 2024 No. 7382*" in June 2024, which established an area with a 400 metre radius around the Woodgrove, Country Club, and Vancouver Island University (VIU) bus exchanges as TOAs. The objective of TOAs is to allow increased residential floor area and building height around the bus exchanges to contribute to the goals of transit oriented development. Note that at the time of consideration of the "*Transit-Oriented Areas Designation Bylaw 2024 No. 7382*" Staff held stakeholder meetings to provide information about the provincial requirements for the Woodgrove, Country Club and VIU TOAs.

City Plan also designates the Woodgrove, Country Club, and VIU areas as Secondary Urban Centres, a land use designation that supports the highest concentration of residential density to create complete communities in these areas. However, the specified land area of the three TOAs is somewhat larger than the three Secondary Urban Centres. There are a few parcels in the specified TOA that are not in the Secondary Urban Centre (see Attachment D). To avoid conflicting density and building height policy guidance for these parcels Staff is recommending that the following policy be added to the applicable *City Plan* land use designations to better align with the *LGA* requirements for TOAs:

“For lands designated as Transit-Oriented Areas by the Province, the allowable density (floor area ratio) and height (storeys) are as prescribed in the Local Government Act (and associated regulations). This is notwithstanding site servicing and other City Plan policies must be addressed.”

Adding this proposed policy to the applicable *City Plan* land use designations (i.e. Urban Centre, Residential Corridor, Neighbourhood, Suburban Neighbourhood) will provide clarity regarding the residential density and height that is supported for those parcels that are subject to the “*Transit-Oriented Areas Designation Bylaw 2024 No. 7382*” but are not within the Secondary Urban Centre land use designation. City Plan policies not related to height and density continue to apply to land use designations. This approach respects the intentional planning work that established the *City Plan* future land use designations, while also acknowledging the required Provincial approach to allow specific TOA densities and heights within a 200 metre and 400 metre radius circles around bus exchanges.

Proposed City Plan Housekeeping Amendments

The proposed housekeeping amendments and the rationale for each are outlined in Attachment E. The key proposed housekeeping amendments are:

- Updating Figures 7 and 8 showing greenhouse gas emissions;
- Removing reference to the *Downtown Urban Design Plan and Guidelines* and *Old City Multi-Family Design Guidelines* because these have been integrated into the new *Form and Character Design Guidelines*;
- Clarifying policy guidance related to parcels in the King Road and Calder Road area;
- Adding policy regarding Amenity Cost Charges to reflect this new financial tool for municipalities;
- Improve and update information in City Plan map figures and schedules (see Attachment E).

If Council gives direction to proceed, the proposed text and map amendments will be presented with the City Plan amending bylaw for Council consideration.

Next Steps

The proposed minor amendments to City Plan are:

- No new housing policy is proposed as *City Plan* already accommodates *LGA* requirements related to anticipated housing need and the seven categories of housing.

- One new policy is proposed regarding distribution of supportive housing in response to community concern.
- One new policy is proposed to clarify density and height allowances in the Woodgrove, Country Club and VIU TOAs.
- The text and map housekeeping amendments proposed in Attachment D are minor in nature to improve the accuracy and clarity of *City Plan*.

Initially, Staff anticipated that there may be a need for public consultation in relation to the 2025 review of *City Plan*. However, as outlined in this report the proposed amendments are minor, thus it is Staff's recommendation that a public hearing is sufficient public consultation. If Council proceeds with first and second reading of an amending bylaw, a public hearing would be required prior to final adoption.

When amending an Official Community Plan (*City Plan*), the City must also consider consultation with authorities that may be affected (LGA Section 475). Thus, Staff recommend consultation with the Ministry of Transportation and Transit, Snuneymuxw First Nation, and with adjacent local governments (Regional District of Nanaimo and District of Lantzville) regarding proposed amendments to "*City Plan Bylaw 2022 No. 6600*".

It is recommended that the Governance and Priorities Committee direct Staff to proceed with preparing a bylaw to amend "*City Plan Bylaw 2022 No. 6600*" as outlined in this report, and present the bylaw to Council for consideration.

OPTIONS

1. That the Governance and Priorities Committee recommend that Council direct Staff to proceed with:
 1. Preparing a bylaw to amend "*City Plan Bylaw 2022 No. 6600*" as outlined in the Staff Report dated 2025-JUL-14; and,
 2. Consultation with the Ministry of Transportation and Transit, Snuneymuxw First Nation, District of Lantzville and Regional District of Nanaimo in accordance with Section 475 of the *Local Government*.
 - The advantages of this option: The 2025 City Plan review, to address LGA requirements regarding housing need, is an opportunity to add a transit oriented area policy, a supportive housing distribution policy, and to incorporate necessary housekeeping amendments to improve the accuracy of City Plan.
 - The disadvantages of this option:
 - Financial Implications: Provincial Capacity Funds were used for consulting services to assist with the *City Plan* and Zoning Bylaw housing policy review.
2. That Council provide alternate direction to Staff.

SUMMARY POINTS

- The *2024 Interim Housing Needs Report* states that 23,776 housing units are needed in Nanaimo by 2041. A thorough review revealed that the policy and regulations in *City Plan* and the Zoning Bylaw accommodates this anticipated housing need.
- Also, the review revealed that *City Plan* and the *Integrated Action Plan* have policy and actions in place to address the seven categories of housing need (as required by the Province), and Staff will continue to implement these policies and actions.
- A new *City Plan* policy is proposed regarding the distribution of supportive housing in response to community concern, and a new policy is proposed to clarify density and height allowances in the Woodgrove, Country Club and VIU TOAs.
- Minor text and map housekeeping amendments are also proposed to improve the accuracy and clarity of *City Plan*.
- It is recommended to direct Staff to proceed with preparation of a *City Plan* amending bylaw for Council consideration, and to proceed with consultation with authorities that may be affected.

ATTACHMENTS

ATTACHMENT A: Existing City Plan Policies for the Seven Categories of Housing Need
ATTACHMENT B: Housing Capacity Available in City Plan Future Land Use Designations
ATTACHMENT C: Map of Supportive Housing Sites in Nanaimo
ATTACHMENT D: Links to Transit Oriented Area Maps
ATTACHMENT E: Summary of Proposed City Plan Housekeeping Amendments |

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