

ADMINISTRATIVE REPORT

TO: Planning Committee
FROM: Administration
DATE: February 6, 2023
RE: Public Hearing Report – Zoning Amendment - 2 Klondike Road

ISSUE

Public Hearing Report on a bylaw to amend the zoning of 2 Klondike Road and a portion of Lot 309, Plan 21330 LTO from PS – Public Services and PG – Greenbelt to CNCx – Comprehensive Neighbourhood Commercial (modified) to allow for a boundary realignment and consolidation of five lots.

REFERENCES

- [2017 – CMHC - Research Insight: Inclusionary Zoning: Domestic and International Practices](#)
- Proposed 2040 Official Community Plan (January 2023)
- [Council Procedures Bylaw 2021-12](#)
- [Zoning Bylaw 2012-20](#)
- Location Map (Appendix A)
- Proposed Zoning Amendment Bylaw 2022-49

HISTORY

The Government of Yukon (YG) has applied to rezone five lots, known municipally as 2 Klondike Road, from PS – Public Services to CNCx – Comprehensive Neighbourhood Commercial (modified). YG is also proposing to rezone a portion of the PG – Greenbelt lot to the east to CNCx (modified). The special modification requires that commercial uses are located on the ground floor with residential uses above.

The proposed CNCx zoning would also allow ‘housing, apartment’ and housing, residential care home’ as secondary uses. Residential care home means the use of a dwelling to provide services and supports onsite, in a residential setting, for up to eight individuals that require supervision or assistance to sustain activities of daily living due to physical, mental, social, or behavioural challenges.

Before closing, the Macaulay Lodge had 47 beds for continuing care services. YG has built approximately 150 seniors housing units and 150 long term care rooms in Whitehorse since 2011. Eighty-four (84) seniors housing units were also recently constructed on Range Road by a private developer.

The subject site was the former location of the Macaulay Lodge which was an extended care facility. The building has now been demolished and the subject site is no longer being used. YG intends to sell the subject site through a public process following the zoning and subdivision process.

Bylaw 2022-49 received First Reading on November 28, 2022. Public Hearing notifications were sent out in accordance with the Zoning Bylaw 2012-20, including:

- Newspaper advertisements were posted in the Whitehorse Star and Yukon News on December 2 and December 9, 2022;
- Email notifications were sent to the YG Land Management Branch, Kwanlin Dün First Nation, and Ta'an Kwäch'än Council;
- Mail notifications were sent to property owners within 100 m of the subject site; and
- A notice sign was placed on the subject site.

A Public Hearing for this item was held on January 16, 2023. No written submissions were received. Two delegates spoke at the Public Hearing, raising concerns.

ALTERNATIVES

1. Amend the Proposed Zoning Amendment Bylaw as recommended and proceed to a second Public Hearing under the bylaw process; or
2. Refer the Proposed Zoning Amendment Bylaw back to Administration.

ANALYSIS

The following matters were raised in the public input submissions:

- concerns with senior housing and zoning amendment timeline;
- concerns with affordable housing; and
- opportunities for dedicated commercial space for social enterprises.

Senior Housing and Zoning Amendment Timeline

A delegate speaking on behalf of the Yukon Council on Aging (YCOA) raised concerns about the timeline of the proposed Zoning Bylaw Amendment. The YCOA requested that Council delay the Zoning Bylaw Amendment process to allow the YCOA more time to discuss with YG their commitment to build new seniors housing. The delegate also raised concerns with selling and redeveloping the former Macauley Lodge site for market housing, as opposed to dedicated seniors housing.

Zoning Bylaw 2012-20 does not include senior housing as a controlled use. The delegate's concerns can however be addressed by adding a special modification to the proposed amendment to enable the CNCx zone to allow for 'housing, supportive' as a secondary use. 'Housing, supportive' means the use of a building with dwelling units to provide services and supports onsite, in a residential setting, for nine or more individuals that require supervision or assistance to sustain the activities of daily living due to physical, mental, social, or behavioural challenges.

This special modification would leave the possibility open for the development of a larger-scale residential care facility in any future development. It is however up to YG and potential future developers to decide on how they wish to redevelop the site in accordance with CNCx zoning requirements. In any case, the request to delay the Zoning Bylaw Amendment process is not considered necessary in this instance as the amended special modification enables senior housing to be developed on the site if desired. It is also up to YG to request a delay in the Zoning Bylaw Amendment process if they wish to continue discussions with the YCOA. However, if they want to ensure

seniors housing is developed on the site, they can also include this in the disposition process.

'Housing, supportive' is recommended as a secondary use as all other housing uses (apartment and residential care homes) permitted in the CNC zone are also listed as secondary uses. Allowing 'housing, supportive' as a secondary use also ensures that the site retains potential for a commercial-residential development, and therefore fulfilling the intent of the Proposed 2040 Official Community Plan (OCP) for Urban Centres, as a principal non-residential use must be proposed with the residential secondary use.

Affordable Housing

A delegate speaking on behalf of the Yukon Anti-Poverty Coalition (YAPC) raised concerns about a lack of guaranteed affordable housing in the eventual redevelopment of the subject site. It was noted that the piece of land is very valuable, close to services, and easily accessible by transit. The delegate asked that the City consider the role that it can play in the provision of affordable housing in Whitehorse going forward.

Recently, municipalities across Canada have used Inclusionary Zoning policies to encourage an increase in the supply of affordable housing. These policies have generally involved leveraging an increase in density under a Zoning Bylaw Amendment for the provision of affordable housing (see Inclusionary Zoning: Domestic And Internal Practices, CMHC, August 2017). Several cities across Canada have implemented these policies in recent years, such as the City of Toronto, the City of Montreal, the City of Vancouver, and the City of Victoria.

Under the current Zoning Bylaw 2012-20, the City does not have affordable housing as a controlled use. However, under Proposed OCP Policy 9.5, the City will support affordable residential development through bylaws, policies, partnerships, programs and incentives. Idea for Action 46 also proposes to review development incentives tools that encourage the creation of smaller, more affordable housing forms including rental properties. How best to include affordable housing as a controlled use would therefore be better undertaken during the upcoming Zoning Bylaw review, following the adoption of the Proposed OCP.

Dedicated Social Enterprise Commercial Space

The YAPC raised concerns about commercial units on the ground floor of any eventual redevelopment being used by for-profit businesses. The delegate would rather like to see ground-floor commercial space committed for social enterprises. As with affordable housing, Zoning Bylaw 2012-20 does not have a use that would restrict commercial space to social enterprises. This issue would be best addressed during the upcoming Zoning Bylaw review, where it could be determined to what degree this is an issue within the City, and if so, how it could be addressed through the Zoning Bylaw.

Additional Recommended Change from Administration (Gas Bars)

Administration also recommends to amend the original proposed special modification to remove gas bars as a permitted use. Proposed OCP policies seek to discourage uses or activities that would have a significant negative impact on surface or groundwater water quality. Considering the location of the Riverdale aquifer and the City's water

supply in the area, it is considered appropriate to remove gas bars as a permitted use in this location to protect the aquifer from potential pollution.

Council Procedures

Section 89 of the *Council Procedures Bylaw* directs Council to cause a second Public Hearing to be held when the first Public Hearing has resulted in an alteration of the proposed permitted land use.

The addition of supportive housing as a permitted secondary use to the proposed CNCx zone is recommended to address a submission received during the first Public Hearing. A second Public Hearing will therefore be required if the recommendation is brought forward under the bylaw process.

If the recommendation is brought forward, the updated schedule for the Zoning Bylaw Amendment is:

Planning Committee:	February 6, 2023
Newspaper Advertisements:	February 10 and February 17, 2023
Public Hearing:	February 27, 2023
Report to Committee:	March 6, 2023
Second and Third Reading:	March 13, 2023

ADMINISTRATIVE RECOMMENDATION

THAT Council direct that Bylaw 2022-49, a bylaw to amend the zoning of 2 Klondike Road to allow for a boundary realignment and consolidation of five lots, be amended to include supportive housing as a secondary use and to remove gas bars as a permitted use; and

THAT Administration be directed to hold a second Public Hearing with respect to Bylaw 2022-49.