

Report

Date	June 6, 2016	File:	ZB000036 SPP00034
To	Council		
From	Scott Mack, Director of Development Services	Endorsed:	
Subject	Bylaw No. 3618 – Proposed CDH Rezoning and Bell McKinnon Neighbourhood Plan		

Purpose

The purposes of this report is to provide Council with information, analysis and recommendations regarding the on-going Bell McKinnon neighbourhood planning process and the proposed rezoning application for a potential new Cowichan District Hospital (CDH) location on Bell McKinnon Road.

Background

The Municipality received an application from the Cowichan Valley Regional Hospital District (CVRHD) in late 2015, to amend Zoning Bylaw No. 2950 to rezone three (3) properties (Lot B, Plan 2759, Lot 1, Plan 15903, and Lot 1, Plan 22578 or 6751, 6771 and 6793 Bell McKinnon Road) from Rural Residential (R1) to a new proposed Community Services (Health Care) (CD11) zone in order to facilitate the future construction of a new Cowichan District Hospital (CDH). The CVRHD has entered into Option to Purchase Agreements for each of these properties, which are located on the east side of Bell McKinnon Road, approximately 150m south of the intersection of Bell McKinnon Road with Herd Road.

Discussion

A preliminary review of the application by staff determined the following:

1. The subject properties are located inside of the Urban Containment Boundaries (UCB) within the South End Growth Centre of the Official Community Plan (OCP);
2. The OCP supports the development of urban land uses and the provision of municipal services (water, sewer, etc.) to lands designated as urban / growth centre within the OCP;

Policy 2.5.1.2 The Municipality will focus development in growth centres.

(a) Growth Centres are the priority for development and infrastructure upgrades. The Municipality will foster the establishment of commercial and other services within each growth centre.

3. The OCP suggests that prior to the development of lands located within the UCB but not yet serviced, that the Municipality should require that a comprehensive study of potential land uses and servicing requirements should be undertaken to ensure that these areas are not developed in an ad-hoc or haphazard manner and that the provision of appropriate municipal infrastructure can be confirmed and/or secured.

Policy 2.5.1.3 The Municipality will reserve development for lands within the UCB that do not have full municipal services until more detailed planning processes have been completed and servicing capacity confirmed.

Following this review staff met with the applicant to discuss the application and the applicant's expectations regarding timelines, the need for a better understanding of the long-term vision for the overall neighbourhood, and to collectively agree on a course of action that could satisfy the interests of all parties. The CVRHD indicated that they were in a position to extend their offers to purchase for the subject properties to no later than July 31, 2016.

Staff agreed to initiate a very high-level neighbourhood planning process to begin the process of identifying a vision and long-term land-use concept for Bell McKinnon as an urban neighbourhood. In addition, based on the anticipated development of preliminary land-use concepts for the neighbourhood (including a proposed hospital), a review of sanitary sewer servicing capacity would be undertaken to review and confirm both long-term neighbourhood infrastructure requirements as well as potential downstream constraints. In support of this approach, the CVRHD has agreed to contribute \$20,000 towards the costs of future land use and infrastructure planning and studies.

The objective was to complete as much of this work as possible prior to July 31, 2016, which is the final date upon which the CVRHD must make a decision on whether or not to exercise its purchase options for the subject properties, and in order to present the rezoning application for Council's consideration with as much planning and servicing information as possible prior to this date.

Planning Considerations

Both the OCP and the Climate Action and Energy Plan (CAEP) speak to the value and importance of developing compact urban communities in order to ensure efficient use of municipal infrastructure, and in the case of the CAEP, in order to reduce vehicle trip-length, which is the most significant regional contributor to greenhouse gas emissions. To this end, it is important that a critical regional facility such as the new CDH be located within the Urban Containment Boundaries and be provided with appropriate municipal services and safe and efficient access through a variety of transportation options.

With respect to a number of important regional considerations, the proposed location of the new CDH is an ideal location:

1. The intersection of Beverly Street and the Trans-Canada Highway (3km south of the subject properties) is the approximate population centre of the Cowichan Valley, with a roughly equal number of CVRD residents living both north (+/-40,000) and south (+/-40,000) of this point.
2. From the proposed new CDH location it is approximately 58 km to Victoria General Hospital (VGH), and approximately 54 km to Nanaimo Regional General Hospital (NRGH), making this location almost exactly equal distance from the two most significant nearby regional hospital facilities.
3. The proposed location provides for excellent and direct access for more rural and remote areas of the Regional District along the Cowichan Valley Highway 18 located west of the more populated built-up areas along the coast (e.g. Lake Cowichan, Youbou, Mesachie Lake, etc.)

4. The proposed facility is located within the urban boundaries of the most heavily and densely populated area of the Cowichan Valley. It is estimated that the combined population of this area is close to 28,000 residents, including approximately 18,000 of North Cowichan's 30,000 residents along with the City of Duncan (5,000), CVRD Area E (4,000) and Cowichan Tribes. These 28,000 residents represent approximately 35% of the CVRD's overall 80,000 residents.

Transportation

In terms of transportation and access, the proposed hospital location is on an existing major collector road (Bell McKinnon Road) and proximate to an arterial road (Herd Road 150 m), which connects directly to the intersection of the Trans-Canada Highway 1 and the Cowichan Valley Highway 18 - 400m to the west. It is anticipated that Bell McKinnon Road and Herd Road (within UCB) will be upgraded to urban standards (curb, gutter, sidewalk, bike lanes, multi-use trails, etc.) over time as the area builds out.

Bell McKinnon Road is also identified on the Regional Multi-use Trail Network map as being designated for a future multi-use trail, the details of which would be further clarified through a more comprehensive Local Area Plan process. The long-term vision for this multi-use trail would be to connect south to the Forest Discovery Centre, connecting at that point to the Friendship Trail on the west side of the Trans-Canada Highway and a future multi-use trail connection from the Forest Discovery Centre south on the east side of the Trans-Canada Highway to the Somenos Marsh Outdoor Classroom where it will connect with the recently constructed dike trail, which is part of the 10 km Somenos Loop trail network.

These existing and anticipated multi-use trail connections will provide excellent alternative transportation options for pedestrians, cyclists and scooters to access between the hospital and developments in the Bell McKinnon neighbourhood and existing residential, commercial, and community services in the south end.

With respect to transit, currently there are not any routes which travel past the proposed hospital site, however, it is anticipated that over time as the neighbourhood grows, creating additional demand for transit service, that BC Transit and CVRD will review and consider adding routes or redirecting existing routes in order to provide transit service to this important regional facility.

Preliminary Neighbourhood Planning Process

During the early months of 2016 Staff worked to develop three (3) preliminary and conceptual urban land use alternatives for the Bell McKinnon neighbourhood, predicated on *Low Density*, *Medium Density* and *Urban Density/Mixed-use* development scenarios. These three options were presented to the community for initial feedback and comment through an Open House held at the Municipal Hall on March 31, 2016. The Open House was well advertised through local media (newspaper, news release), the Municipal website and through social media, as well as direct mail notification sent to every property either within or directly adjacent to the proposed plan area.

The Open House was very well attended, and while a wide range of opinions were received, the overall feedback and sentiment from those in attendance was that the Urban Density/Mixed-use option appeared to represent the most favourable option for the neighbourhood over the long-term.

However, in discussions with both Council and members of the community over the past number of months, there has been a clear desire to see the development of a more comprehensive and detailed plan for the neighbourhood. Staff have been clear from the beginning of this process that, due to time and budget constraints, the neighbourhood planning process at this time was intended to be very high level at this stage and very preliminary/conceptual in nature, and would not necessarily address the types of long-term and detailed questions that Council and the community may wish to consider.

Examples of this type of detail might include: the standard to which Bell McKinnon Road and Herd Road will be built/upgraded, standards and locations for previously noted alternative forms of transportation, where will neighbourhood parks be located, which specific properties will be affected by future road network requirements, what will the specific residential densities be for particular properties, etc. This is the type of detail that would typically be addressed in a Local Area Plan (LAP) (e.g. University Village, Crofton, etc.) or a Comprehensive Development Plan (CDP) (Kingsview, Artisan Village, Stonehill, etc.).

Completion of a comprehensive LAP/CDP process requires significant staff and financial resources and will likely require 18-24 months to complete from the time that Council provides budget and project approval. Of note, both the recent Crofton and University Village Local Area Plans took approximately 24 months from project commencement to Council adoption.

Preliminary Engineering Assessment for proposed new CDH

As discussed above, the preferred scenario would be to have a comprehensive neighbourhood plan, including relevant engineering servicing studies and assessments, in place prior to considering more detailed rezoning and development approval applications. This allows those site specific decisions to be made in the context of a broader overall vision and ensures that adequate servicing capacities can be planned for and secured from developments as required.

In support of their application, the CVRHD provided a preliminary servicing assessment, prepared by McElhanney Engineering Consultants that addresses the anticipated infrastructure upgrade requirements specifically for the hospital, and in particular in relation to roads and sidewalks, municipal water and municipal sanitary sewer.

What this preliminary assessment does not contemplate, because it does not yet exist, is a broader and more comprehensive urbanization of the neighbourhood in relation to the designation of these lands in the OCP as a future urban growth centre, and the corresponding infrastructure upgrades that may be required in that context.

As it relates specifically to the hospital, Staff do not have any fundamental concerns that existing infrastructure can be extended and upgraded to service the proposed hospital at this location. The CVRHD's potential obligations with respect to these upgrades are discussed later in this report.

Sanitary Sewer – Downstream Capacity Analysis

In order to better understand the broader neighbourhood context and long-term servicing and infrastructure needs, following development of the preliminary development scenarios and initial feedback from the community, the Municipality provided a copy of the *Urban Density / Mixed-use* development concept (which represents the highest density scenario), along with the anticipated densities and estimated unit and population counts, to our engineering consultants in order to have them analyze and model the existing downstream sanitary sewer system in order to determine what, if any, upgrades may be required to facilitate this type of neighbourhood development.

When these lands were removed from the ALR in the 1980's, the anticipated development scenario at that time was primarily for a low density / single family residential style of development similar to that being developed at the time in the Timbercrest / Lakes Road area. Downstream sewer infrastructure and capacities in the area of Canada Avenue between Beverly Street and Sherman Road were sized in accordance with that scenario at the time.

Given the goals and objectives of the OCP and CAEP, and the desire to construct complete and compact urban communities, the preferred development scenario for Bell McKinnon today includes a much broader range of potential land uses and higher densities than those contemplated in the 1980's. This may require long-term downstream upgrades to facilitate that preferred development scenario, and was the reason that it was important to review the existing system in view of the current application for the hospital, and in relation to the long-term development options for the neighbourhood. The analysis confirmed that some downstream upgrades will be required to the existing trunk main in Canada Avenue and the Berkley Pump Station.

Completion of a comprehensive Local Area Plan and associated engineering studies will provide much more detail on specific upgrade requirements, timing (at what points in the development of the neighbourhood do we reach existing capacities and trigger upgrade requirements), and to what extent should development fund those upgrades either through DCC's and/or direct contributions.

Implications

While the ideal level of certainty is not yet in place with regard to the Bell McKinnon neighbourhood, both in terms of a planning framework and engineering assessments, this particular application poses a unique set of circumstances that may allow Council to consider the application in accordance with OCP policy and without risking the long-term needs of the Municipality, while also providing zoning certainty for the CVRHD so that they can exercise their option to purchase these lands knowing that the necessary zoning is in place.

At this time, construction of a new hospital is not anticipated to commence for at least 5 years, possibly longer. While the CVRHD is actively pursuing Provincial commitments for funding and fundraising in order to provide for a significant community contribution towards the project (including provision of the proposed site), the Province/VIHA have not made any decisions or made any commitments towards this project.

While obviously there is a strong desire on the part of the CVRHD and the community to move this project ahead more quickly, this timeframe does provide us with a significant window of opportunity to complete more detailed planning and servicing studies in advance of any significant urban development within the neighbourhood (including development of the hospital site).

To this end, if Council were to consider adoption of the proposed Zoning Bylaw amendment to rezone these properties at this time, they could require that the applicants register a Section 219 covenant against the title of the subject properties, which would require that the lands not be further developed until such time that the required comprehensive planning and servicing studies are completed, and perhaps more importantly, also require that any requirements from those studies (e.g. road dedication, off-site infrastructure improvements, park dedication, amenity contributions, etc.) must be provided to the satisfaction of the Municipality prior to commencement of any development of the lands.

Timelines

Based on the recommendations contained herein, if Council wishes to advance this application it is anticipated that the next steps in this process could unfold as follows:

June 15, 2016

- Council acknowledges that the Bell McKinnon neighbourhood is an area intended for future urban growth as per the 2011 OCP;
- Consider second reading for proposed Bylaw 3618;
- Direct staff to confirm, prior to consideration of adoption of Bylaw 3618, that a Section 219 covenant has been registered against the titles of those properties subject to the proposed rezoning, restricting development of the lands until such time that more detailed planning and servicing studies have been completed and that required infrastructure upgrades and requirements have been secured;
- Direct staff to secure the \$20,000 contribution that the CVRHD has offered to make towards planning and engineering studies for the Bell McKinnon neighbourhood; and,
- Confirm Council's earlier decision to direct staff to include in the budget discussions for the 2017 budget and 2017-2021 Financial Plan, the provision of funding and resources to complete a comprehensive Local Area Plan to consider the land-use and servicing implications for the Bell McKinnon neighbourhood.

June 28/29, 2016

- Hold a Special Meeting of Council on June 28, 2016 (date to be confirmed) in order to hold a Public Hearing and consider third reading of Bylaw 3618.

Early July 2016

- Confirm registration of the required Section 219 *Land Title Act* Covenant.
- Obtain sign-off from the Ministry of Transportation and Infrastructure following third reading of the bylaw (required for all bylaw amendments within 800m of a Controlled Access Highway as per Section 52 of the *Transportation Act*).

July 20, 2016

- Consider adoption of Bylaw 3618.

Fall 2016

- Provide preliminary budget estimate and draft Terms of Reference for comprehensive Bell McKinnon Local Area Plan process to commence in 2017.

Summary

The future of the Bell McKinnon area has been a topic of discussion in the community with regard to servicing and land-use for many decades. The lands were removed from the Agricultural Land Reserve (ALR) in the early 1980's in order to facilitate future urban growth and in acknowledgement of the poorly draining soils that led to challenges with the provision of conventional septic fields.

Considering the hospital rezoning supports the 2011 Council decision that these lands are within the Urban Containment Boundaries and are designated for future urban development, and committing to the completion of a comprehensive Local Area Plan and engineering studies to detail the long-term vision and infrastructure requirements for this area will help to provide certainty for residents and landowners within the neighbourhood.

Furthermore, doing so also allows Council to consider the current application to amend the Zoning Bylaw to rezone properties for a proposed replacement Cowichan District Hospital, knowing that this institutional land use would then form one of the foundational land-use elements of the Bell McKinnon neighbourhood and the Local Area Plan.

Staff are satisfied that the preliminary infrastructure assessments provided by McElhaney Engineering on behalf of the CVRHD, along with the more detailed and broader sewer capacity analysis completed by the Municipality's engineering consultants, provide adequate assurance that existing infrastructure can be reasonably upgraded to accommodate both the proposed hospital development as well as the longer term neighbourhood development. In addition, the preliminary land-use scenarios and early feedback from the community support the notion that a viable and sustainable urban neighbourhood can be developed following the development of a more comprehensive and detailed Local Area Plan.

The recommended planning and engineering studies for this area will provide further detail and clarification on the detailed land use, anticipated phasing of development, and timing, standards and responsibilities for infrastructure upgrades. Registration of the recommended Section 219 covenant will ensure that actual physical development of the hospital site will not commence until such time that those studies have been completed and until the required commitments and agreements are in place with the CVRHD with regard to their contributions and responsibilities in relation to both on and off-site infrastructure upgrades.

On this basis, and in consideration of the numerous considerations outlined in this report, Staff are in support of the proposed hospital at this location and are recommending that Council proceed with consideration and adoption of the proposed rezoning for subject properties subject to the conditions outlined below.

Recommendation

That Council:

1. Consider second reading for Bylaw 3618;
2. Direct staff to secure, prior to consideration of adoption of the bylaw, a Section 219 covenant registered against the titles of those properties subject to the proposed rezoning, restricting development of the subject properties until such time that a comprehensive Local Area Plan has been completed and adopted by Council, which will form the basis for determining specific on and off-site improvements required for development of the subject properties;
3. Direct staff to secure the \$20,000 contribution that the CVRHD has offered to make towards planning and engineering studies for the Bell McKinnon neighbourhood; and,
4. Confirm Council's earlier decision to direct staff to include in the budget discussions for the 2017 budget and 2017-2021 Financial Plan, the provision of funding and resources to complete a comprehensive Local Area Plan to consider the land-use and servicing implications for the future Bell McKinnon neighbourhood.



The Corporation of the District of North Cowichan
Zoning Amendment Bylaw (No. 4 – Bell McKinnon), 2016
Bylaw 3618

The Council of The Corporation of The District of North Cowichan enacts as follows:

1 "Zoning Bylaw 1997", No. 2950, is amended

(a) in section 12 by adding the following definitions:

- (52.1) "helipad" means the use of land for a pad used for the landing and take-off of helicopters,
- (54.1) "hospital" means the use of land, buildings or structures for a hospital, as defined in the *Hospital Act*,
- (75.01) "medical education and training" means the use of land, buildings or structures for providing education, courses or training in any medical profession,

(b) in section 43 by adding "Community Services (Health Care) Comprehensive Development Zone (CD11)", and

(c) by adding the following section after 80.10:

Community Services (Health Care) Comprehensive Development Zone (CD11)

Permitted Uses

80.11 (1) The Permitted Uses for the CD11 zone are as follows:

- Accessory restaurant
- Accessory retail store
- Community care facility
- Health service
- Helipad
- Hospital
- Medical education and training
- Office
- Personal care use

Maximum Lot Coverage

- (2) The maximum lot coverage in the CD11 zone is 50%.

Minimum Setbacks

- (3) The minimum setbacks for the CD11 zone are as follows:
 - (a) Yard, Front, 7.5 m (24.61')
 - (b) Yard, Side, 9 m (29.53')
 - (c) Yard, Rear, 30 m (9.84')

Maximum Building Height

- (4) The maximum building height in the CD11 zone is 30 m (98.43')

Minimum Open Space

- (5) A minimum of 10 m² (107.64 sq. ft.) per community care facility unit must be maintained as usable open space.
- (6) The required open space must be usable by residents of the community care facility.

Minimum Landscaping and Screening

- (7) A minimum 7.5 m (24.61') wide landscaped area must be maintained where a lot abuts residentially-zoned land, or where a lot fronts a highway, excluding the length of the frontage that accommodates an access or egress point (driveways).
- (8) All utilities, infrastructure and garbage enclosures, including heating, ventilation and air conditioning equipment and compactors, must be fully screened and landscaped and must be located outside of the minimum 7.5 m (24.61') wide landscaped areas.

2 Schedule "C" of "Zoning Bylaw 1997", No. 2950, is amended by reclassifying from Residential Rural Zone (R1) to Community Services (Health Care) Comprehensive Development Zone (CD11), 6751, 6771 and 6793 Bell McKinnon Road (PID: 004-560-574; 006-365-850; 006-365-850), shown as the "Subject Properties" and outlined in bold on the Schedule attached to and forming part of this bylaw.

 READ a first time on April 20, 2016
 READ a second time on _____
 CONSIDERED at a Public Hearing on _____
 READ a third time on _____
 ADOPTED on _____

 CORPORATE OFFICER

 PRESIDING MEMBER

