A SPECIAL MEETING OF THE COUNCIL OF THE TOWN OF LADYSMITH AGENDA 5:30 P.M.

Tuesday, May 14, 2024 Ladysmith Seniors Centre 630 2nd Avenue

Pages

CALL TO ORDER AND ACKNOWLEDGEMENT

2. AGENDA APPROVAL

Recommendation

That Council approve the agenda for this Special Meeting of Council for May 14, 2024.

3. REPORTS

3.1 Infrastructure Extension Request: Small Scale Multi-Unit Housing Bylaw Amendments

3

Recommendation

That Council direct staff to submit an application to the Minister of Housing seeking an extension until December 31, 2030, to implement the Province's Small Scale Multi-Unit Housing requirements pursuant to section 786 of the *Local Government Act*, for the areas described in the May 14, 2024, report to Council.

3.2 Alternative Approval Process Confirmation – City Hall

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Recommendation

That Council:

- Confirm its direction to staff to carry out an Alternative Approval Process to obtain elector approval to build a new City Hall including Institutional/Commercial space below a housing development on Town-owned lands at 1St Avenue and Buller Street;
- 2. Establish the deadline for receiving elector responses as 4:00 p.m. on June 25, 2024 (33 days);

- 3. Establish that the elector response form will be the single elector response form.
- 4. Approve the total number of electors of the Town of Ladysmith to which the approval process applies is 741; and
- 5. Direct staff to report the results of the Alternative Approval Process to Council.

4. ADJOURNMENT

STAFF REPORT TO COUNCIL

Report Prepared By: Jake Belobaba, Director of Development Services

Ryan Bouma, Director of Infrastructure Services

Reviewed By: Allison McCarrick, CAO

Meeting Date: May 14, 2024 File No: 3360-20

RE: Infrastructure Extension Request: Small Scale Multi-Unit Housing

Bylaw Amendments

RECOMMENDATION:

That Council direct staff to submit an application to the Minister of Housing seeking an extension until December 31, 2030, to implement the Province's Small Scale Multi-Unit Housing requirements pursuant to section 786 of the *Local Government Act*, for the areas described in the May 14, 2024, report to Council.

EXECUTIVE SUMMARY:

The purpose of this report is to identify areas where the introduction of Small Scale Multi-Unit Housing (SSMUH) is likely to exceed available infrastructure capacity and to recommend that the Town request an extension from the Province for these areas under section 786(a) and 786(b) of the *Local Government Act*.

PREVIOUS COUNCIL DIRECTION:

| Resolution | Meeting Date | Resolution Details |
|-------------|--------------|---|
| CS 2024-054 | 2024-03-19 | That Council direct staff to bring forward for Council consideration: a) zoning amendments consistent with provincial SSMUH requirements to allow duplexes in restricted zones on all lots between 280-4050m2 in size; |
| | | b) zoning amendments consistent with provincial SSMUH requirements to allow one single- family dwelling, one secondary suite and one coach house in restricted zones on lots smaller than 280m2; |
| | | c) OCP amendments to align development permit requirements to be consistent with new SSMUH requirements; |
| | | d) amendments to relevant bylaws to increase fines for illegal nightly rentals, and make existing STR rules clearer and aligned with provincial terminology; |
| | | e) an Amenity Cost Charge Bylaw; |
| | | f) amendments to the Town's DCC bylaw to allow for a DCC charge for a new Fire Hall and shared provincial highway projects; |
| | | g) amendments to the applicable bylaws to delegate the approval of "minor" DVPs to staff; and |



| Resolution | Meeting Date | Resolution Details |
|------------|--------------|--|
| | | h) amendments to the applicable bylaws to increase range of staff- issuable DPs, including DPs for residential developments of four units or less. |

INTRODUCTION/BACKGROUND:

SSMUH Legislation

In the fall of 2023, the Province introduced changes to the *Local Government Act* to allow more SSMUH in zones that are otherwise restricted to single-family dwellings or duplexes (defined as "restricted zones"). The new legislation has the following requirements that are applicable to Ladysmith:

- The Town must amend its Zoning Bylaw by June 30, 2024, to:
 - Allow either a coach house or secondary suite in restricted zones.
 - Unless an exemption or an extension applies (see below), allow the "prescribed number of housing units" in restricted zones. Currently, this is a minimum of three units on parcels less than 280 square metres in size and a minimum of four units on parcels between 280 and 4,050 square meters in size.
 - Align with any provincial regulations respecting the "siting, size, dimension, location or type of housing unit". Currently, there are no such regulations.
- Section 481.3 of the Local Government Act requires the Town to "consider" any provincial guidelines related to SSMUH. The Province has published a policy manual for this purpose which is attached as Attachment A.
- On parcels in restricted zones that are not connected to sewer and water, larger than 4,050 square meters, outside of the Town's urban containment boundary or in a zone with a minimum lot size of 4,050m², the Town's Zoning Bylaw only needs to allow a secondary suite or coach house. However, if parcels in restricted zones larger than 4,050 square meters are subdivided into smaller, serviced lots, the SSMUH rules will apply. There are a number of these lots currently being subdivided into developable lots and this is an important consideration when considering infrastructure capacity for SSMUH.
- Where infrastructure upgrades are underway or in areas where infrastructure capacity cannot safely accommodate SSMUH, extensions can be granted by the Province allowing SSMUH zoning to be delayed until infrastructure upgrades are complete, a deadline given by the Ministry of Housing or December 31, 2030—whichever occurs first.
- Under section 786 of the Local Government Act, applications for extensions must be received no later than June 1, 2024. However, the Ministry of Housing's bulletin on extensions (Attachment B), recommends that "extension applications be submitted to the Ministry 45 days prior to anticipated council hearings for SSMUH-related bylaw amendments".

Infrastructure Analysis

Earlier this year, the Town's Engineering Department met with Development Services and reviewed the needs for an infrastructure analysis to determine if the Town should seek extensions from the Province. The following describes the work that resulted from that discussion:

- Engineering staff requested a water modelling study from Koers & Associates Engineering Ltd. (Koers). This involved providing Koers with details of the largest wood framed building conceivable under the SSMUH requirements to assign fire flow parameters. Koers then ran the model with those parameters throughout all areas of the Town. At the time of writing, the Koers report is not yet available; however, Engineering staff have been able to review Koers' findings and discuss these findings with a Koers representative.
- Information on the Town's storm sewer collection system is relatively limited, with only
 pipe size and materials known. A stormwater master plan for the Old Town Area was
 started by WSP in early 2023 to evaluate the system, create a stormwater model, and
 highlight system deficiencies. The model has been mostly constructed, but not available
 for Engineering staff use yet. However, Engineering staff have been in discussions with
 WSP and have a relatively good understanding of the stormwater system capacity and
 deficiencies.
- WSP built the Town's sanitary sewer model in 2014 but was not available to update the
 model and provide a report before the Provincial deadlines noted above. Subsequently,
 the Engineering Department completed an analysis by using spreadsheet calculations and
 used results from the available sanitary sewer model augmented with field reviews for
 verification. The report in Attachment C provides a detailed description of this work and
 the Engineering Department's findings.
- Engineering, Development Services and the Fire Chief reviewed the Town's road network to identify neighborhoods that do not meet section 5.1.4 of National Fire Protection Association (NFPA) standard 1142¹ for emergency vehicle access. This standard has historically been applied at the rezoning and subdivision stage, using buildout potential under applicable zoning, to ensure new neighborhoods have adequate emergency access. With the introduction of SSMUH legislation, the buildout potential for some neighbourhoods could double, triple or even quadruple, triggering the need for new accesses.

Based on the analyses described above, and despite the time constraints, staff were able to objectively and thoroughly assess the Town's infrastructure capacity to accommodate SSMUH. Generally, existing water and stormwater infrastructure appears sufficient to accommodate

¹ This standard requires 1 emergency access for neighbourhoods with 0-100 households, two emergency accesses for neighbourhoods with 101-600 households and 3 emergency accesses for neighbourhoods with more than 600 households. Where more than one access is required, one of them can be restricted for emergency vehicle use.

SSMUH throughout Ladysmith. However, large areas with insufficient sanitary sewer capacity were identified, and a number of smaller (and in some cases overlapping) areas with inadequate emergency access were identified.

RECOMMENDED EXTENSION AREAS:

Staff recommend seeking extensions for the following areas based on the findings of the infrastructure review described above:

A. Malone Road subdivision: As a greenfield development that will create new, vacant lots, SSMUH uptake in this development is expected to be high. Sewer flows from this proposed subdivision lead to the main under the roundabout at 1st Avenue and Symonds Street. Currently this main is likely at capacity, and other major housing developments underway (e.g. the multi-unit development at 1201 Christie Road) which are not subject to SSMUH are also serviced by this main. A more thorough review of this main's capacity needs to be completed as soon as possible² and there is a high probability that this main will need to be upgraded as soon as possible.

Additionally, SSMUH is likely to increase unit counts in this subdivision to well over 100 units³. This subdivision currently lacks a secondary access meeting NFPA requirements and is adjacent to forest lands which increases the risk of interface fires. These lands are currently subject to a rezoning proposal (to increase the density) and subdivision application (for single-family/duplex lots) and staff are examining emergency access options and infrastructure as part of these proposals.

B. "Lot 5" Holland Creek: This area was recently granted a Preliminary Layout Approval (PLA) for 112 new lots. Subsequently, as with the Malone Road development, SSMUH uptake in this area is expected to be high. This area must be serviced by either the relatively small sanitary main on Mackie Road or the main under the roundabout at 1st and Symonds noted above. The additional sanitary sewer volumes from this development with additional SSMUH development cannot be accommodated by either main. As lands to the southeast of this lot are built out, sanitary sewer flows from this area will be redirected to new larger mains in the Southeast Holland Creek Area and these upgrades are scheduled as part of existing obligations for major development sites in the Holland Creek Subdivision.

² It is possible (but not expected) that a more detailed review of this main reveals additional capacity to accommodate SSMUH. In which case the Town would be required to update the Zoning Bylaw to allow SSMUH.

³ A Preliminary Layout Approval (PLA) for a phased 32 lot subdivision of single-family/duplex lots has been issued and the CD-3 zoning for the site allows an additional 103 multi-family units on the remainder of the site. Following implementation of SSMUH regulations and final approval of subdivision, the developer can build 231 units and Malone Road will be the only access.

- C. Forest Field area: Secondary emergency access in the area west of Rocky Creek is limited to the Ladysmith Main logging road which crosses private managed forest land. In cases where this route must be used (e.g. if the Rocky Creek crossing were to wash out again), the travel distance from the Fire Hall to Forest Field increases from 2.5 km to 5.5 km⁴ which includes 1.5 km of logging road and two gates. SSMUH uptake in this area is expected to be low to moderate. However, currently, there are at least 414 homes in the area for which Fourth Avenue is the only means of access. There are also a number of parcels in the area with significant development potential. These include:
 - One R-U-1 zoned, 5650m2 lot with rezoning and subdivision potential⁵ (approximately 26-160 units).
 - One, 13,400m², R-3-A zoned site which, under current zoning, could be developed to provide approximately 30-190 units and under the current OCP designation could be developed to provide 60-375 units⁶.
 - Three R-1 zoned lots between 5,300 and 7,770m² in size with subdivision potential (approximately 25-28 lots under current lot size requirements) and a redevelopment potential under the current OCP designation of approximately 100-590 units⁷.

The lack of a suitable alternative access to this area was the reason 1260 Churchill Place was purchased by the Town after the Rocky Creek (aka Tyee Creek) crossing was damaged in 2018. A new road dedication through 1260 Churchill has since been registered and once a road is constructed through this road dedication to McKinley Road, the Forest Field area can safely accommodate additional development. 1260 Churchill was recently sold and the developer intends to tear down the old house (which currently sits in the road dedication) and construct the road as part of their development project. Staff will be working with the new owner to accelerate the removal of the house and the construction of an interim and/or permanent emergency access in the road dedication. However, staff recommend seeking an extension as road construction now requires the cooperation of a private housing developer and should negotiations or road construction become protracted while neighbourhood unit counts increase, public safety will be compromised. Additionally, 1260 Churchill is a housing development site with a number of site

⁴ These distances are virtually the same from the Ladysmith RCMP station and about 900m meters shorter from the BC Ambulance Station at the Ladysmith Health Care Centre.

⁵ The property is designated Neighbourhood Residential Under the OCP. Maximum allowable density for residential use under this designation is a 1.3 FSR. Under Bill 44 the Town may be required to update the zoning for this site to allow the density permitted under the OCP. Further analysis will occur for this purpose following completion of the interim housing needs report which must be completed by the end of this year.

⁶ See footnote 4

⁷ See footnote 4

constraints and care should be taken to ensure the accelerated provision of an emergency access does not slow construction of proposed units on the site or increase their cost⁸.

- D. 4th Avenue Extension This area is limited by a sanitary sewer main from the 4th Avenue Extension to Dogwood Drive. The capacity of this main is currently exceeded under the current conditions and there has been one known backup into a property serviced from this main. Upon replacement of this main additional density from SSMUH can be accommodated in the affected catchment area.
- E. The South Area: The findings of the sewer capacity review found that the trunk main under Highway 1 is at capacity. Increasing capacity is anticipated to be difficult, costly, and will require a long period of study and planning. An extension is required to complete the planning process and budget accordingly. Unfortunately, the South Area for which an extension is recommended is a much larger area than anticipated. This is a precaution, due to the unknown variables related to sewer infrastructure in the area, the reliance on a single at-capacity main serving the area and the size and development potential (noted below) of the area. The Sanitary Sewer Capacity Review in Attachment C recommends a detailed review of the trunk main along Highway 1 and the draft water modelling report prepared by Koers noted above recommends a more detailed review of the water infrastructure in south Ladysmith. These reviews will need to be undertaken as soon as possible to plan for some of the infrastructure upgrades noted in this report and should they reveal additional capacity to accommodate SSMUH, the Town is required to allow SSMUH in areas where capacity is available.

SSMUH uptake in the south end is expected to be high to very high. A large number of new vacant lots are currently being created on greenfield sites. There are approximately 30 lots in the south end in restricted zones which are over 4,050m2 in size totaling approximately 52 hectares of developable land. This equates to 750-1,500 new lots, all of which would allow a minimum of four units under SSMUH. The size of existing lots in the south end is also an important consideration. Outside of Old Town, the average and median lot sizes in restricted zones are 814m2 and 714m2 respectively⁹ with low lot coverage on developed sites. These conditions increase the potential for SSMUH uptake (as there is ample room on most sites to add SSMUH).

F. "Lot A"/Upper Hannington. This area has two large parcels of R-1 zoned land with a single access via Hannington Road/Colonia Drive to Malone Road and is adjacent to a large site zoned for Multi-family. This area does not meet NFPA requirements, and a secondary access will need to be secured as part of the subdivision and development process. Additionally, as with the "Lot 5" site, new lots created from these properties must be

⁸ 1260 Churchill is quite narrow and adjacent to a ravine, riparian area and an adjacent housing development. It may be more practical and economical for the project for the road to remain closed while 1260 Churchill is developed.

⁹ Lots over 4,050m2 were excluded from the average and median calculations to provide a more realistic picture of typical, developed lots.

serviced by either the sanitary main on Mackie Road or the main under the roundabout at 1st and Symonds; neither of which have the capacity to handle additional SSMUH development at this time. SSMUH uptake in this area is expected to be high as these sites will be developed as vacant lots.

Staff note that there are 51 developed parcels in this area that rely on the same sewer mains noted above and the same single access to Malone Road via Hannington Road and Colonia Drive. An extension request for these properties was considered but is not recommended. SSMUH uptake for these parcels—all of which are developed with newer single-family homes—is expected to be slower than other areas, and by the time SSMUH development in this area reaches critical sewer or access thresholds, new access routes through Holland Creek and sewer upgrades are likely to have been completed.

The areas described above are shown on the map in Attachment D.

Engineering found sanitary and storm sewer issues in the "Old Town" area. However, most of these capacity issues relate to stormwater inflow and infiltration—i.e. an increase in sanitary sewer volumes resulting from development that predates prohibitions on directing stormwater to sanitary sewer mains and rainwater infiltrating into older sanitary sewer mains. However, SSMUH development will help rectify this condition, as old storm and sanitary services will be upgraded and separated as SSMUH is constructed. As a result, extension requests are not recommended for these areas and staff are even looking at exceeding SSMUH requirements in Old Town as a way of increasing capacity in the sanitary sewer system. This is described in greater detail under 'Analysis'.

Staff also note that there are other areas of Town such as upper Thetis Drive and Holland Creek where road and emergency access are currently lacking. However, in these cases there are temporary accesses in place and/or covenant triggers that will require additional access routes as unit counts reach certain thresholds. SSMUH requirements will not affect these triggers (although it may accelerate them) and therefore it is not necessary to seek extensions for these areas based on emergency access.

ANALYSIS:

Staff recognize that the total area for which the Town is seeking extensions is substantial. Unfortunately, however, failing to address the above-noted infrastructure deficiencies prior to implementing SSMUH would pose a significant risk to public health and safety and/or the environment.

In circumstances where sewer capacity is lacking, infrastructure is at, over or nearing capacity, and SSMUH uptake in forthcoming subdivisions will be high as builders acquire vacant lots that

allow doubled or quadrupled unit counts¹⁰. In most cases, the incremental sanitary sewer capacity to accommodate SSMUH is effectively zero for the requested exemption areas. Staff also note that if the requested sewer extension areas are not approved, the result is likely to be counterproductive to the SSMUH legislation. Incremental SSMUH development in areas with sanitary sewer limitations will likely trigger costly sanitary sewer upgrades for major housing proposals currently underway¹¹, all of which include "missing middle" housing. Many of these projects will stall as a result.

In identifying areas for which extensions should be sought due to a lack of emergency access, staff focused on areas with identified bottlenecks, areas more likely to be impacted by interface fires and/or areas where existing or probable unit counts are likely to be well above NFPA standards. It is important to note that while the risk of interface fires was a major consideration, it is by no means the only foreseeable emergency that necessitates multiple accesses. The NFPA standards are intended to provide sufficient emergency access for all types of emergencies including earthquakes, gas leaks, chemical spills, extreme weather events and day-to-day emergency responses requiring an alternative route (e.g. when primary routes are blocked as a result of traffic accidents, inclement weather, etc.). As a small community with a paid-on-call fire department, Ladysmith's emergency services do not have the same resources as those in urban areas and the Town has come to rely heavily on the NFPA standard (which, as noted above, has typically been imposed at the subdivision or rezoning stage) to ensure new housing development is adequately serviced by emergency services. In most cases, secondary access for the areas noted above will be triggered as part of existing development projects.

Recognizing that SSMUH development will be significantly delayed in a large part of Town if the proposed extensions are approved, staff are examining zoning options to increase allowable densities in areas like Old Town in alignment with the Town's OCP. These changes will likely be brought forward by the June 30th deadline as part of the Province's required zoning amendments and are expected to meet and (substantially) exceed SSMUH requirements. When combined with the Town's sizable existing inventory of authorized and approved housing developments (much of which is described in this report), staff expect that the delays in implementing SSMUH in the requested extension areas will be offset by housing capacity in other areas—i.e. there will be no net reduction in housing construction, nor a lack of missing-middle housing resulting from the extensions.

Based on the analyses noted above, the risks of not granting the extensions far exceed the benefits of refusing them. Staff recommend seeking the requested extensions as proposed.

¹⁰ Based on existing subdivision applications, it is not expected that developers will want to create lots less than 280m² meaning the number of units that can be built on each new lot will be four. The actual "lift" resulting from SSMUH varies based on existing zoning which in most cases allows 2-4 units but, in some cases, only allows 1-2 units.

¹¹ This includes the Holland Creek Development (approximately 1,000 units), Developments on Farrell Road (approximately 267 units), and the multi-family developments on Christie Road (Approximately 66 units or more depending on the outcome of an in-process rezoning proposal)

ALTERNATIVES:

Council can choose to:

- 1. Not apply for an extension for some or all of the areas described above.
- 2. Direct that further review and reporting to Council be completed prior to June 1.

FINANCIAL IMPLICATIONS:

In many cases the infrastructure deficiencies noted above are expected to be rectified as a result of planned infrastructure upgrades or existing obligations agreed to under previous development proposals. However, in cases where this does not occur, the Town will need to complete the required upgrades by December 31, 2030; or earlier if the Ministry specifies an earlier deadline or declines the requested extensions. Given the time constraints of the SSMUH legislation, staff have yet to complete cost and funding analyses to complete the infrastructure projects noted above. This process will be initiated as soon as possible, and the costs will be included in future financial plans.

Rough estimates for some of these projects indicate that significant funding will be required. Property taxes and utility fees for existing property owners will need to increase to raise the required funds. Spreading this increase over a longer timeframe is necessary for rates to remain affordable for existing renters and owners. Staff are not aware of any planned or available provincial funding that has been allocated for Local Governments to complete infrastructure needed to accommodate SSMUH. If a 2030 deadline is granted by the Province, the Town can plan for major expenditures and stretch the cost of these upgrades out over time.

Some of the infrastructure projects described in this report can be added to the Town's DCC program. However, this will increase the cost of housing development. Section 564(4)(f) of the *Local Government Act* requires the Town to factor in the impact of DCC's on housing affordability and DCC bylaws must be approved by the Province. Additionally, projects included in a DCC program are not fully funded by DCC's. For example, under the current DCC program sewer projects are only funded at ~17% from the sewer DCC program; water at ~25% and roads at 30%. Subsequently, it should be assumed that, unless provincial funding materializes for these projects, much of the cost must be supplemented by increased taxes or fees.

LEGAL IMPLICATIONS:

Extensions under section 786 of the *Local Government Act* are at the discretion of the Minister of Housing. At this juncture, staff have only examined the engineering implications of allowing SSMUH in the areas described in this report. The legal implications for the Town if the Minister denies the requests recommended in this report have yet to be examined with the Town's solicitor.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

N/A

INTERGOVERNMENTAL REFERRALS:

As noted above, the Minister must approve an extension request. Applications must be received no later than June 1, 2024, and it is recommended that applications be received at least 45 days before considering zoning amendments to implement SSMUH requirements.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

Infrastructure Services has been leading the review described in this report with input from Protective Services and Development Services.

| ALIGNMENT WITH STRATEGIC PRIORITIES: | |
|---|--------------------------|
| | ☐ Economy |
| ☐ Official Community Plan Implementation | ☐ Leadership |
| ☐ Waterfront Area Plan | \square Not Applicable |
| I approve the report and recommendation(s). Allison McCarrick , Chief Administrative Officer | |

ATTACHMENT(S):

- A. SSMUH Provincial Policy Manual & Site Standards
- B. Extensions Policy Bulletin
- C. Preliminary Sanitary Sewer Capacity Review
- D. Extension Areas Map



Small-Scale, Multi-Unit Housing

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DOCUMENT TABLE OF REVISIONS

| Number | Date of Revision | Nature of Revisions |
|--------|-------------------|---|
| 1 | December 14, 2023 | Typographical errors corrected, date on page 6 corrected to December 7, 2023. and missing |
| | | hyperlinks added. |

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Introduction

1. Purpose of the Policy Manual

In the fall of 2023, the Province of British Columbia (BC) introduced changes to the *Local Government Act* (LGA) and *Vancouver Charter* (VC) to allow more small-scale, multi-unit housing in land use zones that are otherwise restricted to single-family dwellings or duplexes. These are referred to as *Restricted Zones* in the new legislation. The legislation applies to all municipalities and regional districts in the province.

This Policy Manual is a resource to support local governments with the implementation of zoning bylaw amendments required to comply with the changes to the LGA and VC under the Small-Scale, Multi-Unit Housing (SSMUH) legislation. It establishes provincial expectations for local government implementation of the SSMUH requirements.

In preparing, amending, or adopting a zoning bylaw to permit the use and density required by the SSMUH legislation, a local government **must consider any applicable guidelines for SSMUH, including this Policy Manual**. Subsequent resources or information bulletins may be issued by the Province to clarify or elaborate on changes to the requirements. These resources will be available online at: <u>Local government housing initiatives - Province of British Columbia</u>.

The content of this manual is not a substitute for legislation, nor should it be relied upon as legal advice. Users of this manual should seek legal advice as necessary.

2. How to use the Policy Manual

This Policy Manual is to be used by all local governments in BC to guide updates to zoning bylaws, other regulatory bylaws, and policies undertaken to comply with SSMUH legislation. Due to the differences in the numbering and legislative framework for the LGA and the VC, specific sections of the VC are referenced as a footnote where appropriate.

The specific guidance that must be considered by local governments when implementing the SSMUH legislation is in Part 4 of the Policy Manual.

2.1 Read the Policy Manual in its entirety

Local governments must consider the contents of this Policy Manual and should read it in its entirety. Some of the appendices may not apply to all jurisdictions. The Policy Manual is structured as follows:

- Part 1 provides an overview of the SSMUH legislative requirements, the implementation process, and direction for interpreting both;
- Part 2 discusses zoning bylaw updates required to comply with the legislative requirements by identifying recommended approaches based on best practices and the experiences of jurisdictions that have already implemented similar policies, common zoning bylaw requirements that are not aligned with the objectives of the SSMUH legislation, and alternative approaches;
- **Part 3** discusses other factors for local governments to consider when aligning policies and procedures with SSMUH requirements, such as using development permit areas, housing tenure, and infrastructure servicing;
- Part 4 contains four packages of site standards, each consisting of groups of recommended technical specifications or regulations for zoning bylaws that local governments may adopt for different lots and areas to which the SSMUH requirements will apply; and
- the **appendices** contain additional information for compliance with SSMUH requirements, such as using geospatial data to support implementation and calculating anticipated changes in density resulting from zoning bylaw updates.

2.2 Geographic scale

Local governments are required to update their zoning bylaws to permit the prescribed minimum SSMUH densities on single-family and duplex lots. Local governments should also consider applying this manual, and updated zoning bylaw requirements to existing low-density, multi-family residential zones to improve consistency and the ease with which SSMUH can be developed.

Local governments that already have existing small-scale multi-unit zoning bylaws that cover all residential areas previously zoned for single-family or duplex are strongly encouraged to apply this information in this manual to those areas and amend their bylaws as needed. This will provide a consistent development landscape regionally and provincially, providing transparency and predictability for both developers and homeowners. The success of local bylaws will be monitored along side the implementation of the SSMUH legislation.

This policy manual recognizes the significant diversity of local governments in BC in terms of legal structure, size, geography, and historical and current land use patterns. To the extent possible this manual takes this diversity into account and outlines a range of different considerations for different contexts. Consequently, not all contents are applicable to every local government, geography, or lot within their boundaries. Some

parts of this manual refer to specific areas within communities where particular SSMUH density requirements will apply. Other content refers to considerations applicable to the whole context of a municipality or regional district electoral area.

2.3 Defined terms and meanings

Except for references to legislation which are italicized, other italicized terms in the Policy Manual are defined in the SSMUH legislation (and provided on page 12 of this manual). For non-italicized terms, the conventional meaning of the word applies.

2.4 Additional policy material

Additional policy material may be issued from time to time by the Province to assist local governments with implementing SSMUH legislative requirements. This information is intended to support the information contained in this Policy Manual.

2.5 Relationship with other provincial resources and requirements for local government land use planning

Land use planning policies developed by local governments and the decisions they make must be consistent with SSMUH legislative requirements. The Policy Manual is intended to be complementary to other resources and policy documents published by the Province to guide local governments in specific areas of land use planning like the <u>Flood Hazard Area Land Use Management Guidelines</u>. Except in relation to SSMUH requirements or where the relevant legislation indicates otherwise, those other resources and policy documents take precedence over the contents of this Policy Manual.

3. Why is the Province introducing SSMUH requirements?

Single-family detached homes are out of reach for many people in a growing number of BC communities. However, zoning regulations that exclusively permit single-family detached homes often cover 70-85% of the privately held residential land base in communities. Not only are less expensive multi-unit forms of housing not permitted in most areas of our communities, but they are also subjected to more layers of process and regulations like rezoning and design requirements.

These conditions make it challenging to build multi-unit housing throughout the province. Rezoning requirements add considerable costs to projects and create uncertainty for those interested in building homes in our communities. When combined with long development application processing timelines, these factors impede the supply of much-needed market housing that is more affordable than conventional single-family homes. In

most parts of the province, the supply of housing is falling further and further behind actual housing needs. The current approach to zoning regulations limits the diversity of housing supply required in BC communities.

Through the SSMUH legislation, the Province is aiming to overcome these challenges by enabling multiple units of housing (2 to 6 units depending on the location and context) to be permitted on single-family and duplex lots without the need for costly and time-consuming rezoning processes. As a result of this, local governments across the province are now required to permit a minimum of two to six units of housing on lots formerly recognized as single-family or duplex lots, which are referred to as *Restricted Zones* in the SSMUH legislation.

The aim of the SSMUH legislation is to increase housing supply, create more diverse housing choices, and over time, contribute to more affordable housing across BC. Local governments have a critical role to play in its implementation and a lot to be gained from its success. Other jurisdictions around North America and the world are discovering the potential of enabling a more diverse mix of housing forms to be established in all neighbourhoods. It is an essential component of a larger strategy to create more inclusive, affordable, and resilient communities. Both inspiration and lessons can be drawn from the experience of other jurisdictions that have already taken this step. Some of the experiences of other jurisdictions are highlighted in Appendix A.

4. What is Small-Scale Multi-Unit Housing (SSMUH)?

Small-Scale Multi-Unit Housing (SSMUH) refers to a range of buildings and dwelling unit configurations that can provide more affordable and attainable housing for middle-income families. Examples of SSMUH include, but are not limited to:

- secondary suites in single-family dwellings;
- detached accessory dwelling units (ADUs), like garden suites or laneway homes;
- duplexes (side-by-side or up/down);
- triplexes and house-plexes; and
- townhomes.

SSMUH offers housing options that are ground-oriented and compatible in scale and form with established single-family and duplex neighbourhoods. These housing forms were more common prior to the introduction of zoning regulations in communities across BC, and many examples of them can still be seen in most communities. These housing forms typically offer more family-oriented units than larger-scale multi-family housing like condominium towers, and more affordable options than single-family homes. The modest increase in density resulting from these forms of housing can also produce significant benefits for neighbourhood vibrancy, inclusiveness, and sustainability.

Part 1 – Overview of the legislation and implementation process

1. Where do the new requirements apply?

The SSMUH legislation identifies where the prescribed number of housing units must be permitted by local governments on single-family and duplex lots with certain characteristics.

All local governments in British Columbia are required to comply with the sections of the SSMUH legislation applicable to their situation. Secondary suites or ADUs will become permitted almost everywhere in the province, while more urban areas will be required to permit between three and six units on each single-family or duplex lot. Section 481.4 (1) of the LGA and section 565.04 of the VC identify some exemptions to the requirements based on certain lot characteristics, these exemptions are also described below in Part 1, Section 3 of this manual.

Whether the prescribed number of housing units must be permitted on a given lot is determined by a variety of factors, including:

- whether or not the lot is within an urban containment boundary established by a regional growth strategy or an official community plan,
- lot size,
- whether a lot is serviced by local government water and sewerage systems, and
- for municipalities: population size, proximity of a given lot to transit services, and the presence of specific heritage designations.

These provisions are designed to reduce sprawl, ensure new housing units are adequately and efficiently serviced by infrastructure, and protect heritage buildings and features important to communities. The section below summarizes the conditions under which the requirements to permit minimum numbers of units of housing apply.

2. Summary of SSMUH requirements

Areas subject to SSMUH requirements are referred to as *Restricted Zones*, defined in the legislation as follows:

A zone that, on the date that this section comes into force, or that would, but for this section, restrict the residential use and density of use permitted in the zone to:

- (a) For the purposes of secondary suites and /or ADUs, a zone in respect of which the permitted use would be restricted to detached single-family dwellings, or
- (b) For the purposes of three to six units, a zone in respect of which the residential use would be restricted to:
 - a. Detached single-family dwellings, or
 - b. Detached single-family dwellings and one additional housing unit located within the detached single-family dwelling or on the same parcel or parcels of land on which the detached single-family dwelling is located;
 - c. duplexes, or
 - d. duplexes with one additional housing unit located within each dwelling comprising the duplex and no more than 2 additional housing units on the same parcel or parcels of land on which the duplex is located.

but does not include a manufactured home zone.

This means that all zones restricted to single family or duplex dwelling as of December 7th, 2023, when the SSMUH legislation received Royal Assent are subject to the requirements in this legislation. Local governments must ensure new or amended bylaws adopted on or after June 30, 2024, comply with this legislation and must consider this policy manual when they do so. While the compliance date for zoning changes is June 30, *Restricted Zones* to which the legislative requirements apply are determined based on the zoning bylaws in effect as of Royal Assent.

Another important note is that these requirements are now in place for any zone that would, but for this legislation, be restricted to single family or duplex dwellings. That means that local governments can no longer zone for exclusively for single-family or duplex dwellings, except for in areas that are exempt from this legislation.

The requirements for the minimum number of units required to be permitted in *Restricted Zones* are presented in Table 1. Lots that are exempt from these requirements are described in the next section. Part 4 of this manual provides leading practice zoning bylaw regulations for areas and lots to which the various minimum densities (i.e., minimum number of units) apply.

Table 1: Overview of SSMUH legislative requirements for single family and duplex zones

| Min. number of units required | Description of requirement |
|-------------------------------|--|
| Secondary suites and ADUs | A minimum of 1 secondary suite and/or 1 detached accessory dwelling unit (ADU) must be permitted in <i>Restricted Zones</i> in all municipalities and regional district electoral areas. Local governments may choose to do any of the following for single-family residential lots to which the higher density requirements for a minimum of 3-6 units do not apply: • permit only one secondary suite, • permit only one ADU, • allow landowners to choose either a secondary suite or an ADU, or • permit the construction of both a secondary suite and an ADU. In setting their requirements, local governments should ensure the requirements of other provincial legislation and regulations are met (e.g., the <i>Drinking Water Protection Act</i> and the Sewerage System Regulation). In addition, only secondary suites (not ADUs) should be permitted on properties less than one hectare in size that are not serviced by sewer systems operated by a local government. |
| Minimum of three units | Unless an exemption applies, a minimum of 3 units must be permitted on each parcel of land 280 square metres or less in a <i>Restricted Zone</i> that is: a) wholly or partly within an urban containment boundary established by a regional growth strategy, or b) if (a) does not apply, wholly or partly within an urban containment boundary established by an official community plan within a municipality with a population greater than 5,000 or, c) if neither (a) or (b) apply, in a municipality with a population greater than 5,000. |

Unless an exemption applies, a minimum of 4 units must be permitted on each parcel of land greater Minimum of than 280 square metres in a Restricted Zone that is: four units a) wholly or partly within an urban containment boundary established by a regional growth strategy, or b) if (a) does not apply, wholly or partly within an urban containment boundary established by an official community plan within a municipality with a population greater than 5,000, or c) if neither (a) or (b) apply, on each parcel of land in a municipality with a population greater than 5,000. Unless an exemption applies, a minimum of 6 units must be permitted on each parcel of land in a Minimum of six units Restricted Zone that meets all of these conditions: (a) is wholly or partly within 400 metres of a prescribed bus stop as such term is defined in the Local Government Zoning Bylaw Regulation or the Vancouver Zoning Bylaw Regulation (see Appendix B for a list of communities and routes that may have prescribed bus stops and Appendix C for information on identifying impacted lots using geospatial data); and b) is greater in area than 281 square metres; and c) is wholly or partly within an urban containment boundary established by a regional growth strategy, d) if (c) does not apply, is wholly or partly within an urban containment boundary established by an official community plan within a municipality with a population greater than 5,000, or e) if neither (c) or (d) apply, is a parcel of land within a municipality or regional district with a minimum population of 5,000 people.

Important Concepts and Terms

"conditional density rule" means a density rule established under LGA section 482(1) [density benefits for amenities, affordable housing, and special needs housing] to apply for a zone only on applicable conditions being met.

"housing unit" means a self-contained dwelling unit

"manufactured home zone" means a zone in respect of which the only permitted residential use is for manufactured homes as defined in LGA section 673 [definitions in relation to Part 17]

"restricted zone" means a zone where, on the date this definition comes into force, the permitted residential use and density of such use would be, but for the SSMUH requirements

- (a) For the purposes of secondary suites and /or ADUs, detached single-family dwellings, or
- (b) For the purposes of three to six units, a zone in respect of which the residential use would be restricted to:
 - a. Detached single-family dwellings;
 - b. Detached single-family dwellings and one additional housing unit located within the detached single-family dwelling or on the same parcel or parcels of land on which the detached single-family dwelling is located;
 - c. duplexes; or
 - d. duplexes with one additional housing unit located within each dwelling comprising the duplex or no more than 2 additional housing units on the same parcel or parcels of land on which the duplex is located,

but does not include a manufactured home zone.

"Prescribed distance from a bus stop" is 400 metres.

"Prescribed bus stop" is determined by transit frequency and timing and is considered to be a prescribed bus stop if it is served by at least one bus route that is scheduled to stop at least every 15 minutes, on average, between the hours of:

- (a) 7 am and 7 pm, Monday to Friday, and
- (b) 10 am and 6 pm on Saturdays and Sundays.

"Transit-Oriented Area (TOA)" means an area within a prescribed distance from a transit station.

"transit station" means:

- (a) A prescribed bus stop, bus exchange, passenger rail station or other transit facility; and
- (b) A planned, prescribed bus stop, bus exchange, passenger rail station or other transit facility

2.1 Prohibited activities

Local governments must not use certain authorities in such a way that unreasonably prohibits or restricts the use or density of use required to be permitted under SSMUH. This includes the following powers identified in the LGA:

- a) a power under s.488 [designation of development permit areas],
- b) a power in relation to a land use regulation bylaw or land use permit,
- c) a power under s.614 [designation of hertiage conservation areas], or
- d) a power in relation to a heritage alteration permit, as defined in s. 586.

Furthermore, local governments must not use zoning powers to prohibit or restrict, in a *transit-oriented area*, a prescribed density of use, size or dimension of buildings where the land is zoned to permit any residential use or a prescribed use other than residential use. More information on *transit-oriented areas* is available at <u>Local Government Housing</u> Initiatives.

The SSMUH legislation also prohibits local governments from doing the following:

- requiring off-street parking or loading spaces for the residential use of housing units required to be permitted to achieve the minimum density of six units,
- using density bonusing to achieve the minimum densities they are required to permit under SSMUH zoning (see the next section for exceptions); and
- holding a public hearing on a zoning bylaw or amendments to zoning bylaw proposed for the sole purpose of complying with the SSMUH legislation.

What are accessory dwelling units and secondary suites?

The terms accessory dwelling unit and secondary suite are used in their ordinary meaning. An **accessory dwelling unit** or ADU is generally considered to mean a building, or part of a building, that:

- (a) is a self-contained residential accommodation unit, and
- (b) has cooking, sleeping and bathroom facilities, and
- (c) is secondary to a primary dwelling unit located on the same property.

A **secondary suite** is generally considered to mean an accessory dwelling unit that is located in and forms part of a primary dwelling unit.

2.2 Density Bonusing

To meet demand for community amenities, zoning bylaws can include the option of additional (bonus) density for particular lots or zones, subject to specific conditions, such as the provision of amenities (LGA, s. 482).

For SSMUH, local governments may not use density bonusing to achieve the minimum number of required housing units except in the following circumstances:

- on lots for which the requirement of a minimum of six units applies, in which case local governments may establish conditional density bonus rules for only <u>one</u> of the <u>six</u> housing units, and
- for allowable densities that exceed the minimum densities of the relevant SSMUH legislative requirements for that specific lot.

In regard to the required six-unit density, local governments may only establish conditions in accordance with Section 482 (2) (b) and (c) of the LGA, and not for other types of amenities:

- (a) relating to the provision of affordable and special needs housing, as such housing is defined in the bylaw, including the number, kind, and extent of the housing; and
- (b) a condition that the owner enter into a housing agreement under section 483 before a building permit is issued in relation to property to which the condition applies.

3. Exemptions

The SSMUH legislation sets out several conditions under which certain parcels that would otherwise meet the *Restricted Zone* definition are exempt from the requirement to amend zoning to permit three to six units, described below. These exemptions were developed through consultation with a broad range of local governments and provincial agencies that oversee various aspects of land use management in the province.

There are two circumstances under which local governments are **exempted from all SSMUH requirements**, including those for secondary suites and ADUs. Those are in relation to exercising enumerated land use and planning authorities in respect of:

- lands in a local trust area under the Islands Trust Act, and
- a rural land use bylaw under section 457 of the LGA.

Additionally, under the Local Government Zoning Bylaw Regulation¹, lands subject to a hazardous condition where development of the land to the density of use required by sections of 481.3 (3), (4) or (5) of the LGA² can be exempted from the SSMUH legislation providing the local government has obtained a report in which a qualified professional³ certifies, for the local government, that:

- increasing the density would significantly increase the threat or risk from the hazardous condition; and
- the threat or risk from the hazardous condition cannot be practically mitigated.

There are more circumstances under which local governments are <u>exempted from the</u>

<u>SSMUH requirements to permit a minimum of three to six units on a lot</u>. Those are in relation to exercising enumerated land use and planning authorities in respect of:

- land that is protected under s. 12.1(2) of the Heritage Conservation Act;
- land that is, on the date the SSMUH legislation comes into force, designated as protected under a bylaw made under LGA, s. 611 [heritage designation protection];
- lands subject to a heritage revitalization agreement, as defined in LGA, section 586, entered into before the date this section comes into force;
- land that is not connected to a water or sewer system (parcels must be connected to both) provided as a service by a municipality or regional district;
- land that is within a zone in respect of which the minimum lot size that may be created by subdivision is 4,050 m²:
- a parcel of land that is larger than 4,050 m²; and
- by regulation⁴, land within a designated Transit-Oriented Area.

It is important to note that land that is within an area designated as a Transit-Oriented Area will be subject to higher density requirements in accordance with the Transit-Oriented Areas legislation and regulation to help improve transit viability and service.

Further information on relationship between the SSMUH legislation and what is permitted on a lot in the Agricultural Land Reserve can be found in section 7.1.

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¹ Vancouver Zoning Bylaw Regulation

² Sections 565.03 (3), (4) and (5) of the *Vancouver Charter*.

³ Qualified professional as described in paragraphs (c) to (f) of section 55 (1) of the *Community Charter*.

⁴ Vancouver Zoning Bylaw and Local Government Zoning Bylaw Regulations.

As soon as practicable after local governments update the zoning bylaw or bylaws in accordance with the SSMUH legislation and if the zones contain exempted lots, written notice must be provided to the Minister of Housing at PLUM@gov.bc.ca that identifies:

- a) the land to which the exemption applies, and
- b) the provisions of the legislation under which the exemption is exercised (i.e., the section(s) of the legislation relevant to the purpose of the exemption).

3.1 Considerations for hazardous conditions and protection of the natural environment

Local governments should continue to use their authorities under LGA, s. 491(2) to identify hazard areas where considerations related to health, safety, or protection of property from damage warrant land use regulations. These authorities will continue to apply for lots and areas impacted by SSMUH zoning. See Part 3, Section 1.4 for more information about development permit areas for hazard areas.

Local governments can also continue to use their authorities under LGA, s. 491(1) to specify areas of land that warrant special measures for the protection of the natural environment on lots to which SSMUH requirements apply, provided this authority does not unreasonably obstruct the intent of the SSMUH legislation. See Part 3, Section 1.3 for more information about development permit areas for environmental protection.

4. Extensions

There are several circumstances under which a local government may apply for an extension to comply with the SSMUH legislation in respect of a *Restricted Zone*. Local governments may update their zoning bylaw for some areas of their jurisdiction for compliance by June 30, 2024, and request extensions for specific areas or lots within their jurisdiction. Such extensions may be granted by the Minister of Housing at the Minister's discretion based on criteria that will be detailed in a bulletin to be issued in early 2024. An application process will also be outlined at that time.

The Minister may grant one or more extensions to a local government if the Minister is satisfied that the local government is unable, by June 30, 2024, to comply with the SSMUH requirements for any of the following reasons:

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⁵ Or mailed to: Planning & Land Use Management Branch, PO Box 9841, STN PROV GOVT, Victoria BC, V8W 9T2.

- a) the local government is in the process of upgrading infrastructure that services the specific area or specific lots for which the extension is being requested;
- b) the infrastructure that services the area where SSMUH would apply is such that compliance by June 30, 2024, is likely to increase a risk to health, public safety or the environment in that area; or
- c) extraordinary circumstances exist that otherwise prevent compliance in relation to the area.

What is an "extraordinary circumstance"?

An extraordinary circumstance for the purpose of an extension to comply with the requirements of the SSMUH legislation is a situation that would necessitate diversion of local government resources to the management of the circumstance and mitigation of impacts arising from the circumstance such that compliance with the legislation in the specified timeline would not be possible. Examples of extraordinary circumstances may include major wildfire or flood events.

An application for an extension must contain the information required by the Minister (for example, a report by a qualified professional attesting to the infrastructure need and risks) and must be submitted to the Minister as follows:

- a) unless paragraph (b) applies, on or before June 1, 2024; or
- b) in the case of extraordinary circumstances, on or before June 30, 2024.

Under Section 786(4)⁶, LGA, the Minister must give the local government written notice of an extension refusal or an extension approval that includes:

- a) in the case of an extension refusal, the date of the refusal, and
- b) in the case of an extension approval, the date by which compliance with SSMUH is required in relation to the area (which may not be later than December 31, 2030).

Extensions requested on the basis of infrastructure upgrades apply only to the specific areas impacted. Local governments still must amend their zoning bylaws for the other areas within their jurisdiction to which the SSMUH requirements apply by June 30, 2024.

⁶ Section 625(4) of the Vancouver Charter.

4.1 Extended compliance date and notice of compliance

If a local government applies for an extension in relation to an area, the local government must adopt a zoning bylaw that complies with SSMUH in relation to the area, as follows:

- a) if the extension is granted, on or before the date set out in the notice of extension; or
- b) if the extension is refused, within 90 days after the date set out in the notice of refusal.

A local government must provide the Minister with written notice as soon as possible after the local government has adopted the last zoning bylaw or amendment necessary to comply with SSMUH, except for the zoning bylaw or amendments necessary to comply with SSMUH in areas for which an extension has been granted.

If an extension is granted to a local government in relation to an area, the local government must give the Minister written notice as soon as possible after the local government has adopted a zoning bylaw that complies with SSMUH in relation to that area.

5. Implementing SSMUH requirements

The SSMUH requirements will apply as of the date that the legislation comes into force. This means local governments must not unreasonably restrict use or density of use that must be permitted under the SSMUH legislation, nor can they avoid the application of SSMUH requirements, including by doing any of the following:

- rezone existing single-family and duplex lots to non-residential or ancillary residential uses.
- enter into new heritage revitalization agreements that vary the use or density of use authorized below the use or density of use required to be permitted pursuant to SSMUH requirements, or
- alter the location of urban containment boundaries or servicing areas.

Local governments must update their zoning bylaws to align with SSMUH legislative requirements by June 30, 2024. Figure 1 illustrates the anticipated process for local governments to implement SSMUH-compliant zoning bylaws. In doing so, local governments should consider the following.

• In some cases, local governments are prohibited from exercising authorities in the LGA related to zoning regulations, as described in Part 1, Section 2.1 of this manual.

- Typically, all bylaws enacted after the adoption of an official community plan must be consistent with LGA, s. 478 (2). However, zoning bylaws updates required to align with the SSMUH legislation are explicitly excluded from this requirement until December 31, 2025.
- Before December 31, 2025, however, local governments will need to amend their OCPs for the purpose of permitting the required uses and densities in their bylaws.
- Local governments can update their zoning bylaws for alignment with SSMUH by changing the permitted densities and zoning regulations for all single-family and duplex zones. An alternative approach that may be consistent with ongoing efforts to streamline zoning bylaws could be to consolidate multiple single-family and duplex zones into fewer zones with zoning regulations that align with SSMUH requirements.
- Local governments must not hold a public hearing for zoning bylaw updates for the sole purpose of complying with the SSMUH legislation. Consequently, notice that a public hearing will <u>not</u> be held must be given by local governments, according to the process set out in LGA section 467⁷.
- If zoning bylaw updates for SSMUH compliance are adopted using a phased approach or to accommodate in-progress applications, local governments are prohibited from holding a public hearing for each phase, if the amendment is for the sole purpose of complying with SSMUH.

After adopting the last zoning bylaw or bylaw amendment necessary to comply with SSMUH requirements, local governments must give written notice to the Minister of Housing as soon as practicable. In addition to the notice of SSMUH compliance, if there are exemptions exercised in relation to any of those bylaws, the written notice must include the location of any exempted lands and the legislative provisions (i.e., rationale) under which the exemptions are being exercised. If a local government is unable to amend its zoning bylaw within the established timeframe, it must request an extension (see Part 2, section 3).

5.1 Ministerial authority in the event of non-compliance by a local government

Local governments that do not comply with the legislative requirements for SSMUH by the compliance deadline of June 30, 2024, may be subject to a ministerial order that overrides their zoning bylaw to permit the use and a minimum density of use required to be

⁷ Section 566.1 of the Vancouver Charter.

permitted under SSMUH. In these cases, the minister will first give notice and provide an opportunity for the local government to make the amendments.

The Local Government Zoning Bylaw Regulation⁸ may be used to establish specific conditions to override the non-compliant single-family and duplex zoning bylaw provisions. A ministerial order will remain in place until the affected local government adopts zoning that is compliant with the SSMUH legislation.

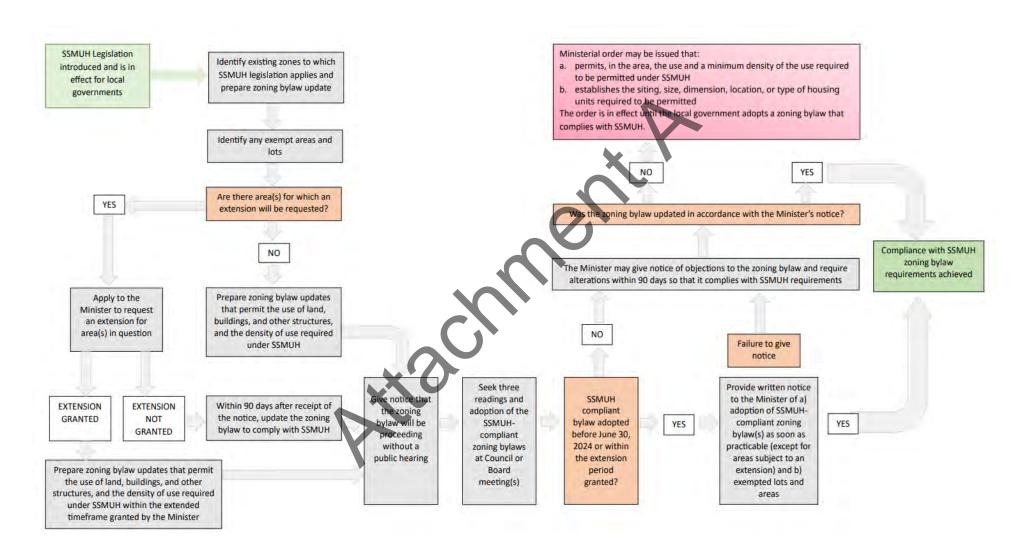
How to ensure compliance with SSMUH requirements

- 1. Approve a zoning bylaw or bylaws that comply with SSMUH requirements by June 30, 2024, unless an extension has been granted and not expired (see Part 2, Section 4).
- 2. Notify the Minister of Housing in writing that the final zoning bylaw or zoning bylaw amendment necessary for compliance with the SSMUH requirements has been adopted, the location(s) of any exempted land(s) and the legislative provisions supporting the exemptions.
- 3. Update the official community plan by December 31, 2025.

Macy

⁸ Vancouver Zoning Bylaw Regulation.

Figure 1: Process for legislative compliance with SSMUH requirements



6. Development application processes and in-stream development applications

6.1 Development application processes

Following the adoption of zoning updates to implement the SSMUH legislation, rezoning applications can no longer be required for SSMUH in the areas where it must be permitted under the legislation. Rezoning will also no longer be required for secondary suites or accessory dwelling units in most places, depending on the manner in which the local government chooses to implement the legislation (for example, if a local government chooses to only permit secondary suites in single-family zones, rezoning applications may be required for accessory dwelling units).

However, development permits can still be required, and development variance permits may be necessary, depending on building design and site constraints. Additionally, some local governments might impose other requirements as a condition of building permit issuance, such as a business licence for secondary suites or accessory dwelling units.

Recommended approaches to development permit areas for SSMUH projects are discussed in detail in Part 3, Section 1 of this manual. Several ways local governments can make the development approval process easier for secondary suites, ADUs, and SSMUH projects are identified below.

Development approval processes improvements for SSMUH

- Emulate the approvals process used for single-detached homes (i.e., do not impose additional processes on SSMUH projects)
- If development permits are required, delegate issuing approval to staff
- Delegate issuing approval of minor development variance permits to staff (permitted under section 498.1 of the LGA)
- Eliminate requirements for a business license or covenant concerning the rental of secondary suites and ADUs
- Eliminate requirement for landowners to live on a property where a secondary suite or ADU is rented out
- Waive tree-cutting permit requirements for secondary suites, ADUs and SSMUH developments if none are required for single-detached dwellings

6.2 Options for in-stream development applications

The legislative amendments do not prescribe a specific process or approach for local governments to use when considering the impacts of the SSMUH legislation on in-stream development applications. In smaller jurisdictions, where applications are underway to permit uses or densities that will become permitted by-right following implementation of the SSMUH legislation, local governments may wish to consult with applicants to determine how they wish to proceed given the timelines involved.

In larger jurisdictions where there may be a number of such applications, the local government should develop a policy for how in-stream applications should be addressed. For example, local governments should consider fast-tracking the approval of in-stream applications where they would be consistent with the zoning amendments proposed to implement the SSMUH legislation. Application fees could be fully or partially refunded in accordance with the fee refund policy of the jurisdiction.

7. Relationship with other provincial legislation

In the course of reviewing development applications, local government staff take guidance from several provincial statutes or regulations. This section of this manual clarifies the relationship between SSMUH legislative requirements and other provincial legislation commonly referenced in land use planning.

7.1 Agricultural Land Commission Act

The *Agricultural Land Commission Act* (ALCA) is a provincial statute that sets out principles and broad rules for the protection and preservation of agricultural land in BC. The ALCA provides that any local government bylaws which are inconsistent with the ALCA are of no force or effect to the extent of the inconsistency. This means that any bylaw made to comply with section 481.3 (3) which has the effect of permitting a number of housing units greater than those permitted under the ALCA or permitting sizing, siting or use of housing units other than as permitted under the ALCA will have no effect on the Agricultural Land Reserve (ALR) to the extent that the permissions in the bylaw exceed those restrictions.

In 2021, the ALCA and corresponding Agricultural Land Reserve Use Regulation (ALRU) were amended to allow for a greater range of residential uses on ALR land to support farming. Local governments must review their zoning bylaws to identify any *Restricted Zones* in the ALR and where s. 481.3 (3) applies, update their zoning bylaws to permit either a secondary suite or accessory dwelling unit as allowed by the ALR Use Regulation. In a limited number of communities, the three-unit density required under s. 481.3 (4) may also apply as a principal dwelling unit containing a secondary suite along with an

accessory dwelling unit is allowed by the ALRU Regulation. However, in most communities, only s. 481.3 (3) will apply as much of the ALR is zoned for agricultural use, consists of lots larger than 4050 m² and/or is outside an urban containment boundary. Further guidance and resources can be found at Housing in the ALR.

7.2 Building Act

The *Building Act* establishes the authority of the provincial government to set technical building requirements across BC. Local authorities as defined by the Building Act may choose, but are not obliged, to administer and enforce provincial building regulations, such as the BC Building Code.

Regardless of whether a local government exercises the authority to administer and enforce the BC Building Code, SSMUH units must be built in accordance with the BC Building Code requirements for the appropriate building type. Most SSMUH buildings will likely be subject to Part 9 of the BC Building Code; however, some may fall under Part 3, depending on their size and the number of storeys.

Where a local government has been granted authority to administer and enforce technical building requirements different than those specified in the BC Building Code, SSMUH buildings must be built in accordance with the technical requirements of that jurisdiction. This may be the case for example, in jurisdictions that have adopted the higher Step Code standards.

Secondary suites and the BC Building Code

The BC Building Code now allows secondary suites in more building types, including side by side units in duplexes and row housing. Size restrictions for secondary suites have also been removed. Further information on these changes can be found in Technical Bulletin Number B19-05.

7.3 Community Care and Assisted Living Act

The Community Care & Assisted Living Act (CCALA) establishes the Province's authority to regulate and license community care facilities and assisted living residences. Licensed community care facilities are defined as those that offer care to vulnerable people in child day care, child and youth residential settings, and adult settings. Assisted living residences are defined as residences that accommodate seniors and persons with disabilities who receive housing, hospitality, personal assistance services and can direct their own care.

Section 20 of the CCALA exempts licensed in-home providers who care for eight or fewer children in a single-family dwelling from use restrictions in zoning bylaws, even if the local bylaws specifically disallow childcare in a single-family residential zone. The same section of the CCALA also exempts homes used as a residence for no more than 10 persons, not more than 6 of whom are persons in care (commonly called group homes) from land use restrictions in bylaws.

For this reason, many single-family detached zones only allow licensed in-home day care for eight or fewer children, or a group home in a single-family dwelling, provided there is no secondary suite in the home. When updating zoning bylaws to implement the SSMUH legislation, local governments are encouraged to consider allowing licensed in-home day cares and group homes in a wider range of building types in consultation with the regional health authority.

Consideration should also be given to the amount of outdoor play space available daily for each group of children, and for the total number of vehicles that will be present during morning drop off and end of day pick-up of children, to ensure that safe areas to which children do not have unsupervised access are provided.

7.4 Drinking Water Protection Act

The *Drinking Water Protection Act* (DWPA) applies to all drinking water systems other than those for single-family dwellings and systems excluded through the Drinking Water Protection Regulation. The DWPA establishes requirements for drinking water operators and suppliers to ensure the provision of safe drinking water for users. The DWPA also assigns certain duties to the Provincial Health Officer (PHO) regarding compliance, reporting, drinking water protection planning, amendments to protection planning, and reviewing decisions made by Drinking Water Officers.

The provisions of the SSMUH legislation that require local governments to update their zoning bylaws to permit a minimum density of three to six units only apply where the land is served by both a water system and sewer system provided as a service by a municipality or regional district, but not an improvement district.

The secondary suite and ADU provisions of the SSMUH legislation apply to areas not served by local government water and sewer. Single-family residences containing a secondary suite, in addition to the primary suite, may be considered exempt from permitting requirements under the DWPA. However, duplexes and lots with a detached accessory dwelling unit, in addition to the single-family residence, that are served by a well or other private water, meet the definition of a water system as defined by the DWPA. Such water systems must be designed, permitted, and operated in accordance with the

DWPA. Resources and information on these requirements can be found here: <u>How Drinking Water is Protected in B.C.</u>

7.5 Public Health Act

Under the *Public Health Act*, the Sewerage System Regulation applies to holding tanks and sewerage systems receiving less than 22,700 litres per day of sewage that serve single-family systems or duplexes. To mitigate risks related to groundwater contamination, local governments should only permit secondary suites and not accessory dwelling units on properties under one hectare in size that are not serviced by a local government sewer system.

7.6 Environmental Management Act

The *Environmental Management Act* (EMA) regulates industrial and municipal waste discharge, pollution, hazardous waste, and contaminated site remediation. The EMA provides the authority for introducing waste into the environment, while protecting public health and the environment. The EMA enables the use of permits, regulations, and codes of practice to authorize discharges to the environment and enforcement options, such as administrative penalties, orders, and fines to encourage compliance.

The applicable provisions of the EMA apply to the zoning bylaw updates made by local governments to implement the SSMUH legislation.

7.7 Heritage Conservation Act

The purpose of the *Heritage Conservation Act* (HCA) is to encourage and facilitate the protection and conservation of B.C.'s unique cultural heritage. Archaeological sites are granted automatic protection through section 12.1 of the HCA and are afforded protection whether they are recorded or as-yet unrecorded, located on public or private land, and whether they are intact or disturbed.

The HCA does not prevent local governments from amending zoning to comply with the SSMUH legislation on land with recorded or unrecorded archaeological sites. Land altering activities on such land may require a permit under the HCA, issued by the Minister of Forests or their delegate.

To determine if a proposed development overlaps with a protected archaeological site, or is in an area with high potential for as-yet unrecorded sites, it is recommended that developers submit an <u>Archaeological Information Request</u> for the project area. This report will indicate the presence of known archaeological sites within the project area, the potential for unrecorded archaeological sites, and recommend next steps. Obtaining this

information early may inform important project decisions and timelines for any necessary authorizations under the HCA. Entities who proceed with development of SSMUH units on parcels where zoning was amended in accordance with the SSMUH legislation who encounter a heritage object or site protected under the HCA during land altering activities must stop work immediately and cease work until appropriate HCA permits are in place.

Developers are encouraged to contact the <u>Permit Connect team</u> to understand provincial permitting requirements broadly and facilitate the prioritization of their multi-unit housing developments.

7.8 Land Title Act

Under the *Land Title Act* (LTA), a combination of the Torrens system of assured land titles and an accurate survey cadastral are used to establish the basis for real property ownership in BC. The LTA also provides the framework for the registration of charges (e.g., covenants, easements, liens on title of a property). Covenants registered against the title of a property could affect the ability to achieve the densities prescribed under the SSMUH legislation.

Covenants under section 219 of the LTA can only be registered by local governments, Islands Trust, a Crown corporation or agency, and the Crown. Local governments frequently use covenants of a positive or negative nature as a tool during rezoning processes to ensure or prevent a particular outcome once the land has been rezoned. Covenants may include provisions concerning:

- the use of land;
- the use of a building on, or to be erected on, the land;
- building on or the subdivision of the land; and
- protection of amenities like natural habitat.

Changes to, or release of, a section 219 covenant requires approval of the respective council or board, or in the case of a subdivision, the approving officer.

Existing section 219 covenants are not affected by the SSMUH legislation. However, local governments should not pursue new covenants that would prevent the prescribed residential densities required under the SSMUH legislation. Covenants can however still be requested for health, safety, and the protection of the natural environment.

Statutory building schemes are another form of restriction registered on a parcel's title that could impact the potential to achieve the residential densities prescribed by the SSMUH legislation. Statutory building schemes are generally reciprocal, in that the restrictions on each lot are imposed for the benefit of the other lots in the development.

Restrictions imposed by the building scheme run with the land and bind future owners/renters in the subdivision. Typical restrictions or requirements deal with building sizes, styles, finishes or colours, but can also restrict the use of buildings. Local governments are not generally party to, or responsible for the administration of the building scheme.

Provided the building scheme is valid, an existing statutory building scheme registered on title that limits the use of a property to one dwelling unit will take precedence over the unit densities prescribed through zoning updates made in accordance with the SSMUH legislation. This does not prevent a local government from zoning land subject to a statutory building scheme for a higher density, but the first responsibility of the owner(s) of that land is to uphold the terms of the building scheme.

7.9 Riparian Areas Protection Act

The *Riparian Areas Protection Act* (RAPA) and the accompanying Riparian Areas Protection Regulation (RAPR) require local governments to protect riparian areas during residential, commercial, and industrial development. Qualified Environmental Professionals conduct riparian assessments within 30m of a stream, ditch, watercourse, wetland, or other body of water that is, or feeds into, fish habitat. These assessments are submitted to the province for review to ensure RAPR standards are met, and the Province has authority to either accept or reject reports. Upon acceptance of a riparian assessment, local governments can then issue the necessary permits.

While the RAPA and RAPR don't hinder local governments from amending zoning under the SSMUH legislation, development activities on parcels for SSMUH purposes must align with the jurisdiction's chosen approach to implementing the RAPA and RAPR, meeting or exceeding provincial standards. This often involves establishing a development permit area for riparian protection, and necessitating work in accordance with the riparian assessment report within the 30-meter riparian area. Any proposed works within this area must adhere to the riparian protection standards outlined in the RAPR. For more details, refer to the Riparian Areas Protection Regulation website or contact RiparianAreas@Victoria1.gov.bc.ca.

7.10 Transportation Act

The *Transportation Act* deals with public works related to transportation, as well as the planning, design, holding, construction, use, operation, alteration, maintenance, repair, rehabilitation, and closing of provincial highways.

Under Section 52 of the *Transportation Act*, a controlled area is defined as any land and improvements within an 800-metre radius of the intersection of a controlled access highway with any other highway. A local government zoning bylaw does not apply to the controlled area unless it has been approved in writing by the Minister of Transportation and Infrastructure or delegate, or the bylaw is compliant with an agreement under the signature of that Minister's or a delegate. Zoning bylaw updates to implement the SSMUH legislation in controlled areas as defined in the *Transportation Act* will require the written approval of the Minister of Transportation and Infrastructure or delegate, unless compliant with an existing agreement.

8. Overview of other related Provincial initiatives

A significant number of legislative requirements were introduced in the fall of 2023 that impact planning, reporting, and development approval processes for BC local governments. These legislative changes and related programs, such as the <u>Single Housing Application Service</u> and the <u>Complete Communities Program</u>, are designed to respond to challenges communities across the province are experiencing, including a shortage of safe and affordable housing.

These legislative changes are summarized below. They were implemented in conjunction with SSMUH legislation to collectively modernize land use planning processes; improve the supply, diversity, and affordability of housing; and help equip local governments with the tools needed to sustainably manage their services and infrastructure. They support the *Homes for People Action Plan,* which strives to build more inclusive and affordable communities.

Many of the legislative changes described below originated from the Province's <u>Development Approvals Process Review</u> in 2019. It was undertaken with the goal of increasing the efficiency and effectiveness of local government development approvals processes. The extensive stakeholder consultation that informed the resulting report highlighted several systemic challenges these initiatives are designed to address.

8.1 Housing needs reports

In November 2023, the Province updated legislative requirements for local governments to prepare housing needs reports (HNR). When updating their HNR every 5 years, local governments are now required to use a standard methodology and calculate housing needs over a longer 20-year time horizon, as well as the 5-year timeline originally required. The requirements also more directly link housing needs reports to official community plans and zoning bylaws to ensure both planning and zoning align with community housing needs.

8.2 Linkages between official community plans and zoning bylaws

Official community plans (OCPs) describe the long-term vision of communities. They include statements of objectives, maps, and policies that guide decisions on local government planning and land use management. Zoning bylaws are intended to implement land use planning visions expressed in OCPs and regional growth strategies by regulating how land, buildings, and other structures may be used.

In practice, zoning bylaws are often not updated for alignment with OCPs to enable the vision articulated in them to be realized. This means changes to different land uses, even if desired by local governments, and supported by the broader community during the OCP's development, are often subject to onerous and time-consuming development application processes. This reduces the ability of local governments to adapt land uses to changing community needs in a timely way. It also creates a barrier to neighbourhoods and communities realizing the vision they have identified through extensive community consultation.

The fall 2023 legislative changes mean municipalities are now required to update OCPs and zoning bylaws on a regular basis for consistency with housing needs reports. Over time, this will have the effect of reducing the number of rezonings required to bring into effect land use changes that are consistent with community visions articulated through OCPs. Development permit applications may still be needed, as well as building permits. However, this will reduce administrative requirements for local governments to process land use applications, while assisting communities in realizing their vision for growth and change sooner.

8.3 Transit-oriented areas regulation and policy

Transit-oriented areas (TOAs) are geographic areas surrounding prescribed transit stations. Generally, TOAs encompass a 400 metre to 800 metre radii around a transit station, which constitutes a 5-minute or 10-minute average walking distance, respectively. Transit stations will be defined in the Transit-Oriented Areas Regulation and may include a bus exchange, passenger rail station (a Sky Train station), West Coast Express station, or other prescribed transit facility. This may include planned stations that are not yet in service at the time the regulation is established.

A limited set of interim TOAs will be provided by both regulation and maps to local governments with prescribed transit stations. These interim TOAs will be in effect when the Transit-Oriented Areas Regulation is established and consist only of the transit stations located in designated transit-supportive areas that municipalities have already identified in their official community plans.

Local governments must designate any TOAs in their jurisdiction by bylaw on or before June 30, 2024, using the list of transit stations and designation criteria in the Transit-Oriented Areas Regulation. This list of stations includes both interim transit stations and additional transit stations. The full list of transit stations and TOAs are exempted from the SSMUH requirements. As a first step in implementing SSMUH, local governments should review the Transit-Oriented Areas Regulation to confirm if it applies to their community and if so, to which areas.

8.4 Development financing

The SSMUH legislation is intended to help facilitate housing supply, which will likely create demand for new or expanded infrastructure from local governments. To address this demand, local governments have a range of financing tools available to acquire and construct new assets. The key development finance tools set out in legislation include subdivision servicing charges, development cost charges (DCCs) and new provisions for amenity cost charges (ACCs).

Subdivision Servicing Charges

Local governments may establish a subdivision servicing bylaw that regulates and sets out the requirements for the provision of works and services that are needed as part of the subdivision or development of land. These bylaws are used to recover the cost of local service infrastructure that will specifically serve subdivision or development.

Development Cost Charges

DCCs can be levied on new development to help pay the capital costs of new or expanded infrastructure, such as sewer, water, drainage, parks, and roads necessary to adequately service the demands of that new development. The LGA sets out the rules and requirements for using DCCs.

If a local government wishes to impose DCCs on fewer than 4 dwelling units and does not have this authority provided for within the current DCC bylaw, an amendment to the DCC bylaw would be required. This can ensure that SSMUH developments contribute towards the costs of the infrastructure that will serve them.

To provide an incentive for affordable housing, a local government may define affordable rental housing and then provide waivers and reductions of DCCs to developments that are eligible under these definitions.

A new or amended DCC bylaw will also be required if a local government wishes to collect DCCs to help pay the capital costs of fire protection facilities, police facilities and solid waste and recycling facilities, or if the updates to zoning regulations affect the

assumptions used to calculate DCCs, such as the number of residential units, housing stock mix, or occupancy rates. The same rules and requirements that exist in the DCC framework will apply to these new categories. Additional resources for DCCs include the Province's <u>Development Cost Charges Best Practices Guide</u>.

Amenity Cost Charges

Local governments can also use the new ACC financial tool to help pay the capital costs of amenities (e.g., community and recreation centers, libraries, day care facilities) needed to support growth and create liveable communities. Note that ACCs cannot be used to pay the capital costs of projects that are eligible to be funded through DCCs.

Like DCCs, ACCs must be imposed by bylaw. Local governments must determine the area or areas in their communities where they are anticipating growth and identify what amenities are needed in the area or areas. When determining the area(s) and amenities, local governments will need to consider their official community plans and other relevant planning documents, expected increases in population, and the financial plan.

ACCs can then be imposed as a set charge based on units. lots, or floorspace area on new development to help pay for amenities that benefit the development and the increased population resulting from new development. When setting their charges, local governments need to consider the capital costs of the amenities, phasing of amenities, whether the charges are excessive in relation to existing standards of services, and whether charges would deter development (e.g., they will need to undertake a land economic analysis).

Charges cannot be based solely on the capital costs of the amenities. In determining charges, local governments must follow the steps below.

- Deduct any grants or other sources of funding that are helping finance an amenity.
- Allocate the costs between future residents and businesses (i.e., the portion of
 costs allocated to new users/to be paid by new development) and current residents
 and businesses (i.e., the portion attributed to existing users). As amenities often
 benefit the existing population, local governments will need to fairly distribute the
 costs of amenities between future residents (i.e., the development) and existing
 residents and businesses (i.e., the existing tax base).
- Deduct from the portion of costs attributed to new development an amount that will be funded by the local government. Like DCCs, ACCs are intended to "assist" with paying the capital costs of amenities. Therefore, local governments are expected to provide a level of financial assistance to ensure that new development does not shoulder the entire costs of amenities.

There are certain circumstances in which a local government cannot impose ACCs, including on developments that have already paid an ACC, developments that do not result in an increase in population (e.g., a triplex replacing a triplex), or to cover the capital costs of the types of infrastructure for which a local government can impose DCCs. Local governments can waive or reduce ACCs for not-for-profit rental housing and for-profit affordable rental housing (like DCCs).

Unlike DCCs, ACC bylaws do not require approval by the Inspector of Municipalities. Instead, the legislation sets out specific requirements for developing the bylaw, such as a requirement to consult with affected parties (e.g., the public, neighbouring local governments, the development industry) and rules to ensure transparency and accountability about funds received (e.g., local governments must report annually on their charges). The Province has authority to establish regulations respecting specific aspects of the framework, such as to ensure that charges do not deter development and to exempt certain types of affordable housing from ACCs.

8.5 Upcoming Changes to the Adaptability and Seismic Provisions in the BC Building Code

In 2025, provisions relating to the design of adaptable dwelling units will be required in many dwelling units. For Part 9 buildings, these requirements will only apply when a common entrance to the units is provided in the building design, and then only to units on ground floors or accessible by elevators. Part 9 buildings without common entrances or elevators will not be required to meet adaptability provisions. Many local governments currently allow or provide for increased floor space in dwelling units that are adaptable, with an average of 20-25 square feet allowed to compensate for the increased space requirements for the provisions.

In response to updated knowledge about the seismic risk in some parts of BC, new seismic mitigation measures will also be coming in 2025. For Part 9 buildings, little to no impact is anticipated on the overall size of a building constructed to the new seismic requirements and design measures may be able to mitigate the associated cost implications. Towards this end, the Building and Safety Branch is working with partners to support the development of guidance materials.

The setbacks and lot coverages in the four packages of site standards in Section 4 should accommodate any increase in a building's floor area resulting from the new adaptability and seismic provisions. For those local governments that do wish to limit the size of a housing unit to enhance its affordability, it is recommended that local governments allow additional floor space for adaptable units and where the seismic provisions will have demonstrable impacts on the building footprint for Part 9 buildings.

Part 2 - Zoning bylaw amendments

Given the depth of the housing crisis and the province-wide goal of creating more homes, faster, local governments are required to put in place zoning bylaws that enable SSMUH and do not impede the creation of SSMUH. Local governments must not use other authorities in Parts 14 and 15 of the LGA⁹ to unreasonably restrict or prohibit SSMUH projects.

This part of the manual identifies factors local governments must consider when updating their zoning bylaws to be compliant with SSMUH requirements and sets provincial expectations for compliance. It identifies recommended approaches based on best practices and the experiences of jurisdictions that have already implemented similar policy frameworks. It also identifies common zoning bylaw provisions that are not aligned with SSMUH objectives and alternative approaches that can be used.

Common provisions in zoning bylaws that will likely impede the successful creation of new and relatively affordable units of housing through SSMUH are identified in Table 2. Where relevant, alternative approaches, mitigations, or solutions are provided. It is important for local governments to note it is typically not a single zoning rule that impacts the viability of a SSMUH project, but rather the cumulative and cross-cutting impacts of several regulations combined.

The building types, density and intensity, and site conditions that will improve the economic viability of SSMUH projects are also described. Due to the high cost of land and buildings in BC, as well as extensive zoning regulations that were typically designed to regulate larger multi-family building forms, the economic viability of building SSMUH forms has been limited throughout most of the province. Creating a favourable regulatory environment for SSMUH housing to help overcome these barriers will require an openness to new building forms in areas traditionally reserved for detached single-family and duplex homes.

⁹ Parts XXVII and XXVIII, Vancouver Charter.

Table 2: Common zoning bylaw requirements that will deter SSMUH housing forms

| Bylaw requirement | Potential negative impacts on SSMUH outcomes | Possible solutions(s) or mitigations |
|---|---|--|
| On-site parking requirements that are too high | Likely to reduce the viability of projects due to space limitations on traditional single-family and duplex lots, and also to reduce site permeability and livability. | Eliminate on-site parking requirements or adopt a modest maximum requirement (e.g., 0.5 spaces/unit) where residents have access to sustainable forms of transportation like public transportation or active transportation, and where on-street parking is available. More on-site parking may be considered (e.g., 1 space/unit) where public transportation or on-street parking is not available. |
| Insufficient height allowances | Limits of 1, 2 or 2.5 storeys will affect project viability or increase lot coverage to the point of reducing site permeability and livability. If height maximums are too low, it can also create challenges for evolving building technologies designed to improve sound and fire separation. | A universal maximum height limit that permits at least three stories regardless of the method of measurement, site gradient, or roof style improve the viability and diversity of SSMUH housing forms. This will also enable configurations and designs to be flexible so they can accommodate competing objectives (e.g., permeable surfaces, tree retention, open space for residents, parking spaces). 11 metres is often considered an appropriate building height limit to facilitate three storeys, based on a common approach of measuring building height from grade, which is to the midpoint of a pitched roof or the highest point of a flat roof from the average elevation of all corners of the building. |
| Servicing requirements triggered by additional units | Beyond the need to tie new units into existing water, sewer, and stormwater services, requiring upgrades to the distribution and collection system owned by the local government can add hundreds of thousands of dollars and render projects not financially viable. | Consider whether existing housing occupancy and consumption rates (in the case of water and sewer) align with assumptions underlying up-to-date infrastructure servicing models. Generally, occupancy and demand levels today are much lower than in past decades, meaning additional modest density in new units can be added with negligible impacts and without necessitating the need for system upgrades. Demand management measures, such as watering restrictions and on-site stormwater management features (e.g., rain gardens), can help mitigate servicing impacts. |

| Common zoning bylaw impediments | Potential Negative Impacts on SSMUH outcomes | Possible solutions(s) or mitigations |
|--|---|--|
| Limitations on the visibility or positioning of entrances for non- principal dwellings | Regulating the positioning of doorways can significantly limit the viability of different SSMUH building forms, which are already constrained by lot size and configuration, setbacks, and geotechnical considerations. | Remove regulations related to the positioning of entrances on non-principal dwellings. Recognize the potential for internal facing entrances to improve the livability of new units (e.g., through a courtyard arrangement or shared green space) and encourage them through design. This approach should take into account any requirements for unit addresses to be visible for emergency response, and servicing considerations if units front onto laneways. |
| Owner-occupation requirements for secondary suites | This condition on the establishment and use of secondary suites unnecessarily limits the availability of rental units, is contrary to the intent of zoning bylaws to regulate use (not users) and is regarded as questionable legally ¹⁰ . | Remove owner-occupation requirements for secondary suites. Where they exist, address concerns about property maintenance, noise, or other nuisance directly through appropriate local government bylaws. |

¹⁰ See Province of British Columbia. (2003). Suites: *A guide for local governments.* Retrieved from https://www2.gov.bc.ca/assets/gov/housing-and-tenancy/tools-for-government/uploads/secondary_suites.pdf

1. Building type

Most zoning bylaws contain use regulations in their residential zones that prescribe the building types permitted. For example, single-family residential zones generally permit one single-detached dwelling per lot. These use and density regulations have traditionally been applied to maintain a particular style of land development that creates neighbourhood consistency and are a holdover from an era of larger household sizes that are not as common as they used to be. However, they also have the effect of limiting housing diversity (as well as community diversity and inclusiveness) by restricting other housing types. Enabling more diversity in housing types will help improve housing affordability over time and better respond to the needs of changing demographics in communities.

Local governments implementing SSMUH zoning bylaw updates should be flexible in terms of permitting the full range of combinations and configurations for SSMUH buildings, up to at least the specified density or unit limit on a given lot. For example, rather than create a zone that permits a duplex, triplex, or fourplex, a zone could permit up to four housing units, without limiting the form those buildings should take. 11 The large number of configurations possible to accommodate four units on a lot are listed below.

There are many ways to combine and configure units on a lot

Allowing the full range of combinations and configurations of SSMUH housing on lots will create more diversity in housing choices to meet the needs of households that are becoming more diverse in their composition. For example, in contrast to a zone designed to permit only fourplexes, a zone that permits four housing units of any type allows for several combinations and configurations of housing, including:

- Principal housing unit + secondary suites x 2 + one ADU
- Principal housing unit + secondary suite + detached ADUs x 2
- Duplex x 2
- Duplex with one secondary suite in each unit
- Triplex + detached ADU
- Fourplex
- Four townhouses
- Four detached housing units (e.g., a cottage court)

¹¹ With the exception that local governments should still not permit the use of travel trailers, recreational vehicles, and other forms of housing on temporary foundations as dwelling units.

This approach will allow those who are designing and developing the housing to select a form that better aligns with the needs of the community or future residents. The flexibility created will also enable landowners to build in a way that takes into account factors like expertise and capacity in the construction industry, and important site considerations like topography, tree canopy, heritage and environmental values.

Jurisdictions that have laneways may have additional considerations to take into account in terms of the siting, configuration, and orientation of units. For example, laneways can improve the ease of incorporating onsite parking by removing the need for a driveway through the lot. However, laneways may not be maintained to the same standard as other roads, in which case local governments may prefer not to permit unit access along them.

When updating zoning bylaws to allow a wider range of housing forms, local governments should consider the implications for existing uses like single-family homes. If single-family homes are no longer allowed in a zone, it could cause all the existing single-family homes to become legal non-conforming.

2. Density / intensity

There are a number of "levers" that local governments have to regulate the size and number of units that can be developed on a parcel of land. Each lever has benefits and drawbacks, and the SSMUH legislation and this corresponding policy manual propose a unique suite of them to achieve more housing in BC communities. Local governments should not use any levers in zoning or design guidelines for the purpose of unreasonably restricting or prohibiting the intent of the SSMUH legislation.

Zoning bylaws typically regulate the *density* of development in residential zones by controlling the number of units per lot or units per hectare. SSMUH legislation will supersede local governments' ability to regulate on-parcel density in *Restricted Zones* as defined in the legislation, through the introduction of a minimum number of housing units required to be permitted for lots of varying characteristics.

Local governments also often regulate the *intensity* of development in residential zones. This can be done in a number of ways, including lot coverage limits, floorplate limits, total floor area limits, and through Floor Area Ratio (FAR) or Floor Space Ratio (FSR) regulations (commonly used interchangeably). In conjunction with other regulations, FAR is a key determinant in the bulk of a building on a given parcel and extra FAR is often used as leverage in density benefit (sometimes called density bonusing) schemes whereby local governments will authorize an increased FAR in return for amenities, affordable housing, or special needs housing.

In most single-family and duplex zones, the FAR is often kept low to maintain a similar size of housing unit across neighbourhoods. To effectively implement SSMUH zoning, the typical FAR of residential zones would have to be raised. However, FAR is not necessary to regulate the maximum floor area in SSMUH zones. In combination with setbacks and parking requirements, FAR limits can undermine the viability of creating new units of housing on a lot. When combined with a limit on the number of units permitted on a given site, creating a buildable area through setbacks and height regulations instead of specifying FARs will provide greater flexibility to enable landowners and developers to build SSMUH units of an appropriate size and intensity for the lot and local market. This is the approach reflected in the accompanying Site Standards for all densities.

Local governments could consider maintaining FAR limits in SSMUH zones in circumstances where zoning could allow for more units than the unit numbers permitted under SSMUH legislation as part of a density bonusing scheme. In these circumstances, a lot could be permitted to have more units than prescribed in the legislation through an increased FAR, in return for an amenity.

Local governments may also wish to retain FARs in zoning bylaw requirements on larger lots to avoid the construction of excessively large and relatively expensive housing units. However, using building footprint to limit the size of buildings and housing units instead will help achieve the same objective without the same impacts to project viability, provided building heights permit up to three stories.

Rather than introduce FAR limits for SSMUH forms of housing, local governments should consider reducing FAR limits for single-family dwellings, as the City of Vancouver has done. This will improve the relative economic viability of multi-unit forms of housing to encourage more of them to be built. It will also discourage the development of excessively large and expensive single-family dwellings that could be illegally converted to multi-unit dwellings to avoid costs and regulatory processes.

Floor area ratio or FAR

describes the relationship between the total amount of usable floor area that a building is permitted to have and the total area of the lot where the building sits. It is not just a measure of the footprint of the building on the land but rather the sum of all usable floor area of the building relative to the land.

3. Lot line setbacks

Standard setbacks from lot lines for buildings and structures serve several functions. In addition to setbacks, building code requirements for spatial separation for fire safety need to be followed to reduce the risk of fire spreading from one building to another.

Setbacks are often also designed to create a consistent look and feel on a street, mitigate concerns about adjacent uses, and define where open space on a parcel is located. However, they can also restrict opportunities to work around on-site geotechnical or environmental constraints and limit design flexibility and diversity in terms of housing forms. Reductions in setbacks, particularly rear and side yard setbacks, will likely be required to accommodate an increased number of housing units on what have traditionally been single-family residential or duplex lots.

To create a favourable development environment that encourages landowners to add additional housing units on their lots, local governments should adopt modest lot line setbacks in *Restricted Zones*. This will help ensure the viability of SSMUH housing forms and provide flexibility for the development of new units through multiple configurations.

It is particularly important that setbacks for lots proximate to transit in respect of which local governments will be required to permit a minimum of six units have minimal setbacks to improve their viability. The Site Standards for these lots recommends zero lot line setbacks, recognizing the potential of buildings of this scale to be non-combustible and built in a rowhouse or townhouse style where lot conditions are conducive to it.

Builders and developers will often use larger setbacks depending on the building type (e.g., combustibility), parking requirements (particularly for rear-yard parking and drive aisles), and the location of doors and windows. For example, larger side yard setbacks are required if the non-principal dwelling units have entrances/exits facing rear or side yards. This configuration will be likely for some forms of SSMUH housing, such as ADUs. The generous rear yard setbacks typical of single-family zones (e.g., 7 meters) will significantly limit the viability of adding additional housing units to single family lots. A reduction in rear yard setbacks will create flexibility in terms of the siting of units and open space on a lot. Lot coverage limits can be used to help mitigate some concerns related to SSMUH by ensuring an appropriate balance between open space and impermeable area.

The BC Building Code establishes spatial separation requirements for buildings to prevent the spread of fire. Depending on a number of factors, the Code does permit buildings to be constructed right up to the property line. However, the distances that a building must be from a property line for fire safety or from another building on the same property may be greater than the setbacks in a zoning bylaw. Where this is the case, changes to the design of a building or adding sprinklers may be used to align the fire safety requirements of the building code with setbacks in a zoning bylaw.

Local governments should also consider reducing their front yard setbacks to bring buildings closer to the sidewalk, which will have the effect of creating more vibrant streets through the 'eyes on the street' effect and increasing the likelihood of social interactions. A smaller front yard setback yields opportunity for a larger backyard, which can help achieve

livability or urban forest objectives. More generous front-yard setbacks in rural or semi-rural settings (e.g., 4.5m to 6m) where there is no landscaped median may still be warranted to reduce the impacts of roads in terms of noise and safety risks. Due to the larger lot sizes that are conventional in rural and semi-rural settings, this should not have a meaningful impact on the viability of adding additional units of housing to these lots.

Of all the land use regulation changes proposed in this manual, reducing customary single-family and duplex front and rear lot line setbacks may have the most profound effect on the traditional development pattern in single-family and duplex zones. It will enable buildings to be sited in what would have traditionally been a front yard or a back yard. Importantly, it will allow flexibility in terms of the location of open space and housing unit siting on lots to create a greater variety of configurations of housing units and improve on-site livability.

4. Building height / storeys

Building height regulations in single-family and duplex zones often permit up to a two-storey building with a height between seven and eight metres. To accommodate additional units on a lot, permitted building heights can be increased to maintain open or permeable space on the lot and accommodate the units within the required distances from property lines and/or between buildings for compliance with the BC Building Code. Building code requirements also create a practical limitation for SSMUH housing forms in terms of height maximums. When buildings exceed three storeys, on most lots (depending on grade) they are required to have a second exit, which has a significant impact on project costs and viability. Accordingly, local governments should consider allowing at least three storeys and a height of 11 metres in *Restricted Zones* for their zoning bylaw requirements¹².

Lower height limits will introduce significant trade-offs and likely negatively impact other desired outcomes for landowners and communities. For example, overly restrictive height limits could reduce the number of units that can be established on the site and consequently increase the costs to build, buy and/or rent each unit. Restrictive height limits can also have the following impacts:

 Increasing the coverage of impermeable surfaces, which could increase pressure on stormwater management systems and/or negatively impact surface and groundwater resources;

¹² Local governments use various methods to measure and regulate height. This may cause slight variations in the height necessary to permit three storeys.

- Reducing open space available for use by residents, for retention or planting of onsite trees, or for protection of other environmental values;
- Potentially reducing the livability of housing units on the site as well as adjacent units by necessitating smaller side and rear-yard setbacks; and
- Reducing accessibility and livability by foregoing a ground-floor unit in favour of a below-grade unit.

5. Lot coverage

Similar to Floor Area Ratio (FAR), lot coverage is another metric by which the intensity of development on a parcel is regulated. Lot coverage is generally expressed as a percentage, calculated by dividing the footprint of all buildings and structures on a lot by the size of the lot (using the same unit of measurement) and multiplying by 100. In some jurisdictions, all impervious surfaces are included in lot coverage calculations. In others, ground-level paving is excluded. Lot coverage is regulated by local governments for several reasons.

Lot coverage limits can be used to limit the size of buildings, in conjunction with setbacks, to ensure a consistent pattern of development and protect the pervious surfaces that support groundwater recharge and effective stormwater management. In most single-family and duplex zones, lot coverage ranges from between 25 and 40 percent, although it can be set below that on larger lots to control house size, or higher on smaller lots where a low lot coverage could impede development of a livable home. However, these lot coverage limitations can be an impediment to SSMUH housing forms if they do not allow a sufficiently large building footprint to accommodate development forms for multiple units that are financially viable.

The combination of the small size of single-family and duplex lots in some BC communities and the need for sufficient distance from property lines and/or between buildings to comply with the BC Building Code (particularly for combustible buildings) inherently reduces the possible lot coverage of resulting buildings, particularly if on-site parking is required. Nonetheless, setting lot coverage limits will help maintain permeability on the site to reduce impacts to stormwater management and water resources. It will also help keep the size of new homes resulting from the SSMUH zoning changes reasonable and more affordable. The Site Standards recommend different lot coverage limits for each type of lot subject to different density requirements, ranging from 60% for lots where a minimum of 6 units must be permitted, to 30% on lots for which only secondary suite and/or ADUs must be permitted.

6. Parking requirements

Of all bylaw regulations, on-site vehicular parking requirements often have the greatest influence on the viability of SSMUH housing forms. This is because typical single-family and duplex lots in urban and suburban settings are generally not large enough to accommodate multiple dwelling units with their required setbacks, and parking stall requirements for each unit. As illustrated by Figure 2, the inclusion of on-site parking requirements has significant consequences for the use of space, buildable area, as well as the configuration and siting of buildings on lots. Consequently, local governments should minimize parking requirements when updating their zoning bylaws, and in some cases consider removing parking requirements for residential zones altogether.

Two rear stalls

Single front stall

Four rear stalls

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At the same time, many people (such as students and seniors) cannot, or choose not, to own or drive a car and rely on other modes. In some communities, this is a significant share of households. Local government requirements are often dated and result in parking being significantly overbuilt. A 2018 study by Metro Vancouver found that parking supply exceeded use by around 40% in various types of strata and rental apartment buildings across the region.¹³

There are many other advantages of adopting low or no parking requirements for residential housing developments, as described below.

Improved affordability and equity: Reducing parking requirements can directly reduce housing costs through avoided costs for new development (in the lower mainland and Greater Victoria, surface parking spaces commonly cost \$20,000 - \$30,000 to build while underground parking costs range from \$50,000 - \$75,000 per space). It can also indirectly reduce housing costs by making it more viable to increase the number of dwelling units on a lot, contributing to an increase in housing supply. Car ownership rates are higher among those with higher incomes, meaning requiring parking spaces creates a housing cost that disproportionately impacts lower-income residents and may add unnecessary costs.

Increased permeable space for the environment and livability for people: For SSMUH housing forms, low or no parking requirements can significantly increase permeable, open space to support more tree retention/planting, reduce impacts on stormwater flows and infrastructure, and improve the livability of new housing units and any principal housing units retained on the site.

Support modal shifts and climate change mitigation efforts: Reduction or elimination of minimum parking requirements is also a key transportation demand management strategy that can support local governments with meeting local, provincial, and federal climate change mitigation targets. Where there are viable sustainable transportation choices available beyond driving personal automobiles, such as public transit or active transportation, removal of on-site parking can encourage a reduction in vehicular use and ownership. For this reason, a reduction in parking requirements for residential housing forms is an important strategy to improve the viability (and convenience) of public transit by increasing demand for the service, and decreasing the costs and space required for infrastructure to enable individual vehicular transportation.

Speed up construction and reduce construction impacts: Even in smaller buildings, building parking can add significantly to construction time, which ultimately delays the

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¹³ The 2018 Regional Parking Study: Technical Report, Metro Vancouver: https://metrovancouver.org/services/regional-planning/Documents/regional-parking-study-technical-report.pdf

provision of housing and uses scarce construction resources that could be at work on other homes. Underground parkades are particularly impactful on neighbours, requiring excavation and sometimes blasting, and many additional heavy truck trips on local roads. Finally, the large amounts of cement and steel required for parkades are typically the single biggest sources of embodied carbon in new buildings.

Improve community vibrancy and equity: In urban and sub-urban contexts, a reduction of on-site parking requirements and a transition away from car-oriented street designs are important strategies to improve community vibrancy through an increased emphasis on the pedestrian environment and gathering spaces in the public realm. This approach also contributes to greater equity by ensuring that those who are unable to drive or afford personal automobiles have access to transportation choices.

For the reasons described above, more and more local governments across North America are eliminating requirements for parking in residential developments. For example, minimum parking requirements have been eliminated in Edmonton, Toronto, San Francisco, and Portland. This does not mean that no on-site parking is built with new residential developments in these cities; it means those developing the new housing units can determine – based on local market conditions and demand – how much on-site parking to provide on their properties. This can also be influenced by the surrounding transportation context and the lifestyle of future residents.

An alternative approach, and one that is often used as an interim step toward the elimination of parking minimums, is the use of requirements that, in addition to setting a minimum number of parking spaces per unit, also set a maximum number of parking spaces per unit for residential developments. This approach is particularly promising for missing middle housing forms due to the inherent challenge of fitting several parking spaces on single-family and duplex lots. This approach gives some discretion to builders/developers to incorporate parking that they anticipate aligning with the needs of future residents, but up to a limit.

In other words, parking maximums can help ensure that parking supply is not excessive and can help local governments manage stormwater impacts associated with infill housing. Parking maximums retain some of the advantages of no parking requirement approaches, such as improved affordability and encouraging a modal shift. Parking maximums are often applied to sites that are within more urban contexts (e.g., downtown, urban mixed-use village centres, etc.) or within an area that is in proximity to high-quality frequent transit service.

In rural contexts, residents may not have reasonable alternatives to using personal automobiles. Single-family and duplex lots are generally large enough that the inclusion of parking spaces is not likely to be a barrier to the creation of additional housing units

Considerations for all three approaches to parking requirements for SSMUH housing are outlined in Table 3, which also identifies recommended scenarios for their use when local governments are considering zoning bylaw updates for alignment with SSMUH.

To help ensure the viability of a minimum of 6 units of housing on lots that meet the definition of transit proximity, local governments are not permitted to set any parking requirements for those lots.

The availability of on-street parking is also an important consideration when setting parking requirements or considering the use of no parking requirements. The use of onstreet parking to manage overflow from residential parking is a long-standing practice in many urban and sub-urban contexts.

Table 3: Considerations and recommended uses of different off-street parking approaches for lots with a minimum of three or four units in *Restricted Zones*

| On-site parking approach | Considerations for SSMUH | Recommended scenarios for using the approach |
|--------------------------------|---|--|
| No parking requirements | Allows builders/developers/ property owners to determine how much parking space is needed (if any) based on local conditions, the surrounding transportation context, and lifestyle of future residents Can increase the viability and reduce costs for SSMUH housing forms May increase demand for on-street parking (can be managed if needed through permitting programs) Results in a loss of local government control over transportation demand management strategies for community objectives like climate change mitigation, increasing neighbourhood vibrancy Significant implications for the amount of space on lots to support other uses (e.g., gardens and outdoor living area) | Lots in Restricted Zones that must permit a minimum of three or four units and where access to sustainable modes of transportation is available. Neighbourhoods where the lot sizes are sufficiently large to easily accommodate both the new units and parking. In rural areas, where only one secondary suite or accessory dwelling unit is permitted providing suitable on-street parking is available. |

| On-site parking approach | Considerations for SSMUH | Recommended scenarios for using the approach |
|-----------------------------------|--|---|
| Parking maximums (per unit) | Allows builders/developers/ property owners to determine how much parking space is needed (if any) based on local conditions, up to a maximum Likely to increase demand for on-street parking which may compete with other objectives (e.g., installation of bike lanes, increasing curbside space for commercial/passenger loading, etc.) or require management Maintains some local government control over off-street parking to help align outcomes with other community goals like climate change mitigation, tree retention, and stormwater management | Lots in Restricted Zones that must permit a minimum of three or four units and where access to alternative modes of transportation is available. When setting a maximum parking limit, local governments must also establish a minimum number of parking spaces. |
| Parking minimums (per unit) | Can decrease the viability of projects, particularly for smaller lots Can increase construction costs and contribute to higher costs per unit Will reduce demand for on-street parking Likely to result in a high proportion of impervious surfaces on lots in <i>Restricted Zone</i> which will increase pressure on stormwater systems and reduce yard space available for resident use and trees | No parking requirements are recommended for most SSMUH housing forms Off-street parking may be necessary in rural areas where no on- street parking is available or to facilitate snow-clearing activities |

On-street parking manages itself in many ways, since the difficulty obtaining it or lack thereof influences behaviour and encourages users to find parking elsewhere or reduce reliance on it. However, if needed, local governments also have the ability to manage the valuable public space used for on-street parking through permitting requirements. Residential parking permit programs are used in several communities across the province of varying size, including the City of Kelowna, City of Victoria, City and Duncan, and Township of Esquimalt, among others.

In many communities around the province, snow removal practices may limit the extent to which on-street parking can be relied upon to accommodate overflow from SSMUH housing forms. In such cases, more off-street parking may be warranted than the recommended ratios in Part 4 (the Site Standards).

 Table 4: On-site and off-site transportation demand management measures

| On-site measures for developers/builders | Off-site measures for local governments | |
|--|---|--|
| Ground-floor units that enable ease of access with mobility devices and strollers Bike parking facilities that are | • Improving pedestrian facilities such as more and improved sidewalks, paths and crosswalks, and better traffic signals (e.g., longer signals or pedestrian-priority signals) | |
| generously sized, secure, and under cover to accommodate a range of bicycle types including oversized bikes (e.g., electric cargo bikes, tricycles, etc.) which are common among young families • The provision of bicycles or electric bicycles to residents when they move into the building to increase bike ownership and/or rebates to offset the cost of bicycle purchase • The provision of carsharing memberships or cash contributions in the form of driving credits for different carshare service providers • Provision of a BC Transit public transit pass through the EcoPASS program for a minimum five-year term for every housing unit | Implementing traffic calming measures and re-allocating public right-of-way from vehicle movement to other uses (e.g., pedestrian infrastructure or gathering places) Improvements in transit stop infrastructure Installing all-ages and abilities cycling infrastructure such as protected bike lane infrastructure Increasing separation of pedestrians and cyclists from vehicle traffic and enhancements to the public realm (e.g., gathering spaces, benches, shade trees, landscaping buffers) Reducing parking availability on private and public lands and/or charge for its use to manage demand Incentivizing secure bike parking facilities at schools, workplaces, and commercial centres | |
| | | Encouraging end-of-trip facilities such as showers and lockers in schools, universities, and workplaces to help remove barriers to active transportation |

Part 3: Other considerations for implementing SSMUH requirements

1. Development permit areas

Development permit areas (DPAs) are an important tool available under LGA section 488 that local governments in BC can use to establish the conditions under which land alteration and new development takes place. Development permit areas are designated through official community plans and the guidelines can be specified in either the official community plan or a zoning bylaw.

Eligible Uses of Development Permit Areas (DPAs)

DPAs are used to identify locations that need special treatment for certain purposes including the protection of development from hazards, establishing objectives for form and character in specified circumstances, or revitalization of a commercial use area.

Section 488 the Local Government Act identifies eligible purposes of DPAs:

- (a) Protection of:
 - a. The natural environment, its ecosystems and biological diversity
 - b. Development from hazardous conditions
 - c. Farming
- (b) Revitalization of an area in which a commercial use is permitted
- (c) Establishment of objectives for the form and character of:
 - a. Intensive residential development
 - b. Commercial, industrial, or multi-family residential development
 - c. Development in a resort region
- (d) Promotion of:
 - a. Energy conservation
 - b. Water conservation
 - c. Reduction of greenhouse gas emissions

Local governments may continue to use DPAs, provided they do not unreasonably restrict the ability to use land at the use or density prescribed by the new legislation provisions (Section 457.1¹⁴ of the SSMUH legislation). This section offers direction on appropriate use of DPAs in the context of SSMUH legislative requirements. It also offers alternative means to achieve similar outcomes where DPA objectives are beyond the authorities of local government or likely to be a barrier to the development of SSMUH housing.

1.1 Ensuring alignment between SSMUH zoning, DPAs, and OCPs

Section 478 (2) of the LGA states that all bylaws enacted after the adoption of an OCP must be consistent with the relevant plan. Local governments may therefore find that new land uses permitted under SSMUH zoning are inconsistent with existing DPAs. For example, an environmental protection DPA guideline may discourage more than one housing unit on a lot in that area. Consequently, following adoption of zoning bylaws to enable SSMUH, local governments should review their DPAs and associated guidelines to ensure they do not unreasonably prohibit or restrict SSMUH development.

In reviewing and/or updating development permit areas, local governments should identify clear objectives and guidelines for development permit areas that are directly linked to the relevant authorities found in Division 7, Part 14 of the LGA. For example, both environmental DPAs and those designed for the protection of development from hazardous conditions may specify areas of land that must remain free of development, except in accordance with any conditions outlined in the development permit area. However, only a development permit under LGA s. 488 (1) (b) [protection from hazardous conditions] may vary land use or density as they relate to health, safety, protection of property from damage.

Local governments should also ensure they are using the most appropriate tool or bylaw for the task and desired outcome. Local governments in BC commonly use DPAs to achieve objectives that are outside the purposes prescribed in the LGA, and which can be regulated in other more appropriate ways. For example, require a business licence rather than through a business licence bylaw.

1.2 Development Permit Areas to Establish Objectives for Form and Character

Of the all the types of DPAs allowed under the LGA, those established under sections 488(1)(e) and (f) for the purpose of managing the form and character of SSMUH development have the greatest potential to negatively impact the creation of new housing units. DPAs and the development guidelines through which they are typically exercised,

¹⁴ Section 559.01 of the Vancouver Charter.

can introduce significant time, costs, delays, and uncertainty into projects. In the context of SSMUH housing, these factors can easily undermine the viability of projects. Common DPA requirements that can negatively impact the viability of SSMUH are identified below.

Many local governments regulate the form and character of commercial, industrial, or multi-family development through form and character DPAs. Single-family residences generally are not subject to form and character DPAs. However, local governments have discretion over what density of housing satisfies the intent of *intensive residential* under LGA, s. 488(1)(e) and would therefore be subject to this type of DPA. Since SSMUH forms are sufficiently close in size to single-detached dwellings and recognizing the other factors that can impact their viability, local governments are discouraged from using DPAs to control the form and character of SSMUH developments up to six units in all but exceptional circumstances. To implement this approach, local governments with existing form and character development permit areas should review and amend those DPAs to ensure that definitions for "intensive residential development" and "multi-family residential development" are aligned with SSMUH requirements and do not unreasonably restrict or prohibit their intent and purpose.

As outlined through the examples of common DPA guidelines on the next page, local governments can use zoning bylaw regulations to manage what are commonly viewed as the most significant elements of a development. Rather than attempting to also manage the form and character of SSMUH development through rules, local governments could also consider producing a set of voluntary, non-regulatory design guidelines that capture good practices in SSMUH development.

Some jurisdictions have developed template plans that builders can choose to use that are consistent with zoning regulation requirements and have positive design attributes, such as the City of Coquitlam. While this strategy may reduce diversity of SSMUH housing forms and innovation in design, it will likely result in more expedient approvals and produce building designs and forms that are consistent with community preferences.

Common DPA requirements that can negatively impact the viability of SSMUH

Neighbourhood Character/Neighbourhood Fit (often considered 'General DPAs')

DPA guidelines predicated on an evaluation of how a project may impact neighbouring properties prioritizes the interests of existing single-detached dwellings and detracts from the intention of the SSMUH legislation, which is to stimulate the creation of new SSMUH homes. Examples of these types of guidelines include requiring transitions through massing, height, or setbacks, as well as attempts to mitigate impacts on immediate surroundings via shadow, solar impact, views, and privacy.

Location of Entrances

Some form and character DPA guidelines require buildings to have primary entrances to each residential unit that face, or are visible from, the street. Adherence to such guidelines may limit creative building design or be open to administrative misinterpretation. Guidelines that limit the number of entrances to a building are also not appropriate for SSMUH.

Building Height

Guidelines that attempt to manage building height through a development permit to reduce impact on adjacent buildings or address shadow or privacy are not best practice for buildings of three storeys or less. Maximum building height is more appropriately regulated through the zoning bylaw.

Building Massing

Form and character guidelines that attempt to show how a building should be massed such as step-backs from street frontage or requiring upper storeys to have less mass than lower storeys put more constraints on already-constrained sites and can be eliminated in respect of buildings three storeys or less.

Parking and Waste Management

Policies that require parking areas to be completely enclosed or screened may result in more space being allocated for vehicles that could be dedicated for living. The same is true for solid waste management infrastructure.

Landscaping

Policies that require landscaping plans by a qualified landscape architect or irrigation installation are discouraged. For SSMUH there may be little landscaped area and these requirements may not be necessary. Also, there are some policies that require each unit to have exterior space at-grade adjacent to each housing unit. This hinders creativity in providing amenity space on the parcel. Reasonable compromises must be considered to stimulate development of desired housing forms.

If a local government determines that the form and character of SSMUH developments must be guided by a DPA, they are encouraged to develop them in accordance with the principles outlined below.

Principles for effective use of development permit areas

Provide Clear Direction and Be Specific: DPA guidelines should be clearly articulated to remove discretion over how they are interpreted and how the intent of the guidelines can and has been met.

Staff Delegation: Authority to issue development permits should be delegated to staff under the provisions of LGA section 490(5) to improve consistency in the adjudication of applications and the timeliness of approvals.

Advisory Urban Design Panels/Commissions: Ensuring SSMUH projects are not subject to review by advisory design panels or planning commissions will help ensure expedient and consistent approvals.

Recognize Constraints Through Permissive Requirements: DPA guidelines should take into account the significant space-related constraints and limited financial viability for SSMUH housing forms and avoid the inclusion of requirements that are impractical due to these constraints.

1.3 Development permit areas established for the protection of the natural environment, its ecosystems and biological diversity

Similar to the requirements for single-family homes, SSMUH developments will be subject to environmental protection DPAs established under LGA section 488(1)(a) provided they do not unreasonably restrict the ability to realize the use and density required under the SSMUH legislation. This means that local governments can continue to direct development away from areas of a parcel determined to be of ecological significance, require mitigating measures to avoid harmful impacts, and/or require compensatory measures if impacts cannot be avoided. It would not be appropriate, however, for a local government to implement an environmental protection DPA that would have the effect of preventing SSMUH forms of housing from being developed in the absence of site conditions and objectives that legitimately warrant it.

1.4 Development permit areas established for the protection of development from hazardous conditions

As is the case for all dwelling types, SSMUH development will be subject to hazard protection DPAs established under section 488(1)(b) of the LGA to ensure that development in those areas does not pose an undue risk. Section 56 of the Community *Charter*, which allows a building official to request a report by a qualified professional confirming that the land may be used safely for its intended purpose, also applies to SSMUH homes.

Per section 491(3) of the LGA, hazard protection DPAs are the one type of development permit area where a local government can deliberately vary the use or density of land as a means to protect health, safety or protection of property from damage. Accordingly, it is recognized that there may be limited areas which, due to the risks their natural characteristics pose, or access to and from those areas, may be unsuitable for SSMUH development.

1.5 Development permit areas established to promote energy conservation, water conservation, and reduction of greenhouse gas emissions

Like single-detached dwellings, SSMUH development will be subject to DPAs established under LGA section 488(1)(h)(i) and (j) of the *Local Government Act* for the conservations of energy or water and reduction of greenhouse gas emissions.

However, local governments should consider the following in adopting and/or reviewing DPAs developed for these purposes:

- recently developed or updated regulatory requirements such as the BC Step Code or BC Building Code may already require the same or similar outcomes for developments, and
- these requirements can raise building costs (even while lowering long-term operating costs) and hamper the viability and/or affordability of SSMUH forms of housing.
 SSMUH housing will support local and provincial government climate change mitigation efforts by increasing density in areas with existing services and reducing sprawl.

2. Subdivision, lot sizes, and strata titling

Subdivision refers to dividing land or buildings into separate real estate units. Types of subdivision that could involve SSMUH projects include, but are not limited to the:

creation of more than one lot from one or more lots:

- creation of strata lots (can include duplexes, townhomes, and single-family homes);
- property line adjustments; and
- consolidation of lots.

In developing policies or regulations governing subdivisions, local governments should consider the relationship between the minimum lot size requirements in the various zones, including minimum lot frontage lengths, with the potential number and viability of units that could be built if the minimum lot sizes were smaller. Smaller sized lots can mean a more efficient use of infrastructure and services.

Strata subdivision of new buildings is done by the developers who must file a strata plan with the Land Title Office. Information on the process is available at the Land Title Office.

The stratification of existing units requires local government approval before a strata plan can be filed in the Land Title Office. This would be the process if a landowner wished to undertake a building subdivision to create two units within the same strata corporation out of a principal dwelling like a duplex. However, local government approval is not required if none of the units have yet been occupied and are brought to lock-up stage simultaneously.

Local governments can increase strata titling or conversion of existing ADUs and duplexes by expanding the scope of existing Strata Title Conversion processes. Local governments should be aware that the BC Building Code does not allow the strata subdivision of a secondary suite from the principal dwelling unit. Side by side housing units in the same building that are built in accordance with the Code can be strata titled, however.

3. Considerations for the tenure of SSMUH housing

The SSMUH legislation does not presume that a specific form of tenure for SSMUH projects will be enabled through bylaw updates. The legislation does not favour ownership versus rental housing, but rather *more* housing generally in communities where housing choice has been limited by single-family and duplex zoning. However, local governments may consider regulating or incentivizing certain forms of tenure that meet the housing needs of their communities, provided the densities prescribed by the SSMUH legislation are not affected. Local governments should be aware that mandating certain tenure types through regulation may diminish the viability of some SSMUH projects and/or impact their ability to respond to changing community needs and market conditions.

3.1 Residential rental

Section 481.1 of the LGA and section 565 of the VC specify that local governments may limit the form of tenure in a zone or parts of a zone, if it permits multi-family residential use, to residential rental. The ability to zone for rental tenure extends to specific lots, as well as to specified numbers or percentages of units within multi-family buildings.

Local governments should consider tenure restrictions with caution, despite the significant need for secure rental housing across the province. In the City of Vancouver, where missing middle policy and regulations have recently taken effect, zoning will allow up to eight units of secure rental on what are now larger single-detached lots. However, a 2023 staff report notes that, "financial testing has demonstrated that secured rental housing is not generally viable and staff expect limited take-up of this option. Nonetheless, including it will streamline opportunities to build secured rental housing at this scale and avoid the need for individual site rezoning applications."

Residential rental projects work under roughly the same financial equation as commercial land uses (retail/office/etc.). The rents required to cover the cost of new buildings are significant, and far exceed affordability thresholds. Many general rental projects require government subsidies in some form (grants, low interest rates, others) to be feasible.

As such, requiring residential rental of all or a portion of units permitted under SSMUH zoning could become a barrier to the construction of the types of units this legislation is intended to encourage. However, some jurisdictions that have implemented missing middle policies have used the provision of secured rental housing as a density bonus lever, wherein developers can build a significantly larger building in return for its exclusive use as secured rental housing.

Regardless of the approach, local governments are encouraged to track the outcomes of the new zoning for at least three years to assess the level of market interest in developing this housing form, with tenure determined by the developer and unit owners, and only then assess whether mandating residential rental tenure is appropriate.

Foregoing the use of residential rental tenure zoning does not preclude SSMUH units from being used for residential rental. Recent amendments to the *Strata Property Act* now prohibit strata corporations from enacting bylaws that prohibit the rental of strata units. Therefore, strata unit owners are now free to rent their units to tenants. Alternatively, some owner-developers may choose to subsidize the construction of their own housing unit by building a triplex of quadplex where they rent out the additional units. At SSMUH's small scale, and in light of the housing challenges facing both renters and prospective new owners, tenure decisions may be best left to the project developers and unit owners, except where projects have received some form of government incentive.

3.2 Residential rental incentives and subsidy

To encourage more rental units within SSMUH projects, local governments should consider incentivizing, rather than regulating it through some of the following approaches:

- property tax exemptions or reductions for heritage revitalization agreements,
- development cost charge waivers or reductions,
- forgivable loans in return for commitment for rental-only tenure for an appropriate duration of time¹⁵, and
- · contributing government-owned land.

Local governments may wish to consider developing such an incentive program in conjunction with SSMUH zoning regulations if this is a form of tenure they wish to target and consider provincial or federal incentive programs to ensure alignment.

3.3 Strata ownership

Strata ownership is a form of tenure that provides exclusive use and ownership of a specific housing unit (the residential strata lot) which is contained in a larger property (the strata plan), plus shared use and ownership of the common areas. Strata owners hold title to their individual housing units and have a proportionate share of the common property, which is typically common areas such as outdoor grounds, elevators, halls, and recreational spaces. Strata ownership is the conventional ownership model in condominium buildings across the province, guided by the *Strata Property Act*. Residential strata lots can be contained in a single building or distributed across many buildings that together form the strata project.

As discussed above, SSMUH building forms, particularly in areas with higher land costs and excessive regulation, can have slim financial viability, resulting in a low likelihood of resulting units being constructed as purpose-built rental. Local governments in urban settings particularly should anticipate that most SSMUH projects will be built for market-rate strata ownership. However, there is a reasonable likelihood that many owners of strata-built SSMUH units will rent them out on a long-term basis. The possibility of future strata conversion should be a consideration for the design of SSMUH units.

¹⁵ Ten years or the life of the building are common timeframes codified through Housing Agreements in accordance with section 483 of the LGA. Agreements 'in perpetuity' should be discouraged because they reduce the flexibility of the site for future uses after the end of the building life.

3.4 Short-term rentals

The purpose of the SSMUH legislation is to encourage the construction of new small-scale, multi-unit housing for long-term occupancy. In the fall of 2023, the Province passed the Short-Term Rental Accommodations Act to support local government enforcement of short-term rental bylaws, return short-term rentals to the long-term rental market, and establish a provincial role in the regulation of short-term rentals.

In many municipalities, once the legislation comes into effect, short-term rentals can only be offered in the principal residence, a secondary suite in the principal residence, or an accessory dwelling unit on the same property as the principal residence. Forthcoming regulations will specify which areas are exempt from the principal residence requirements. Further information on this legislation is available on <u>BC Laws</u>.

3.5 Affordable Housing and Special Needs Housing

To help ensure the viability of SSMUH, the legislation prevents local governments from using density benefits (described under Section 482 of the LGA) for amenities. It does however allow their use for affordable and/or special needs housing under the following circumstances:

- for lots on which the requirements for permitting a minimum of six units apply (based on proximity to a prescribed bus stop as defined in the Local Government Zoning Bylaw Regulation or Vancouver Zoning Bylaw Regulation), in which case local governments may establish conditional density rules to achieve <u>one</u> of the six units required to be permitted under SSMUH; and
- for housing units in excess of the minimum number of housing units required to be permitted under SSMUH.

In either of these cases, local governments may establish the following conditions for the approval of the units concerned, in accordance with the existing authorities LGA s. 482 allows:

- conditions relating to the provision of affordable and special needs housing, as such housing is defined in the bylaw, including the number, kind, and extent of the housing (LGA s. 482(2)(b)); or
- a condition that the owner enter into a housing agreement under LGA section 483 before a building permit is issued in relation to property to which the condition applies (as per the provisions in LGA s. 482(2)(c)).

Local governments should confirm economic feasibility before requiring the provision of an affordable dwelling unit in six-unit buildings in proximity to bus stops. The financial viability and impact of requiring an affordable unit will vary from community to community and even neighbourhood to neighbourhood, thereby affecting the viability of SSMUH projects. Even if a project remains viable with the inclusion of an affordable unit, it is likely to have the effect of increasing the costs of rent or purchase for the remainder of the units in the development, which could undermine the desired objective of improving housing affordability.

In addition to these density benefit provisions, local governments can encourage below-market affordable housing within SSMUH zones through partnerships with non-profit housing providers or by contributing publicly owned lands for housing development. However, zones permitting greater densities than SSMUH forms offer more meaningful opportunities for affordable housing.

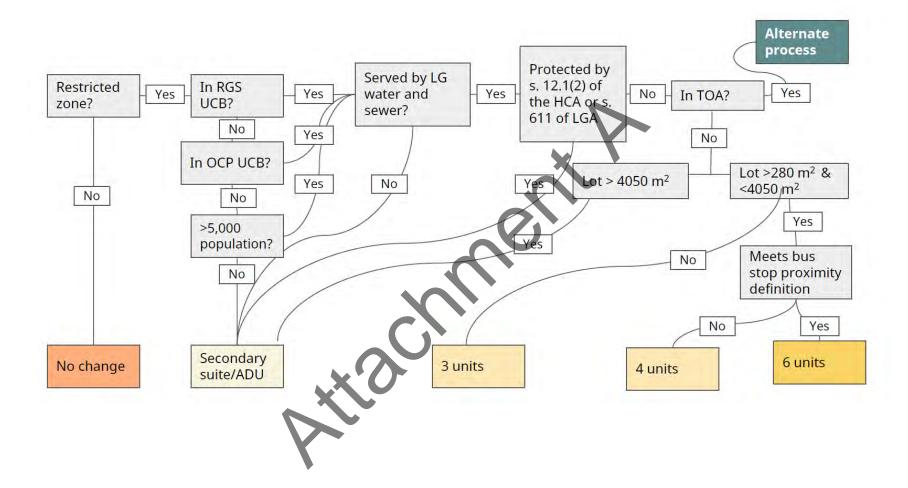
4. Using data and geospatial visualization to support in plementation

Assessing the capacity of a community to provide more SSMUH units as well as modeling the possible infrastructure implications of densification will likely be accomplished through geospatial analysis. Geospatial analysis using geographic information services (GIS), or other similar digital tools will help local governments more efficiently identify the areas and individual lots to which SSMUH requirements will apply.

Local governments that do not have in-house mapping or geographic information services (GIS) expertise may need to hire a contractor to undertake the necessary analysis.

Appendix C provides a detailed step-by-step procedure to help local governments identify properties to which various provisions of the SSMUH requirements apply. Figure 3 provides a high-level visual representation of the process.

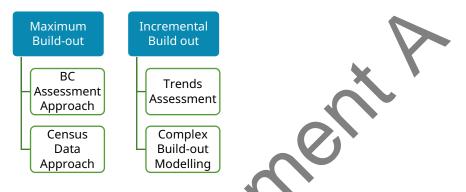
Figure 3: Process diagram for identifying impacted lots using GIS



5. Methods to estimate potential increases in density

There are two general ways of discussing potential density created through SSMUH zoning: the first is the maximum build-out possible under the required zoning amendments, sometimes referred to as the maximum build-out capacity (sometimes referred to as zoned capacity). The second is the incremental additional units that will actually be brought online over many years following SSMUH bylaw adoption. As illustrated by Figure 4, there are two main approaches for calculating each, which are described in detail in Appendices B and C.

Figure 4: Methods to estimate potential increases in density



5.1 Maximum Build-Out Analysis

Maximum build-out of the capacity (or density) that is theoretically possible under SSMUH zoning bylaw updates is unlikely to occur due to a variety of constraints and factors discussed below. It can however be helpful for local governments to forecast the maximum build-out scenario to understand and ensure preparedness for the potential long-term implications for infrastructure.

In simple terms, this approach involves multiplying the number of lots that will be subject to the various minimum density requirements by the number of housing units permitted in that category, and then totalling the numbers for all categories, as illustrated in Figure 5. A more detailed explanation of how to calculate maximum build-out capacity using two different data sets (BC Assessment and Census data) is found in Appendix D.

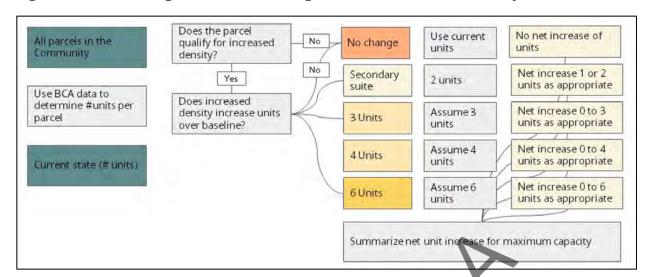


Figure 5: Process diagram for calculating maximum build-out density

5.2 Incremental Build-out Analysis

More realistic estimates of potential increases in density arising from SSMUH zoning bylaw updates should be calculated to help identify if there are any near- or medium-term infrastructure constraints that need to be addressed through capital planning, servicing bylaw changes, or development cost charge updates. As discussed in the next section on infrastructure and servicing, local governments will acquire valuable information about the rate of change or density increases resulting from the zoning bylaw updates in the first 1-2 years following implementation. This will reduce uncertainty over time and result in more reliable estimates of the rate of incremental build out.

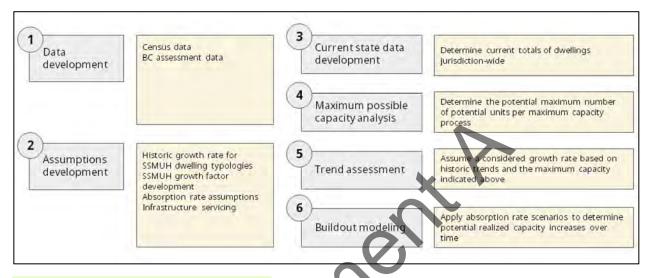
While there are many approaches, a recognized best practice in incremental build-out analysis generally involves first developing an understanding of the current state of housing units and then determining the maximum realizable density that may occur as a result of legislation with discounts for environmental constraints, redevelopment potential and development contexts. The net of the maximum realizable density and the current state is the likely increase in dwellings units. An optional extra effort can be made to structure the incremental build-out longitudinally such that the information can be used for infrastructure impact analysis (discussed in the next section). There are two approaches for this technique, as described and illustrated below and further explained in Appendix E.

Method #1: Trends assessment



This is a basic method that uses readily available data to build assumptions with regards to uptake of SSMUH homes under multiple scenarios. It is anticipated that most local governments in BC will use this method pictured in Figure 6.

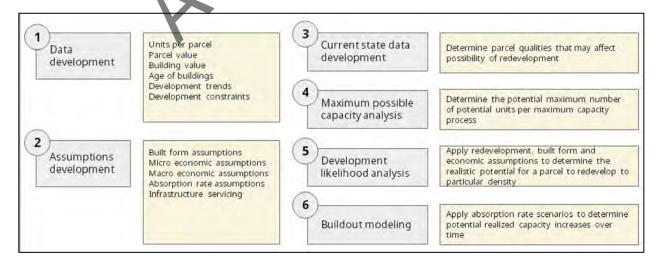
Figure 6: The trends assessment method of estimating incremental build-out



Method 2: Complex build-out modelling

This is an advanced method that uses readily available data to construct likely development scenarios under current economic conditions. Large municipalities experiencing high rates of growth may progress to complex build-out modelling to better understand both the rate of density increase arising from SSMUH zoning as well as its spatial distribution. This approach is visualized in Figure 7.

Figure 7: The complex build-out modelling method to estimate incremental build out



6. Infrastructure and servicing considerations

When full life-cycle costs are considered, infrastructure and servicing are significantly more cost-efficient at higher residential densities than lower, as represented by urban infill relative to sprawl. In addition to making better use of existing infrastructure, SSMUH housing forms will also lower the per-unit costs of any new linear infrastructure due to the smaller size of geographic area requiring servicing relative to conventional single-family home and duplex areas. Local governments can use the Province's Community Lifecycle Infrastructure Costing Tool to estimate infrastructure costs for different land use patterns.

Many factors that will determine how many new units of housing result from the SSMUH initiative in each jurisdiction, some of which are identified below. While each local government's zoning bylaw provisions (e.g., building height and setbacks) are one important determinant, many other factors are beyond the control of local governments.

Factors that influence the creation of new SSMUH housing units

- Zoning bylaws & how permissive and flexible they are
- Local real estate conditions
- Historic rates of development
- Age & condition of housing stock (e.g. Demolitions of homes built after 1980 are less likely, as are homes from the 1960's – 70's that have been recently renovated)
- The age, capacity, and availability of infrastructure
- Construction costs
- Interest rates
- Local economic conditions
- Availability of skilled trades
- Sophistication of builders
- Local demand for housing
- The relevance of exemptions (e.g., predominance of Heritage Conservation Areas)

As a result, local governments may have a limited basis on which to estimate uptake or the number of new SSMUH homes when the legislative provisions initially take effect. Closely monitoring total uptake over the first 1-2 years, such as, the types of new units emerging and their geographic distribution, is recommended to better gauge medium and long-term projections, and in turn make informed assessments of impacts on infrastructure and services to adjust capital plans and projects accordingly. With the support of geospatial analysis, local governments can make educated projections about how much additional density will result from SSMUH requirements, as described in the section above.

Infrastructure Implications

Increased residential density resulting from zoning bylaw changes intended to align with SSMUH requirements may impact utilities like water, sewer, and stormwater, as well as services like roads, parks, and garbage collection. Local governments should assess the current and planned capacity of their systems, alongside the demand generated by, and financial implications for, their infrastructure and services under the SSMUH zoning. Impacts to infrastructure should be considered using both the maximum build out as well as the incremental buildout methods described in the above section to gain a sense of the range of outcomes that may occur in the community.

In general, this would consist of using the results from incremental build-out analysis to determine the likely cadence and intensity of changes resulting from the zoning bylaw updates. This approach is illustrated in Figure 8. For the trends assessment method, this would likely be the total anticipated rate of change across the municipality or a smaller area of interest, whereas for the complex method it would likely be the combination of disaggregated data from parcel (i.e., lot-level) analysis. Two ranges can be determined from these data to describe a low range of impacts (i.e., realizable capacity from trends or detailed modeling) and the maximum possible impacts for impacted lots and areas.

Figure 8: Estimating infrastructure impacts from anticipated changes in density

| Buildout Model | Indicates location, cadence and intensity of changes resulting from the legislation. | Low range = realizable capacity, High range = maximum capacity |
|---|--|--|
| Calculate Equivalent Development Units | Essentially, transform unit outcomes into population outcomes, use BC best practices for DCCs or Census Occupancy Tables, as appropriate | Water, Sewer - Use DCC BPs Storm - Use Vancouver BPs Transportation - Use Census Soft Infrastructure - Use Census |
| Determining Significant effects | A localized effect is significant where: Forecast population under the realizable scenario is significantly greater than historic populations or 2021 data, as appropriate | Low range exceeds historic population by 30% = significant |

Under each of these ranges, unit outcomes arising should be transformed into population outcomes using BC best practices or Census occupancy data, as appropriate. For sewer and water impacts, the Province's <u>Development Cost Charges Best Practices Guide</u> provides detailed information about techniques to convert information about housing unit outcomes into equivalent development units as appropriate. For stormwater impacts, the <u>City of Vancouver's Best Management Practice Toolkit</u> offers guidance to develop conversion factors that support analysis of the implications of various development types as they pertain to stormwater impacts. For soft infrastructure, such as community and recreation centres, local governments should use Census occupancy tables, which can be used to transform unit outcomes to populations, as appropriate.

Determination of significant effects can be determined by evaluating where the forecast population under either the realizable scenario or the maximum capacity scenario significant exceeds historic populations or equivalent development units (EDUs) from either the 2021 census or historic census years (if available or appropriate). While localized significance should be determined by local government engineering staff, likely, any increase that is greater than 30% over 30 years (an average annual growth rate of 1%) can be considered significant in the context of SSMUH qualifying zones.

In assessing infrastructure impacts, local governments should consider that populations in many urban and suburban, low-density residential neighborhoods have been relatively static or declining since the 1970s due to decreased family sizes, despite increasing numbers of units per hectare. This may result in SSMUH producing negligible impacts to services such as water provision and wastewater collection and could be investigated by reviewing changes in housing occupancy rates over time. Per capita declines in water consumption in recent decades in many communities may also be an indication that existing infrastructure has excess capacity to meet demand attributed to SSMUH.

In circumstances where water supplies or system capacity is limited and/or water use is inefficient relative to benchmarks, local governments should adopt demand management measures to lower water use, which has associated benefits for wastewater systems. Examples include implementing watering restrictions and using water meters to charge for water according to use. The <u>Water Conservation Guide for British Columbia</u> and the American Water and Wastewater Association's technical manuals on water conservation offer guidance for planning and implementing water conservation programs.

6.1 Funding infrastructure upgrades

Local governments will no longer be negotiating for amenities, capital investments, or rights-of-way through rezoning processes for SSMUH projects. Consequently, they should ensure revenues necessary for core infrastructure and services are planned and budgeted for through existing tools. The following tools continue to be available for local governments to raise revenues needed for infrastructure renewal and growth: development cost charges, latecomer agreements, subdivision servicing bylaw requirements, and municipal development works agreements.

In consideration of future density resulting through SSMUH zoning bylaw updates, local governments that do not use development cost charges are encouraged to adopt them to distribute infrastructure costs more equitably between existing and future residents. It is common for development cost charges to apply only where four or more units are established; however, in response to SSMUH requirements, local governments may wish to enact a lower threshold, such as two units.

Part 4 - Site Standards

1. Purpose of these resources

To comply with the SSMUH legislation, local governments will be required to update their zoning bylaws by June 30, 2024, unless an extension is granted by the Minister of Housing. To support local governments with this process, a series of Site Standards have been prepared that provide technical specifications commonly found in zoning bylaws. These site standards set provincial expectations for how local governments enable financially viable SSMUH developments by providing flexibility for builders and developers. While local governments may need to make changes to the site standards based on local conditions, the Province expects they will be given full consideration for implementation.

Four site standards have been prepared based on the different SSMUH unit requirements set out in the legislation:

- Site Standards Package A sets out leading practices for jurisdictions and lots where either a secondary suite or accessory dwelling unit must be permitted in a singlefamily zone.
- Site Standards Package B sets out leading practices for jurisdictions and lots where three or four housing units must be permitted and lots are generally less than 1,215m²
- Site Standards Package C sets out leading practices for jurisdictions and single-family and duplex lots where four housing units must be permitted and lots are generally between 1,215m² 4,050m²
- Site Standards Package D sets out leading practices for jurisdictions and lots where **six housing units** must be permitted within 400 metres from prescribed bus stops

All the Site Standards are designed to ensure alignment with the requirements of the SSMUH legislation, and additionally provide a starting point for zoning bylaw regulations for which local governments retain discretion.

Each Site Standard begins with a description of where the legislated requirement for a minimum number of housing units permitted may apply, followed by the objectives underlying the policy advice, and technical specifications for common parameters in zoning bylaws (e.g., height, setbacks). The zoning bylaw parameters are based on best and emerging practices where possible, experiences and outcomes from other jurisdictions, and SSMUH objectives.

These site standards were designed to enable viable Small Scale Multi-Unit Housing projects. There can be instances where the viability of a project may depend on varying a setback, lot coverage, or building height. For example, to build an accessory dwelling unit on a lot with rocky outcrops the distance to a lot line may need to be reduced, or to allow a third bedroom in a home, the lot coverage may need to be increased. In addition, there can be a need for variances to allow for creativity in built form, for example, green space/courtyard in the middle of the lot. Local governments are encouraged to support variances for SSMUH related developments and where possible, delegate minor decisions to staff to expedite the process. It is recognized that there can be trade-offs when considering variances in terms of stormwater management, tree retention and on-site parking while still maintaining sufficient distance from property lines and between buildings for fire safety reasons, per the BC Building Code.

The content in the Site Standards should be interpreted as non-binding policy guidance.

Users of this Policy Manual should seek legal advice as necessary.

2. Site standards package A

2.1 Where should it apply?

This group of zoning bylaw regulations is intended for lots in *Restricted Zones* that are **required to permit a secondary suite and/or an accessory dwelling unit** in addition to the principal residence. Lots and jurisdictions to which this requirement applies include:

- the lands within a regional electoral area that are not identified in an urban containment boundary established by a regional growth strategy or that are wholly outside of the boundary,
- the portions of municipalities or municipalities that are wholly outside of urban containment boundaries, and
- municipalities with populations less than 5,000 that do not have urban containment boundaries.

There is no size limit for the lots to which the requirement for a secondary suite and/or accessory dwelling unit applies. (To mitigate risks related to groundwater contamination, only secondary suites, not accessory dwelling units, should be permitted on properties less than one hectare in size that are not serviced by sewer systems operated by a local government).

Lands in the Agricultural Land Reserve that are zoned for single-family use must also permit secondary suites and/or an accessory dwelling unit, subject to the 2021 changes to the *Agricultural Land Commission Act* and Agricultural Land Reserve Use Regulation. Further information can be found at: Housing in the ALR.

2.2 Objectives

The objectives of the benchmark zoning bylaw regulations in Table 5 include:

- recognizing and maintaining consistency with the rural and semi-rural characteristics of the lots and jurisdictions to which they will apply,
- discouraging and mitigating the impacts of sprawl, and
- providing flexibility on the lot for various building forms and configurations.

Table 5: Recommended zoning regulations for lots requiring a minimum of 2 units

| Zoning Bylaw Parameter | Recommended Benchmark Regulation | Considerations |
|---------------------------------------|---|---|
| Front Lot Line Setback | Minimum of 5 – 6 metres | This front lot line setback maintains some consistency with conditions in most rural and semi-rural areas. |
| Rear Lot Line Setback | Minimum of 6 metres for principal buildings Minimum of 1.5 metres for ADUs | |
| Side Lot Line Setbacks | Minimum of 1.2 metres | This minimum requirement will enable flexibility for a large range of lot sizes, configurations, and building types. Larger distances from property lines are likely to be used by builders or developers to meet BC Building Code requirements for combustible buildings, and to accommodate drive aisles to back of the property (if used). |
| Maximum Height | Maximum building height of 11 metres to the mid-point of a pitched roof or highest point of a flat roof on principal buildings At least 8 metres for accessory dwelling units | A universal height limit that permits three stories regardless of the method of measurement, site gradient, or roof style is recommended to help improve the viability and diversity of SSMUH housing forms. |
| Maximum Number of Storeys | 3 storeys for principal dwellings 2 storeys for accessory dwelling units | In smaller lot settings, permitting 3 stories may reduce the loss of trees, green space, or farmland. In larger lot settings, large distances between adjacent dwellings mitigate relative height and privacy concerns. |
| Maximum Lot Coverage | 25-40% | Relatively low lot coverages will help limit the size and cost of new units on large lots. 25% may be appropriate for large lots and up to 40% for smaller lots. |
| Off-Street Parking Requirements | One space per dwelling unit | |

3. Site standards package B

3.1 Where should it apply?

This suite of zoning bylaw regulations is intended for lots in *Restricted Zones* that are **required to permit three or four units** and are typically sized single-family and duplex lots that are **generally less than 1,215 m² in size.** This number may vary depending on typical lot sizes in communities. An appropriate threshold should be identified at which larger setbacks and lower lot coverage limits would apply, with the objective of providing an upper limit on the size of new units to improve their affordability, while ensuring three-to four-bedroom units that could accommodate families are still possible.

SSMUH requirements specify that lots less than 280 m² must be permitted to have at least 3 housing units, while those equal to or greater than 280 m² must be permitted to have at least 4 units. The recommended zoning regulations below are appropriate for lots on which either 3 or 4 housing units are permitted.

3.2 Objectives

The objectives of the recommended zoning bylaw regulations in Table 6 include:

- improving the economic and spatial viability of establishing new units on typically sized single family and duplex lots to contributed to increased housing supply and affordability;
- contributing to street, neighbourhood and urban vibrancy through smaller front yard setbacks;
- maintaining adequate pervious surfaces to reduce impacts on stormwater services and water resources. Increase opportunities for tree retention and planning, and improve onsite livability for residents;
- reducing sprawl, auto-dependency, greenhouse gas emissions from transportation, and improving the viability of transit through gentle dentification in existing neighbourhoods; and
- providing flexibility on lots for various building forms and configurations, which will contribute to a greater diversity of housing types and improved project viability.

Table 6: Recommended zoning regulations for lots requiring a minimum of 3 or 4 units that are less than $1,215m^2$ in size

| Zoning Bylaw Parameter | Recommended Benchmark Regulation | Considerations |
|------------------------------------|---|---|
| Front Lot Line Setback | Minimum of 2 metres | A front lot line setback of 4-6 metres may be warranted if there are no sidewalks or public boulevards for trees, or to accommodate stormwater infrastructure or future road or right-of-way dedications. |
| Rear Lot Line Setback | Minimum of 1.5 metres for ADUs or main buildings | Actual rear lot line setbacks will approximate 5 meters if parking in rear is required due to parking requirements and lot configuration. |
| Side Lot Line Setbacks | Minimum of 1.2 metres | Actual side setbacks will approximate 3 meters if parking in rear is required due to parking requirements and lot configuration. |
| Maximum Height | Maximum building height of 11 metres to the mid-point of a pitched roof or highest point of a flat roof | A universal height limit that permits three stories regardless of the method of measurement, site gradient, or roof style is recommended to help improve the viability and diversity of SSMUH housing forms. |
| Maximum Number of Storeys | 3 | |
| Maximum Lot Coverage | 50% | Onsite parking requirements will contribute significantly to impervious surface coverage on lots. Impervious coverages exceeding 60% may require on-site stormwater retention and/or treatment. |
| Off-Street Parking Requirements | Maximum 0.5 space/unit if lot is within 800 m of transit stop with a bus at a minimum frequency of every 15 minutes (measured between 7am - 7pm) Maximum 1 space/unit otherwise | Other factors that could be used to set parking requirements include proximity to services (e.g., designated village or town centres), walk scores, and the availability of on-street or other parking alternatives. Higher maximum parking requirements (e.g., 1.5 spaces/unit) may be appropriate in smaller communities with no or limited public transportation, or for example, where onstreet parking is impractical due to snow removal requirements. |

4. Site standards package C

4.1 Where should it apply?

This suite of zoning bylaw regulations is intended for lots in *Restricted Zones* that are **required to permit four units** and are large lots **generally greater than 1,215 m² in size and smaller than 4,050 m².** This lot size may vary depending on typical lot sizes in communities. An appropriate threshold should be identified at which larger setbacks and lower lot coverage limits would apply, with the objective of providing an upper limit on the size of new units to improve their affordability, while ensuring three- to four-bedroom units that could accommodate families are still possible. Lots equal to or greater than 4,050 m² are exempt from the requirements to permit a minimum of 3 or 4 units due to their potential for subdivision and higher densities in urban and sub-urban contexts. Lots identified as being in a Transit Oriented Area are also exempt from SSMUH requirements. (See Part 2, Section 8.3.)

4.2 Objectives

The objectives of the recommended zoning bylaw regulations in Table 7 include:

- improving the economic and spatial viability of establishing new units on large single-family and duplex lots to contributed to increased housing supply;
- enabling appropriate family-sized units whilst limiting the creation of unnecessarily large units that will not contribute to improved housing affordability;
- maintaining adequate pervious surfaces to reduce impacts on stormwater services and water resources, increase opportunities for tree retention and planning, and improve onsite livability for residents;
- recognizing and maintaining the semi-rural nature of neighbourhoods with large lots and the potential for significant public tree canopy in these areas by maintaining front yard setbacks consistent with current conditions;
- reducing sprawl, auto-dependency, greenhouse gas emissions from transportation, and improving the viability of transit through gentle dentification in existing neighbourhoods; and
- providing flexibility on lots for various building forms and configurations, which will contributed to a greater diversity of housing types and improved project viability.

Table 7: Recommended zoning regulations for lots requiring a minimum of 4 units and are more than 1,215 $\,\mathrm{m}^2$ in size

| Zoning Bylaw Parameter | Recommended Benchmark Regulation | Considerations |
|---------------------------------------|--|--|
| Front Lot Line Setback | Minimum of 4-6 metres | |
| Rear Lot Line Setback | Minimum of 6 metres for main buildings Minimum of 1.5 metres for ADUs | |
| Side Lot Line Setbacks | Combined minimum setback for side-yards of 3 metres | Combined side-yard setback minimums (rather than individual side yard minimums) increase flexibility to respond to site conditions, and better support use of side yards for exterior living space. Minimum distances of 1.2 – 1.5 metres from property lines may be required for building code considerations (depending on combustibility). If parking is at the rear, setbacks of approximately 3 to 4 meters will be required on the side used for vehicular access. |
| Maximum Height | Maximum building height of 11 metres to the mid-point of a pitched roof or highest point of a flat roof | Depending on how height is measured by a local government, heights greater than 11 meters may be required on sloped sites to achieve 3 storeys. |
| Maximum Number of Storeys | 3 | |
| Maximum Lot Coverage | 40% | Off-street parking requirements will increase impervious surface coverage significantly. |
| Off-Street Parking Requirements | Maximum 0.5 space/unit if lot is within 800 m of transit stop with a bus at a minimum frequency of every 15 minutes (measured between 7am – 7pm) Maximum 1 space/unit otherwise | Other factors to set parking requirements could include proximity to services (e.g. town centres), walk scores, and the availability of on-street or other parking alternatives. Higher maximum parking requirements (e.g., 1.5 spaces/unit) may be appropriate in smaller communities with no or limited public transportation, or for example, where on-street parking is impractical due to snow removal requirements. |

5. Site standards package D

5.1 Where should it apply?

This group of zoning bylaw regulations is intended for lots in *Restricted Zones* that are **required to permit a minimum of six units.** This requirement will apply to parcels that meet all of these criteria:

- are wholly or partly within 400m of a prescribed bus stop;
- are at least 281 m² or greater in area; and
- are within a municipality with a population of 5,000 or greater

Lots equal to or greater than 4,050 m² are exempt these requirements due to their potential for subdivision. Lots identified as being in a Transit Oriented Area are also exempt from the requirements (see Part 2, Section 8.3 of this manual).

There are two legislative provisions that apply only to these lots and not the other densities that must be permitted under SSMUH zoning:

- local governments are **not permitted to set parking requirements in relation to residential uses** for lots that meet the above conditions, and
- local governments may set a conditional density requirement for one of the six units relating to the provision of affordable and special needs housing and/or that the owner enter into a housing agreement prior to the issuance of a building permit.

5.2 Objectives

The objectives of the recommended zoning bylaw regulations in Table 8 include:

- improving the economic and spatial viability of establishing a minimum of six units on single family and duplex lots to contributed to increased housing supply and affordability;
- contributing to street, neighbourhood and urban vibrancy through smaller front yard setbacks,
- situating new units of housing near existing transit services to reduce autodependency and greenhouse gas emissions from transportation, as well as improve the near- and long-term viability of transit services; and
- providing maximum flexibility on lots for various building forms and configurations, which will contributed to a greater diversity of housing types.

Table 8: Recommended zoning regulations for lots requiring a minimum of 6 units

| Zoning Bylaw Parameter | Recommended Benchmark Regulation | Considerations |
|---------------------------------------|--|--|
| Front Lot Line Setback | Minimum of 2 metres | A front setback of 4-6 metres may be warranted if there are no sidewalks or public boulevards for trees, or to accommodate stormwater infrastructure or future road or right-of-way dedications. |
| Rear Lot Line Setback | Minimum 1.5m | |
| Side Lot Line Setbacks | Minimum of 0 -1.2 metres | Zero side lot line setbacks are appropriate in urban settings to achieve row housing typologies, which will help improve urban/street vibrancy, and are viable spatially due to the absence of on-site parking. Side lot setbacks approximating 2.5m may be required for combustible buildings. |
| Maximum Height | Maximum building height of 11 metres to the mid-point of a pitched roof or to the highest point of a flat roof | Depending on how building height is measured by a local government, heights greater than 11 meters may be required on sloped sites to achieve 3 storeys. |
| Maximum Number of Storeys | 3 | On small lots, four storeys may be required to achieve a minimum of six liable units. |
| Maximum Lot Coverage | 60% | On-site stormwater retention and/or treatment may be required. A higher lot coverage limit (e.g., 70%) may be required on small lots to achieve a sufficiently large buildable area; however, increasing height limits may be a preferable solution to maintain site permeability. |
| Off-Street Parking Requirements | 0 | Local governments are not permitted to set off-street parking requirements in relation to residential uses. |

Appendices

Appendix A: Similar initiatives in other jurisdictions

Many governments at the provincial, state, and local levels in Canada, the United States and further abroad have recognized the negative impacts that widespread single-detached zoning has had on housing availability, choice, and affordability. Increasingly, many jurisdictions are taking steps to ensure more homes can be built in existing neighbourhoods.

Through the SSMUH legislation, BC is joining other jurisdictions in acknowledging that single-detached residential zoning is a barrier to establishing and maintaining the mixed-income neighbourhoods needed for more equitable and affordable communities and a more resilient province. Similar initiatives undertaken in other jurisdictions to permit multiple housing units in formerly single-family residential zones are highlighted below.

New Zealand has taken national-level action to promote the development of more mixed neighbourhoods by requiring its larger urban centres to permit up to three dwelling units on single residential lots through legislation that implements countrywide medium density residential standards.

In the **United States**, several states have passed legislation to require local governments to provide greater residential density and flexibility in single-family zones.

- Oregon's Bill 2001 requires all medium-sized cities to permit duplexes on every lot where a single-detached dwelling is permitted, and large cities are required to permit a higher level of density.
- In Massachusetts, Bill 5250 incentivizes 170 municipalities served by the Massachusetts Bay Transportation Authority to permit multi-family housing zones within walking distance of public transit.
- A number of state legislatures in the United States have passed legislation that
 prohibits local governments from preventing the construction of accessory dwelling
 units in single-detached zones, and in some cases have prevented local
 governments from imposing minimum parking requirements to ensure the viability
 of additional units (such as the states of Maine and Washington).
- In 2019, the California state legislature passed legislation to override local regulatory barriers the construction of accessory dwelling units, resulting in an increase of building permits the following year of 61%.

In **British Columbia**, several municipalities of varying sizes have already started to embark on the process of permitting more units and promoting greater flexibility in single-detached zones.

- In 2022, the City of Kimberly amended its zoning regulations to permit a higher range of unit densities in what were previously single-detached residential zones. Through this amendment, Kimberley's R-1 zone now permits duplexes, its R-2 zone permits six units and up to as many as 10, subject to an affordable housing agreement.
- The District of Central Saanich has recently adopted new regulations after a comprehensive planning process to permit higher density housing in existing single-detached zones.
- The Cities of Victoria and Vancouver have adopted local land use regulations to permit and encourage construction of so-called "missing middle" housing.

Appendix B: List of local governments that may have prescribed bus stops

City of Burnaby

City of Colwood

City of Coquitlam

City of Cranbrook

Municipality of Esquimalt

City of Kamloops

City of Langford

Township of Langley

City of Langley

City of Maple Ridge

Metro Vancouver Regional District

City of New Westminster

District of North Vancouver

City of North Vancouver

District of Oak Bay

City of Pitt Meadows

City of Port Coquitlam

City of Port Moody

City of Richmond

District of Saanich

City of Surrey

City of Vancouver

City of Vernon

City of Victoria

Town of View Royal

District of West Vancouver

Resort Municipality of Whistler

City of White Rock

Appendix C: Using GIS to identify affected parcels

1. Initial data preparation and administrative boundaries

Across most local governments in BC, official community plan maps and zoning regulations are represented through digital mapping. However, if for some reason a local government does not provide this information in a digital format through a Geographic Information Systems (GIS) dataset, it will be necessary to digitize the bylaws to determine spatial relationships between OCP overlays, zoning regulations and parcels.

Each local government is responsible for the provision of parcel information. The use of province-wide geographical software (maintained by ParcelMap BC) is recommended.

Care should be taken to ensure topological accuracy of official community plan overlays including municipal and urban containment boundaries as well as zoning regulations related to each parcel/lot. In practice this means:

- removing overlapping parcels, wherever feasible;
- removing or rectifying overlapping zones, if applicable;
- rectifying of split-zoned parcels, if applicable;
- aligning zoning boundaries to parcel boundaries to reduce sliver effects wherever feasible;
- aligning urban containment boundaries to parcel boundaries, where feasible;
- aligning municipal boundaries to parcel boundaries, if necessary, and
- ensuring that all parcels in the local government are covered by at least one category in the official community plan, when required.

2. Exemption overlays

Care should be taken to ensure the accuracy of exemption overlays, specifically: Agricultural Land Reserve (ALR) boundaries, heritage protection areas made under LGA section 611, and local government-operated sewer and water system service areas. All of these will be used to eliminate parcels from zoning bylaw amendments permitting additional dwelling units or incorrect densities. In practice this means:

- ensuring that municipal and urban containment boundaries are current;
- ensuring that ALR boundaries are up to date from DataBC or the Ministry of Agriculture and Food;

- ensuring that the spatial boundaries or designations of heritage protection bylaws made under LGA s.611 align well with parcel boundaries, wherever feasible;
- ensuring that local government-operated water system service area boundaries align with billing records and parcel boundaries, as appropriate;
- ensuring that local government-operated sewer system service area boundaries align with billing records and parcel boundaries, as appropriate; and
- ensuring that private, strata, or onsite water or sewer systems are appropriately demarcated in the data and backed by billing records, wherever feasible.

3. Bus Stops

Transit frequencies are available from BC Transit for all routes in their service area and comparable data is available for routes serviced by Coast Mountain Bus Company and West Vancouver Transit in the Lower Mainland. It may be most effective to liaise directly with the appropriate transit operator to identify the bus stops that will determine density requirements under the SSMUH legislation.

The following two sections describe the steps that local governments should take to use their GIS databases to identify:

- 1) parcels where a secondary suite and/or accessory dwelling unit (ADU) must be permitted; and
- 2) parcels where between three and six residential units must be permitted.

The process is illustrated in Figure 9.

suite/ADU

No change

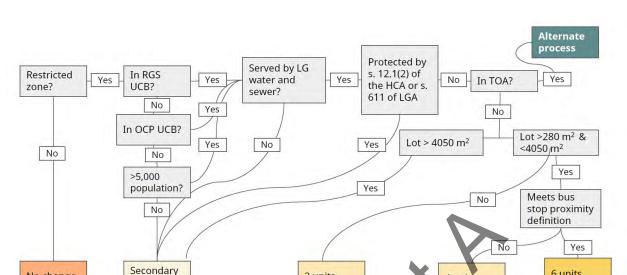


Figure 9: Process flow chart to identify parcels where SSMUH must be permitted under the SSMUH legislation

4. Identifying parcels subject to secondary suite and accessory dwelling unit requirements

3 units

6 units

4 units

Unless subject to the higher densities of three to six housing units, and regardless of community size, at least one secondary suite and/or one accessory dwelling unit (ADU) must be allowed on all lots in a Restricted Zone, with the exception of lands in a local trust area or subject to a rural land use bylaw. Local governments should follow these steps to identify the parcels in their jurisdiction for which the SSMUH legislation requires amending bylaws to permit at least one secondary suite and/or one ADU:

- a) review the official community plan and local zoning bylaws to identify areas and zones that meet the definition of a Restricted Zone under the SSMUH legislation (see Part 1, Section 1 of this manual on page 7 or information on identifying zones that meet the criteria),
- b) run a GIS query to identify and isolate (highlight/select) all parcels within 16 those zones that have been determined to meet the definition of a Restricted Zone,

¹⁶ "Within", in this context can mean that a parcel is majority covered by a Restricted Zone. Other concepts of "within" that could be used for the purposes could include: Completely covered by a Restricted Zone; partially covered by a Restricted Zone or has the centre point of the parcel within a Restricted Zone.

- c) run a GIS query to identify and isolate (highlight) all parcels identified in step (b) to identify which parcels are not serviced by both water and sewer systems operated by, or on behalf of a local government,
- d) if ADUs are permitted generally, to identify lots where only secondary suites, not ADUs should be permitted, run a GIS query to identify which parcels identified in step (c) are not serviced by local government sewer systems and are under one hectare in size

Zoning of the highlighted parcels must be amended to permit at least one secondary suite or one accessory dwelling unit in addition to a principal dwelling unit unless the property is less than one hectare in size. On properties that are less than one hectare in size, only secondary suites, and not ADUS, should be permitted. Local governments can then query the number of lots that will be affected by the zoning changes.

5. Identifying lots subject to a minimum of three to six housing units

Except where exempted under the SSMUH legislation, land in *Restricted Zones* as defined in the legislation that meets the following criteria must be zoned to permit between three and six dwelling units, depending on the size of the lot and proximity to transit:

- a) the land is wholly or partly within an urban containment boundary established by a regional growth strategy applicable to the municipality or regional district, as the case may be; or
- b) the land is within a municipality with a population of 5,000 or greater, and is wholly or partly within an urban containment boundary established by an official community plan of the local government; or
- c) if neither (a) or (b) applies, the land is in a municipality with a population greater than 5,000.

Local governments should follow the steps below to identify the lots in their jurisdictions under which the legislation requires that zoning bylaws be amended to permit three to six dwelling units.

- 1. Review the local zoning bylaw to identify the zones that meet the definition of a Restricted Zone under the SSMUH legislation (see Part 1, Section 1 of this Manual on page 7 or information on identifying zones that meet the criteria);
- 2. Run a GIS query to identify and isolate (highlight) all lots in all zones that have been determined to meet the *Restricted Zone* definition.
- 3. Run a GIS query to identify and isolate (highlight) all lots identified in step (2) above that are wholly or partly within **any** of the following:

- a) an urban containment boundary established by a regional growth strategy applicable to the municipality or regional district, as the case may be;
- b) an urban containment boundary established by an official community plan of the municipality or regional district as the case may be; or
- c) a municipality with a population that exceeds 5,000.

At a minimum, all these lots should allow for three or four dwelling units, pending identification of land that is exempt from the legislation as follows:

- a) land that is protected under section 12.1(2) of the Heritage Conservation Act;
- b) land that is, on the date this section comes into force, designated as protected under a bylaw made under section 611 [heritage designation protection];
- c) land that is not connected to a water or sewer system provided as a service by a municipality or regional district;
- d) land that is within an area designated as a Transit-Oriented Area;
- e) land that is within a zone which has a minimum lot size of 4,050m² (or greater) for the purposes of subdivision; and
- f) a parcel of land that is larger than 4,050 m

6. Identifying the lots exempt from the minimum three to six housing units requirements

- a) Run a GIS query on all highlighted lands within the urban containment boundary to identify all lots protected under Section 12.1(2) of the *Heritage Conservation Act*. Eliminate these lots.
- b) On all remaining highlighted lands within the urban containment boundary apply, or create and apply, the GIS layer for properties with a Heritage Designation under LGA section 611 as of the date the SSMUH legislation comes into force.¹⁷ Eliminate these lots.
- c) On all remaining highlighted lands, apply, or create and apply, the GIS layer for:
 - The municipal or regional district water service areas; and
 - The municipal or regional district sewer service areas.

¹⁷ Where these lots are not included as a layer within a geographic information system or digital mapping program, they can be identified from local government records and eliminated individually.

Eliminate all lots that are outside of one or both service areas. 18

- d) On all remaining highlighted lands, run a GIS query to identify all parcels that fall within an area designated as a transit-oriented area as defined in the legislation. Parcels where only a portion of the lot area is within the prescribed distance are considered to be wholly within the area. Eliminate these lots.¹⁹
- e) Run a GIS query on all remaining highlighted lands to identify all parcels with a lot area greater than 4,050 m². Remove these lots from consideration.

The remaining highlighted lots upon concluding steps 1 through 4 above are the lots that will require zoning amendments to permit between three (3) and six (6) dwelling units. The next steps will help guide local governments in identifying the parcels where at least three, four, and six units will be required.

7. Determining where zoning must be amended to permit three, four, or six dwelling units

- 1. After concluding steps 1 through 4 above, for all remaining highlighted lots, run a GIS query to identify parcels that are less than 281 m² in area. Zoning of these parcels should be amended to permit up to three (3) dwelling units.²⁰
- 2. For all remaining parcels, identify all bus stops with the prescribed service level and frequency in the highlighted area. A prescribed bus stop meets the following criteria:
 - a. A least one route arrives at the bus stop on average every 15 minutes between the hours of 7 a.m. and 7 p.m. between Monday and Friday
 - b. At least one route arrives at the stop on average every 15 minutes between the hours of 10:00 a.m. and 6:00 p.m. on Saturdays and Sundays.
- 3. Apply, or create and apply, those routes as a layer within the highlighted area.
- 4. Run a GIS query to identify all lots within the highlighted area that fall within 400 metres of a bus stop that meets the specified service level and frequency criteria as measured. Parcels where only a portion of the lot area is within the prescribed distance are considered to be wholly within the area.

mese will be subject to separate registation about manufe oriented meas.

²⁰ Local governments may permit density in zoning bylaws beyond that prescribed by the SSMUH legislation.

¹⁸ Land serviced by improvement district or strata-run water and/or sewer systems is exempt from the three-to-six-unit requirement. Land serviced by on-site water (groundwater well, etc.) or on-site sewer (septic field) is also exempt from the three-to-six-unit requirement.

¹⁹ These will be subject to separate legislation about Transit-Oriented Areas.

- 5. Of those parcels, run a GIS query to identify all parcels greater than 281m² in area. Under the SSMUH legislation, municipalities must amend the zoning of all lots identified through steps 9 to 13 above to permit up to six (6) dwelling units per lot.
- 6. All remaining parcels which are greater than 281 m² and **not** permitted for six (6) units because they are more than 400 metres from a bus stop of the prescribed service and frequency, must be zoned to permit up to four (4) dwelling units per lot.



Appendix D: Calculating maximum build-out density under SSMUH zoning

Following the geospatial analysis undertaken earlier to identify the lots that must undergo zoning amendments in response to SSMUH legislation, local governments should know, or be able to easily query:

- the number of lots that must be permitted to have at least one secondary suite or one ADU;
- the number of lots that will be permitted at least three housing units;
- the number of lots that will be permitted at least four housing units; and
- the number of lots that will be permitted at least six housing units.

In all the above categories, determining the maximum potential build-out is simply a function of multiplying the number of lots in each category by the number of dwelling units permitted in that category, and then totaling the numbers for all categories.

For example, if there are 577 properties with zoning that must be amended to permit either one secondary suite <u>or</u> one ADU, then the maximum build-out of this zoning category is 1,154 (577 x 2; since the zone will allow for one principal dwelling unit plus one smaller dwelling unit). If a secondary suite and ADU is permitted on these 577 properties, then the maximum build-out density is 1,731 (577 x 3).

If there are 262 properties whose zoning must be amended to permit at least four dwelling units, then the ultimate build-out of this zoning category is 1,048.

Determining the maximum *net* increase in units requires some effort to align the unit calculations from the maximum build-out to counts of existing units from either the Statistics Canada Census or BC Assessment. Approaches using both data sets are outlined below.

1. Method 1 - BC Assessment approach

- a) BC Assessment produces a standard yearly digital dataset called the BC Building Information Report. This report is available to all local and regional governments from BC Assessment free of charge.
- b) This report can be structured to indicate the number of units at the parcel scale. This can be achieved by identifying all parcels with single detached actual use codes and assigning them a value of 1 and all parcels with secondary suite actual use codes and assigning them a value of 2.

c) Net increase in units can be calculated by using the selections and totals generated in the section above less the values determined in step b above. These increases can be used at the disaggregate level or summarized to the municipal level as appropriate.

2. Method 2 - Census data approach

While lacking in spatial specificity, this technique can be used to rapidly determine the net increase in units against a 2021 baseline through the steps below.

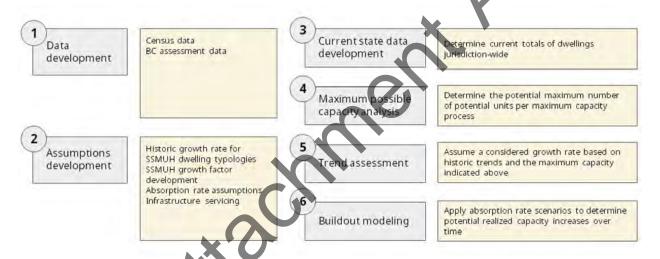
- a) An individual jurisdiction's Census Profile can be accessed through Statistics Canada. This profile contains the number of units by jurisdiction.
- b) Total increases in units can be determined by deducting the Census value from the totals determined in the maximum build out density.

Appendix E: Calculating incremental build-out density under SSMUH zoning

1. Method 1: Trends assessment

The trends assessment approach is a basic method that uses readily available data to build assumptions about the uptake of SSMUH dwellings under multiple scenarios. The informational basis for this approach is tied to longitudinal information from either the Statistics Canada Census or BC Assessment data, whichever is more readily available. The approach is described below and pictured in Figure 10.

Figure 10: The trends assessment method of estimating incremental build out



1. Data development: detailed information with regards to the growth in dwellings allowable under SSMUH zoning are available from either the Census of Canada or BC Assessment. Each of these datasets can be structured to build assessments in the following ways.

a) <u>Census data</u>

Census profiles from 2006, 2016, and 2021²¹ can each be accessed from statistics Canada for any given local government. Each of these profiles will contain a report

²¹ The Census changed its definition of dwellings in 2006 which inhibits the use of 2001 for trend analysis.

on the quantity of dwellings unit by structural type of dwelling²². Structural types of dwellings that correspond to SSMUH include:

- Semi-detached House -> Duplex can be used as a proxy for a 3- 4- or 6plex;
- Row House -> Can be used as a proxy for a 3- 4- or 6-plex;
- Apartment or flat in a duplex -> Can be used as a proxy for a Secondary Suite²³.

Each of these above dwelling types can summarized longitudinally in order to build basic annual absorption rates by SSMUH type.

b) Assessment data

BC assessment data contains information on the quantity and type of buildings based on their year of construction. For the purposes of this exercise, it is necessary to discern how many units by type are constructed each year. This can be done by using BC Assessments Actual Use Code (AUC) and the BCA "year built" fields. Pertinent actual use codes will include:

- 32 Residential Dwelling with Suite -> Secondary Suite;
- 33 Duplex, Non-Strata Side-by-Side or Front / Back -> Duplex;
- 34 Duplex, Non-Strata Up / Down -> Duplex;
- 35 Duplex, Strata Side-by-Side -> Duplex;
- 36 Duplex, Strata Front / Back -> Duplex (all of which can be used a proxies for a 3-4-or 6-plex);
- 39 Row Housing (Single Unit Ownership) -> Can be used a proxy for a 3-4or 6-plex;
- 41- Duplex, Strata Up / Down 47 -> Can be used a proxy for a 3- 4- or 6-plex;
- 48 Triplex -> 3- 4- or 6-plex; 49 Fourplex -> 3- 4- or 6-plex;
- 52 Multi-Family (Garden Apartment & Row Housing) -> Can be used a proxy for a 3- 4- or 6-plex;

²² https://www12.statcan.qc.ca/census-recensement/2021/ref/98-500/001/98-500-x2021001eng.cfm

²³ Note that detached coach homes are treated as single detached dwellings and are therefore challenging to isolate from that grouping.

• 53 - Multi-Family (Conversion) -> Can be used a proxy for a 3- 4- or 6-plex.

Similar to the Census method above, each of the above unit types can be summarized from 2006 in order to build basic annual absorption rates by SSMUH types.

- 2. Assumptions development: given the data developed above, the following assumptions should be generated:
 - a) Historic absorption rates by SSMUH type -> Summarize SSMUH units and divide by 15 (regardless of method), this is the basic annual absorption rate
 - b) SSMUH growth factor -> a percent modification based on a considered review of market conditions to determine the increase in annual absorption over the baseline rate detailed above.
 - c) Other absorption rate assumptions -> additional constraining factors such permitting times, escalating costs, declining provincial growth that can modify the growth factors detailed above
 - d) Infrastructure and servicing assumptions -> constraining factors as they relate to increased servicing requirements that may mitigate against the development of SSMUHs.
- 3. Current state development: based on calculations described above, the current state of units can be used to net out the incremental increase in units based on the trends to be calculated in step five (5) below.
- 4. Maximum possible capacity analysis: the maximum unit capacity should be determined to construct a maximum bound for the trend to be calculated in step five (5) below.
- 5. Trend assessment: using the information from steps 1 and 2, growth rates should be developed that reflect historic trends and mitigating factors. Growth rates should not exceed the maximum capacity of units in step four (4) nor should they be so extreme as to double or triple the number of units within a 30-year time frame.
- 6. Buildout modeling: growth rates should be transformed into annual absorption rates to determine the net annual number of SSMUH units that may be constructed over time. This incremental increase in capacity can be subsequently used to inform infrastructure considerations which are discussed in Part 3, Section 6 of this manual.

2. Method 2: Complex build-out modeling

The complex build-out modeling approach is an advanced method that uses readily available data to construct likely development scenarios under current economic

conditions. type of approach should be led by a qualified GIS expert in conjunction with a land economist and local government staff, specifically development planners and long-range planners. The effort requires significant levels of data structuring and advanced geospatial and numerical modeling. Despite the complexities of this approach, it will yield highly accurate results which can be used for infrastructure impact analyses and other value-added analyses, as appropriate. The method is illustrated in Figure 11. Each step corresponding to the numbers in the figure is described in detail below.

1 Units per parcel Current state data Data Determine parcel qualities that may affect Parcel value development possibility of redevelopment development Building value Age of buildings Development trends Development constraints Maximum possible Determine the potential maximum number of potential units per maximum capacity capacity analysis process 5 ply redevelopment, built form and Built form assumptions Assumptions Development economic assumptions to determine the Micro economic assumptions development realistic potential for a parcel to redevelop to likelihood analysis Macro economic assumptions particular density Absorption rate assumptions Infrastructure servicing 6 Apply absorption rate scenarios to determine **Buildout** modeling potential realized capacity increases over

Figure 11: Process to apply complex build-out modeling approach

3. Data development

Data to be considered for this effort should include BCA data, BIR data, as well any information regarding conceptual, proposed or in-progress developments, environmental or infrastructural constraints to development along with local government policies and regulations pertaining to allowable uses, density and built forms. Subsequently, the BCA data should be processed such that a reasonable baseline of buildings in the community can be developed at the parcel scale.

This baseline will include information on the use of each parcel, the assessment classification code and occupancy code of the parcel, the number of units, the construction year of the structures, the total built floor area and the total land and improvement values. In addition, relevant municipal policy information, development permit data and constraints data should be extracted and applied to the parcels. The outcome of this effort will be a fully attributed baseline dataset that presents an up-to-date snapshot of all development considerations in the community at the parcel scale. This data can be used for value-added purposes in any current-state-style assessment. This information will be used to determine the potential for a parcel to redevelop under normal economic conditions (described in Step 3 below).

4. Assumptions development

Given that the SSMUH zoning bylaws will suggest a discrete potential development typology for any given parcel, it is crucial to develop a representative set of modeling archetypes, each of which will act as parametric guidelines in the modeling. The archetypes will have two major components, each of which is detailed below:

- a) Built Form Assumptions these are the design considerations that will guide the minimum parcel size, minimum floor-plate size, density, height, setback, and usage of a particular development. They are crucial for determining economic viability of a potential use as well as the resulting form. The key components are density, coupled with maximum or achievable FARs and setbacks all of which may impact the ultimate built form of the location, the total potential floor area of the development, and the resulting potential hypothetical profit of the development given the input land and construction costs.
- b) Development Context Assumptions these assumptions relate to the contextual milieu by which a particular building type will be permitted. Typically, this forms a table of allowed uses by land use type and local plan area, but occasionally additional overlays are considered, such as development permit areas, location specific locational overrides, or other policy considerations (such as agricultural interface for instance), on a case-by-case basis. Many development context considerations will be overridden by the forthcoming SSMUH zoning implementation under the SSMUH legislation.

Secondly, absorption rate scenarios should be developed. These will be used to determine the cadence of development once redevelopment potential is evaluated. This will require the following efforts:

- a) analysis of the municipality's recent development history,
- b) interviews with municipal staff,
- c) interviews with local builders and developers, and
- d) analysis and projections of the region's relevant labour force.

These inputs will be refined into 2 to 3 scenarios which will define the cadence and volume of development in the community from the near term (3 years from SSMUH implementation under the legislation (it is assumed that projects in the current development pipeline will override any absorption scenario) out to 30 years from SSMUH zoning implementation under the legislation). As these scenarios could have a significant impact on how the community will build out, they should be tested for realism and require both input and sign-off by relevant municipal planning and engineering staff in advance of finalization.

5. Current state development

Using the information developed in Step 1 above, it is imperative to score all qualifying parcels in the community to determine how the urban fabric may change over time based on the SSMUH legislation. This effort is required to add a degree of realism to this incremental build out effort and should be used to evaluate development potential, which reflects a market response to the SSMUH zoning policy, land availability and costs, housing and employment demands, access to transit, as well as locational contexts more generally. The core of this modeling step is to establish a "redevelopment" score for a given location.

To establish development likelihood scores, a modeling team should consider some combination of the six following market factors. Data availability (specifically assessment-based information from BCA) as well as information determined at Steps 1 and 2 should determine which factors are ultimately considered for this effort.

- a) **Parcel improvement value to land value ratio:** This ratio is developed by dividing a parcel's improvement value by its land value. A parcel with a low improvement-to-land ratio is more likely to be redeveloped.
- b) **Average adjacent parcel improvement value to land value ratio:** A parcel with a low improvement-to-land ratio compared to its neighbor's is more likely to be developed.
- c) **Parcel FAR:** Floor area ratio (FAR) is the measure of the built floor area of a parcel divided by the total area of the parcel. A parcel with a low FAR is more likely to be developed.
- d) **Density Gap:** This measure evaluates the relative utilization of parcels under current policy. A parcel with a large density gap is more likely to be developed.
- e) **Effective Year:** This factor considers renovations and upgrades of a structure which serves as a better metric than year built. Generally, a parcel with an older effective year is more likely to be developed.
- f) **Locational factors:** As appropriate for higher SSMUH densities under the legislation, it may be appropriate to allocate an additional locational bonus to reflect favorable milieux for some developments (specifically transit station areas).

Regardless of factors used, the second stage of this step is to reduce or constrain the development potential of a given location using a standard set of constraints (potentially including, but not limited to flood plains, hazardous/complex terrain, potentially contaminated sites, locations of indigenous cultural significance, interface considerations etc.), which should act in three separate ways described below.

 The first should be to **reduce** the development potential score of some sites on a caseby-case basis with input from the development planners in the community.

- The second application of constraints should be to **reduce the functional size of some parcels**. This should occur mainly through environmental constraints, encumbrances, and other infrastructure requirement.
- The third should be to **remove** some parcels from consideration entirely. This should incorporate development planners' collective knowledge and should be evaluated on a parcel-by-parcel basis and may include rental housing stock retention and/or land ownership, as appropriate.

The final stage of the redevelopment model is to score all parcels based on the net of redevelopment potential and constraints. Scores are typically assigned at a sub-municipal level either by policy context, location context, or some combination thereof. This is done by design since developing a comprehensive municipal score comparing lower value outlying parcels and higher value inner-city parcels does not yield useful information.

6. Maximum possible capacity analysis

As detailed in earlier calculations in Appendix D, the maximum unit capacity should be determined to construct a maximum bound for the trend to be calculated in step five (5) below.

7. Development likelihood analysis

Once the redevelopment potential has been quantified and the development archetypes have been defined, intermediate processing of all parcels in the community should be conducted to determine which SSMUH development archetype would work best on a site-by-site basis. These efforts should include:

- **a)** removal of newly developed, to-be developed, illogical or highly constrained parcels from the model; and
- b) testing all parcels for qualifying development typologies using built-form, policy, and economics inputs as a guide to identify the most profitable (and/or viable) potential development typologies. For instance, in an area that allows for up to six units, due to increased construction costs, the most profitable development type for this parcel may be a four-plex as opposed to six-plex.

8. Build-out modeling

The result of Steps 1 to 5 above will be a preferred potential development outcome for each parcel in the community that has development potential. Theoretically, this outcome represents the maximum logical capacity of a community absent any considerations with

regards to unit absorption rates (i.e., the rate at which units sell in an area in a given time period), permitting speeds, or labour considerations. To refine this maximum capacity into a reasonable sequence of development, it is therefore necessary to apply the absorption rates scenarios as defined in step two (2) above to the preferential development outcomes in step five (5) to develop an annual build-out of the community to 30 years after the implementation of the SSMUH zoning under the legislation.

This effort will result in a numerical build-out that indicates for each qualifying SSMUH-zoned parcel, the potential year of development, the resulting development type, floor area and number of units. These units can subsequently be converted into population or equivalent development units (EDUs) as appropriate for the local government's needs using agreed-upon multipliers (either from <u>standard BC best practices</u> or using trended municipal data or a combination of both). Summary data can be produced for milestone years, as appropriate, and should be accompanied by maps and graphs, as appropriate, for rapid review and iteration.

The technical work should be finalized based on clear acceptance criteria from a local government that should be developed during project initiation. Specific criteria could include, but may not be limited to:

- **a) Accuracy** Does the build-out reflect the policy input parameters of the modeling? Do the buildouts indicate a smooth development cadence that mirrors historic trends?
- **b) Realism** Does the build-out reflect the experience of municipal staff with respect to historic development in the community?
- **c) Plausibility** Does the build-out portray development outcomes that seem achievable under current or forecast economic conditions?
- **d) Spatial Distribution** Does the build-out indicate a spatial pattern of development that reflects the intents of municipal planners?



MINISTRY OF HOUSING POLICY BULLETIN

Issued: February 2024

Local Government Housing Initiatives Small Scale Multi-Unit Housing - Extensions

Direction on eligible conditions and application requirements for extensions to the June 30, 2024, deadline for local governments' zoning bylaw amendments to accommodate small-scale multiunit housing requirements.

Background

In the fall of 2023, the BC government passed Bill 44: Housing Statues (Residential Development) Amendment Act, 2023, which amends the Local Government Act and Vancouver Charter to support the supply of significantly more homes, faster, in BC. The amendments require local governments to update their zoning bylaws to allow secondary suites or detached additional dwelling units in single-family zones province-wide and three to six units of Small-Scale Multi-Unit Housing (SSMUH) on single-detached or duplex residential lots, depending on their locations.

The <u>SSMUH Policy Manual & Site Standards</u> have been released to support local governments in updating their bylaws and includes information on exemptions and advice on calculating anticipated uptake and infrastructure capacity.

Local governments need to amend their bylaws before June 30, 2024, and notify the Minister of Housing as soon as practicable after the last of the necessary amendments have been completed. Local governments can request time-based extensions under certain circumstances, which are detailed below.

Requests for extensions related to infrastructure must be submitted to the Minister on or before June 1, 2024. Extensions related to extraordinary circumstances must be submitted on or before June 30, 2024.

Confirmation of the passing of a resolution by the council or board directing submission of an extension application is required to ensure that the application is authorized.

Local governments seeking extensions will need to know the results of their extension application(s) prior to June 30th, 2024, to identify which zones they are required to bring into compliance in their SSMUH bylaw amendments (i.e., zones covered by the legislation for which no extension has been granted or sought). We therefore recommend that extension applications be submitted to the Minister of Housing 45 days prior to anticipated council hearings for SSMUH-related bylaw amendments.

An extension may be granted if the Minister is satisfied that the local government is unable, by June 30, 2024, to comply with the requirement to amend its bylaws because:

1. The local government is in the process of upgrading infrastructure that services the specific area or specific lots for which the extension is being requested;

- 2. The infrastructure that services the area where SSMUH would apply is such that compliance by June 30, 2024, is likely to increase a risk to health, public safety or the environment in that area; or
- 3. Extraordinary circumstances exist that otherwise prevent compliance in relation to the area.

This bulletin provides details on the criteria, application process, and the supporting documents that must be submitted as part of an application for an extension to the SSMUH compliance deadline. Note that subsequent resources may be issued by the Province to clarify or elaborate on changes to the Act. These resources will be available online on the Local Government Housing Initiatives website.

Application process for extensions to compliance deadline for SSMUH zoning bylaw amendments

The steps and timeline for local government extension applications are detailed below.

1. Local governments complete the documentation for their extension request, as detailed in the appropriate section below.

Questions about submission requirements and applications should be directed to: PLUM@gov.bc.ca.

2. Application packages should be submitted 45 days prior to council hearing for SSMUH zoning bylaw amendments. The final deadline for applications is June 1, 2024 or June 30, 2024¹ (depending on the reason for the extension request) by email or mail to:

Email: PLUM@gov.bc.ca

Mail: Planning and Land Use Management Branch

PO BOX 9841 STN PROV GOVT

Victoria, BC V8W 9T2

Attn: SSMUH Extension Request Application

- 3. Applicants will receive confirmation of receipt of the package and date of submittal.
- 4. The Minister will review the package and provide a response indicating whether the extension has been granted. If the extension is granted, the Minister will indicate the new deadline for compliance, which can be no later than December 31, 2030. If applications are refused, local governments have 90 days after the date set out in the notice of refusal to provide notice that they've complied with the SSMUH legislated requirements.

¹ Packages post-marked by the deadline will be considered on-time.

- 5. Once the conditions that necessitated the extensions have been resolved, local governments are required to update their zoning bylaws for the area(s) where their extensions applied.
- 6. Local governments must notify the Minister by letter, that their zoning bylaw is updated and compliant by the extended deadline.

Extension categories and application requirements

The following section describes the conditions eligible for extensions, and the associated application requirements.

Local governments may apply for multiple extensions of the same or different extension categories, however, must complete separate application forms and packages for each infrastructure project or issue.

The local government is in the process of upgrading injustructure that services the specific area or specific lots for which the extension is being requested.

Explanation of condition

Local governments can apply for an extension to the SSMUH compliance deadline in relation to specific areas or lots where they are in the process of upgrading infrastructure which renders them unable to comply by June 30th, 2024.

Examples of eligible ongoing infrastructure upgrades include, but are not limited to:

Upgrades that increase capacity required to meet demands of added development – Including increasing pipe size, treatment plant upgrades, etc.

Application requirements

- Requested extension date.
- Description of the ongoing infrastructure upgrade which prevents compliance with the SSMUH zoning requirements by June 30, 2024, and explanation of why new SSMUH development cannot occur until the upgrade is complete.
- Timelines for the project.
- Map of the affected area, including the parcels for which the extension is being requested, as well as the location(s) of the infrastructure upgrade.
- Documentation to support the application which may include, but is not limited to: engineering reports, project plan, progress reports, etc.

2. Compliance is likely to increase risk to public health, safety or the environment.

Explanation of condition

Local governments can apply for an extension for areas where the infrastructure that services the area is such that compliance by June 30, 2024, is likely to increase a risk to health, public safety or the environment.

Examples of infrastructure conditions that would likely increase risks in an area include, but are not limited to:

- Wastewater additional input to wastewater treatment facility and/or system servicing the area would lead to untreated wastewater backups and overflows.
- Stormwater current stormwater management practices and systems would exceed capacity from additional development.
- Drinking water quality additional development would be connected to a water system with current/ongoing/frequent water quality concerns (water quality advisory, boil water advisory or do not use water notice) or cause insufficient water supply concerns.

Application requirements

- Description of the infrastructure deficiency and how changing the zoning in the affected area to comply with the SSMUH requirements would pose a risk to public health, safety or the environment until an upgrade is undertaken.
- Requested extension date (this must align with existing project timelines if a project plan exists. If there is no project plan in place, an estimate may be given).
- Map of area(s) to which the extension application applies.
- Documentation supporting the application, which may include, but is not limited to engineering reports.
- Remediation plan if one exists.

Extensions vs. Exemptions

Extensions

- Areas which receive an extension for SSMUH compliance are expected to align with the SSMUH legislative requirements in the future. These areas require additional time to update the necessary infrastructure to support additional development adequately and address likely risk to health, public safety, or the environment.
- Local governments are required to apply for an extension, following the information provided in this bulletin and associated application form.

Exemptions

- Land which meets the requirements for an exemption from SSMUH legislation is not intended to align with SSMUH legislation in the future unless significant action is taken which can demonstrate the exemption is no longer applicable.
- Local governments do not need to apply for an exemption, rather they must notify the Minister of what areas in their jurisdiction meet the exemptions as provided for in the legislation and regulations.
- For exemption notification requirements, please see page 13 of the *Provincial Policy* Manual and Site Standards.

Extraordinary circumstances exist that prevent compliance by June 30, 2024. 3.

Explanation of condition

A local government is unable to update their bylaws by the deadline, due to unforeseen circumstances that divert their resources.

What is an "extraordinary circumstance"?

An extraordinary circumstance, for the purpose of an extension to comply with the requirements of the SSMUH legislation, is a situation that would result in a sufficient diversion of local government resources such that compliance with the legislation in the specified timeline would not be possible.

Examples of extraordinary circumstances that otherwise prevent compliance in relation to the area by the deadline, include but are not limited to:

- Natural hazards (flooding, forest fire);
- State of emergency.

Application requirements

- Requested extension date.
- Description of the issue occurring in the community.
- Description of any work completed to comply with the SSMUH requirements up to this point, what additional work is planned to be done, an anticipated timeline when issue will be resolved and/or when compliance will be achieved.
- Documentation of extraordinary circumstances, ex: Declaration of State of Emergency.



For:

Jake Belobaba, Director of Development Services Town of Ladysmith 132C Roberts Street Ladysmith, BC

May 8, 2024

SMALL SCALE MULTI-UNIT HOUSING (Bill 44) PRELIMINARY SANITARY SEWER CAPACITY REVIEW

Permit to Practice No. 1001793

Ryan Bouma, P. Eng. Director of Infrastructure Service

Reviewed by: Michele Gill, AScT Sr. Engineering Technologist



1.0 INTRODUCTION

In early 2024, the Town of Ladysmith's (Town) Engineering Department was asked by Mr. Jake Belobaba, Director of Development Services, to review the Town's utilities for capacity issues related to proposed changes to residential zones. The Engineering Department understands the zoning bylaw density increase changes are a directive from the Provincial government's legislation regarding Small Scale Multi-Unit Housing (SSMUH).

This report provides the findings of a preliminary review of the sanitary sewer collection system and the capacity of sanitary sewer mains to support additional density or highlight the need to request an extension to the SSMUH requirements. Water and storm water utilities were reviewed by others. The findings of this report are preliminary in nature as legislated deadlines for the density increase have not allowed for detailed review of the sanitary sewer system. The Engineering Department recommends a detailed review of the findings to provide detailed estimates and prioritization of projects.

2.0 BACKGROUND

While reviewing the sanitary system, the Engineering Department reviewed relevant sources of information, including:

- WSP 2017 Flow Monitoring Program report This report provided the Engineering Department with measured flows and Rainfall Derived Inflow and Infiltration (I&I) rates. This report found that I&I is 4 to 6 times higher than the Town's standards and specifications in some areas. Having field measurement of I&I in specific catchments increases the confidence of the results herein.
- Town of Ladysmith record information Pipe sizes, grades, and materials were obtained from the base mapping available to the Engineering Department. Field confirmation of piping was not completed at this stage of review.
- Town of Ladysmith Standards and Specifications Town standards were used for population densities, peaking factors, and calculation methods.
- Virtual meeting with WSP WSP/Opus constructed a model of the Town's sanitary sewer system in 2014. Although WSP was not able to run the model within the timelines required, a WSP representative met with the Engineering Department virtually on April 30, 2024. The WSP representative was able to provide a copy of the model to the Engineering Department and give brief comments about their knowledge of the sanitary sewer system.
- Opus Technical Memorandum No. 1 Sanitary Sewer Model Development and Validation – This technical memorandum describes the construction of the sanitary system in 2014, including the extents of development and the inflow rates used.
- WSP Waterfront Area Plan Sewer Servicing Assessment The Waterfront Area Plan was previously analyzed by WSP. The report was reviewed for downstream capacity findings.

- Opus Technical Memorandum No. 1 Phase 3 Advanced Secondary Wastewater Treatment Plant – This technical memorandum includes details of the wastewater treatment plant, including capacity and population growth.
- Ministry of Housing Policy Bulletin Local Government Housing Initiatives SSMUH Extensions – This policy was reviewed to better understand the needs of this report and the ability to apply for an extension.

We understand that the SSMUH legislation requires the Town to increase density in "restricted zones" to allow for a minimum 4 units per lot on lots between 280 and 4050m² and 3 units on lots less than 280m². The sharp increase to available density has impacts to existing infrastructure that was designed for conventional one or two unit per lot density. The Province has acknowledged this concern and provided an opportunity to municipalities to apply for an extension until 2030 for several reasons. One reason is "the infrastructure that services the area where SSMUH would apply is such that compliance by June 30, 2024, is likely to increase a risk to health, public safety, or the environment in that area". An example is provided in the provincial bulletin as "upgrades that increase capacity required to meet demands of added development – including increasing pipe size".

The waste water treatment plant was not reviewed as part of this assignment, although some discussion is provided in Section 5.0 based on staff knowledge and review of design reports.

The Engineering Department further understands that the Town's Development Services Department is preparing zoning bylaws and an extension request for Council to review and that this report will be used to support their work.

3.0 METHODOLOGY

Given the relatively short deadline imposed on the Town, the Engineering Department carried out a high level preliminary review of the entire sanitary sewer system. Not all sanitary sewer utilities were checked as that is outside the scope of this report and should be done through detailed review and computer modelling.

3.1 DESKTOP REVIEW

A high level review of the entire sanitary sewer collection system was reviewed in an Engineering Department meeting to evaluate and discuss potential capacity issues within the system. Staff scanned the system for pipes that met one or more of the following criteria:

- Pipes that carry large catchment areas;
- Grades less than 2%;
- Small diameter pipe relative to the catchment area;
- Areas known to potentially have capacity concerns based on the Engineering Department's prior knowledge;

- Areas of recent growth on older pipes potentially sized for smaller catchments; and
- Areas of known high rates of Inflow and Infiltration (I&I).

Pipes that matched the above criteria were highlighted and determined whether to be included in capacity calculations. In all, the Engineering Department reviewed more than 20 pipes of concern with a total length more than 3000m.

3.2 CAPACITY CALCULATIONS

Following the desktop review Engineering staff developed a spreadsheet based on Section 5 of the Town's Standards and Specifications to calculate the flow rate and capacity of the identified pipes of concern. The calculations considered:

- Diameter;
- Grade;
- Material roughness;
- Peaking factor;
- Population density;
- Existing development plans (e.g., Holland Creek Area);
- Catchment area; and
- I&I based on WSP metering in 2017.

Population density for single family residential is noted to be 36 persons per hectare (pph) in Section 5A.2.3 of the Town's Standards and Specifications. This was used to evaluate the system for existing conditions. "Pockets" of commercial development were treated the same, as the Standards and Specifications note 36 pph for Industrial and Commercial zones. The Downtown Area along 1st Avenue was similarly treated the same for simplicity. The relative size of the Downtown Area was not significant for this level of review.

Based on conversations with the Town's Development Services Department, predicting the uptake of SSMUH and a realistic population density prior to 2030 is difficult. The Engineering Department chose to evaluate four conditions to provide a range from Single Family development to High Density Multiple Family development. These were:

- 36 pph (SFD population)
- 48 pph (Low Density Multi-Family)
- 72 pph (inferred density potential)
- 120 pph (High Density Multi-Family)

The Town's Standards and Specifications note "peak stormwater infiltration shall be calculated on the basis of 11,200L per hectare"; however, the Standards are generally written for new construction where modern pipe materials and a separate storm water system are used. Results from the WSP 2017 Flow Monitoring Program were weighted based on the catchments

being reviewed. In areas of Town that were not covered by the metering, I&I rates were used based on similar construction and age to areas that were covered.

Two calculations were carried out. The first was the rate of flow from the catchment area and the second was the capacity of the existing pipe. Rather than calculate the fullness of the pipe, the flow and capacity were merely checked as a percentage of pipe capacity to identify the pipes that are near or exceed capacity.

A final step in the spreadsheet calculations was to carry out a sensitivity analysis of pipes that were near or exceeded capacity. Because grade of pipe is generally fixed, the Engineering Department checked for improvements based on increasing pipe size, lining the pipe for decreased roughness, and decreasing I&I.

Sample calculations are provided in Appendix B.

3.3 COMPUTER MODELING

The computer model developed by WSP is based in PCSWMM using record information from 2014 and a census population of 7,842 people. Staff understands that little, if any, updates to the model have been completed and does not include a myriad of development that has occurred over the past 10 years, nor does it include updated I&I rates learned in 2017. The discrepancy of I&I between the model and known rates made comparison in some areas difficult. Through discussions with a WSP representative, updates to the model were not possible in the time required, although the model was provided to the Engineering Department for internal use.

Despite the lack of updating to the model, the Engineering Department used the model for verification of the spreadsheet calculations. The model is able to predict pipe fullness for the entire system, which would not be feasible with spreadsheet calculations; therefore, the model was also used to highlight pipes that may not have been captured during the desktop review.

We recommend the model be updated to reflect current extents of the sanitary sewer system and reflect the known I&I rates.

3.4 ANALYSIS

Upon completion of the above analysis, the Engineering Department reviewed the results, considered the impacted areas of the Town, and looked for potential improvements to the system. Results were generally broken into three categories as follows:

 Low – Pipes in this category do not have a capacity issue and would not prevent development. These pipes were not reviewed any further;

- Medium Where capacity is nearly reached at existing conditions and exceeds capacity
 with some densification, pipes were reviewed in greater detail and included in Section 4;
 and
- High There were several instances where pipes were at capacity under existing conditions and require detailed review. Further discussion is provided in Section 4.

The results of the analysis have allowed the Engineering Department to make recommendations for extension requests to the Province as well as for further detailed review prior to the 2030 extension expiry.

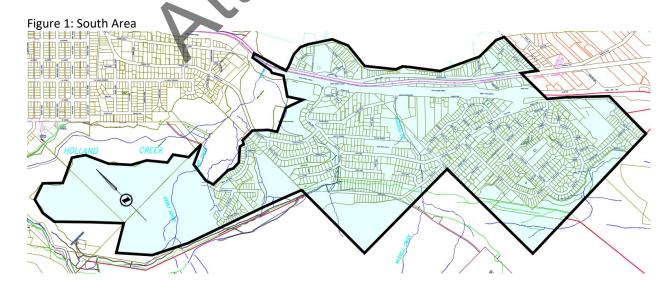
4.0 ANALYSIS RESULTS

The Town generally consists of three large catchments that flow into trunk mains towards the Wastewater Treatment Plant. Due to the size of the catchments and findings of the analysis, the northern catchment was broken into two smaller areas for discussion.

Rocky Creek Road, Transfer Beach, and the Waterfront Area Plan are not discussed below. Preliminary review of these areas did not reveal concerns that were not already being addressed through development and nearly all of these areas do not fall within "Restricted Zones" under the SSMUH legislation.

4.1 SOUTH LADYSMITH

The South Area consists of all properties south of Holland Creek, except for the Westdowne Road Industrial Area which does not have sanitary sewer service and understood to be automatically exempt from SSMUH regulations. Generally, this includes the Chemainus Road, Holland Creek Area, Coronation Mall, Davis Road, Russel Road, and Stirling Drive areas as shown below.



This area was initially reviewed as multiple catchment areas, but the analysis quickly revealed that the entire area is impacted by the same pipe capacity issue, which is the sanitary trunk main along Highway 1. Two other notable mains identified to have capacity concerns were the Chemainus Road foreshore main (150mm AC) and the low grade portions of the Holland Creek Ball Field main (200mm AC) which will be upgraded as part of the Holland Creek developments.

4.1.1 Highway 1

A 450mm diameter concrete main at a low 0.34% grade services the entire South Area. A portion of this trunk main runs under the Holland Creek highway crossing, attached to the bridge structure. Our preliminary review of this trunk main involved a more detailed look than all other pipes in Town due to the large area impacted and poor correlation with the computer

model. Spreadsheet calculations determined this trunk main to be at capacity under existing conditions (proposed developments included), whereas the computer model output some available capacity. The Engineering Department concluded the discrepancy to be due to conservative spreadsheet calculations and the model's exclusion of development in the area from the last 10 years, which is significant in the South Area.



The closest property to be impacted by a sewer backup on this main is Coronation Mall at 370 Davis Road. The Engineering Department checked with Infrastructure Services for a history of callouts related to this main and found nothing. Coronation Mall is estimated to be 2.5m above the trunk main based on an assumed slab elevation in Save On Foods of approximately 22m. Because of the elevation difference some surcharge may be occurring without reports to Infrastructure Services. An Engineering Department representative went to a manhole near Coronation Mall on Highway 1 and observed the Dry Weather Flow in the manhole to be less than half the pipe height.

Based on these findings and the critical nature of this trunk main, we recommend that an extension is requested from the Province for the entire South Area. Existing approved developments may continue as they have been included in the spreadsheet calculations. We further recommend that the computer model be updated to reflect current conditions and detailed review be completed. If a capacity issue is found to exist with detailed review, the Town should plan for upgrades to this trunk main. Alternatively, the extension could be lifted.

If required, upgrades are anticipated to consist of re-lining the existing concrete main to reduce roughness followed by twinning the main. Twinning the main would allow for flows during construction without a risky and costly bypass system, requiring bridge deck space that may not be available. This work would involve the Ministry of Transportation and Infrastructure as well

as the need for Structural engineering of the bridge. Planning, design, budgeting, and construction of this project is likely to exceed 5 years and it is not possible to estimate costs at this time.

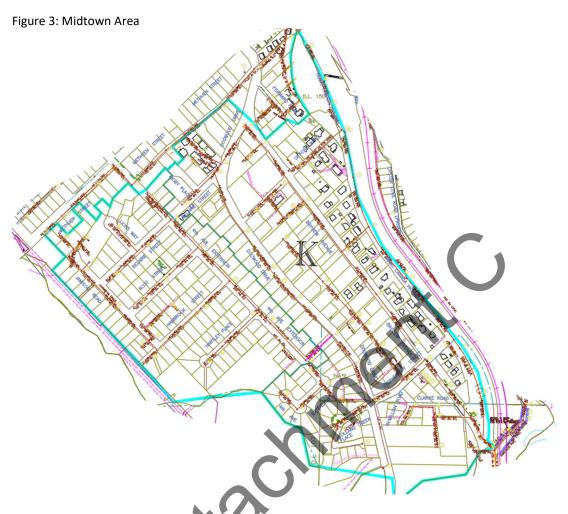
4.1.2 Chemainus Road

Both spreadsheet calculations and computer modelling highlighted a serious capacity issue under current conditions with the 150mm diameter Asbestos Cement (AC) main along the foreshore at Chemainus Road. Background knowledge of this main and associated pump stations indicate the main is in poor condition with high volumes of infiltrating salt water. We understand that the Town's Utility Department has had to replace corroded pumps in the Gill Road pump station as a result of salt water. The Engineering Department has reviewed the general area and note that the pipe appears to be buried in loose, saturated, sand and gravel. Seismic shaking is likely to cause liquefaction and excess settlement, resulting in service and joint separation as well as cracking of the brittle pipe material.

We recommend that the Town budget and design a replacement of the Chemainus foreshore main. There are geotechnical and environmental concerns with construction within the foreshore as well as excavation difficulty in saturated soil. Pipe bursting should be considered during detailed design to avoid open-cut excavation on the foreshore. Construction costs are anticipated to be much higher per metre than conventional open cut excavation in a roadway. Costs are not available at this time, although it is recommended that \$100,000 be included in the 2025 budget to carry out detailed review and design of the upgrade.

4.2 MIDTOWN AREA

The Midtown Area consists of 4th Avenue Extension, north Dogwood Drive, and Bayview Avenue, shown in Figure 4 below. The area is relatively small with topography that provides a consistent slope down to the Wastewater Treatment Plant. The size and topography kept all but one pipe within available capacity.



The pipe connecting 4th Avenue Extension to Dogwood Drive consists of a 130m long, 200mm diameter, AC pipe set at 0.4% grade. The capacity is exceeded under the current conditions. Infrastructure Services staff have one report of backup at a property serviced on this main from May 26, 2020.

We recommend that an extension be requested from the Province for this catchment. A detailed review of the capacity of this main should be completed; however, the sensitivity analysis revealed that replacing the main with a 250mm PVC pipe would sufficiently increase capacity for current conditions and anticipated development. The cost to replace this main is likely to range from \$200,000 to \$250,000.

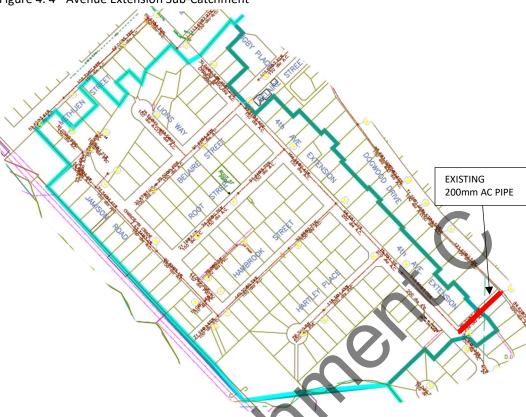


Figure 4: 4th Avenue Extension Sub-Catchment

All other pipes in the Midtown Area were found to be sufficiently sized.

4.3 OLD TOWN AREA

In general, the Old Town Area is steeply sloping and includes 1st to 6th Avenue. The area has very high I&I rates which was an important consideration in this area. The area is shown in Figure 2 below.



A review of the 600mm diameter concrete trunk main crossing Highway 1 at Buller Street leading along the Highway and railroad track to the Wastewater Treatment Plant was found to be near capacity. The Engineering Department reviewed the WSP Waterfront Area Servicing Plan, which discussed the capacity of this main and found it to have capacity. We noted that the WSP report did not consider the higher than anticipated I&I rates in the Old Town Area. The model should be updated to reflect the current rates and rechecked.

The sensitivity analysis revealed that I&I and pipe roughness were significant factors. I&I is reported to range from 43,405 to 67,308 L/Ha/day in this area, a 4 to 6 times higher rate relative to new construction. The high I&I rates are understood to be a result of old combined services and lack of storm service to some areas. The Town's Engineering Department is working with WSP to identify sources of I&I and come up with solutions to reduce the volume. WSP recently submitted a report on this subject, although it was not reviewed in time for this study.

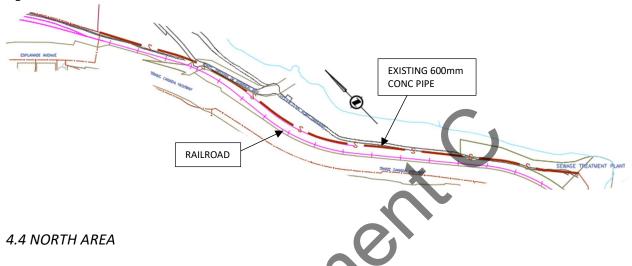
One way to reduce I&I volume is to allow development and enforce the Town's Standards and Specifications for stormwater for new construction. Doing this will result in a net reduction in flow. As such, we recommend that development be allowed in this area with strict enforcement by the Development Services Department, with input from the Engineering Department, to remove combined services and construct new storm infrastructure where required. Detailed design will be required on a site by site basis between Town staff and developer consultants.

We recommend that the Town review the recently submitted WSP report regarding Inflow and Infiltration and consider implementing the recommendations in that report. There are likely costs associated with the recommendations so if the recommendations are accepted they should be budgeted and planned.

Preliminary Sanitary Sewer Capacity Review

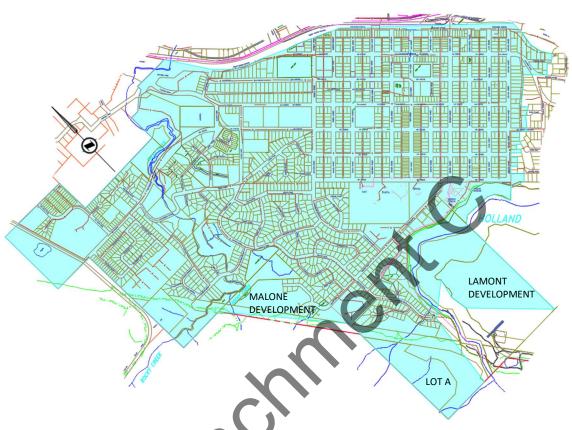
We further recommend detailed review of the capacity and consider lining the trunk main shown below. Reducing the roughness of the main will increase capacity sufficiently for more development and increase the life of the existing concrete main. This recommendation is relevant to the North Area described in Section 4.4, as it carries flows from both catchments.

Figure 6: Old Town Area Trunk Main



The North Area (Figure 6) consists of Malone Road, Colonia Drive, Jim Cram Drive, and the planned Lamont Lands development (south of Holland Creek, but planned to flow into this catchment). The area consists of relatively new construction materials with much lower I&I compared to the adjacent Old Town Area, but feeds into the trunk main within the Old Town Area. Our review of this area found multiple issues ranging from Low to High, that correlated with the computer model.

Figure 7: North Area



Based on the WSP report and the newer construction materials in the area, a relatively low I&I rate of 9000 L/Ha/day was used in our preliminary calculations. As such, there are few opportunities to improve I&I through development. Capacity concerns in the North Area require improvements to the infrastructure.

Several pipes were near to or at capacity. These include:

- 90m long, 150mm diameter at 801 Mackie Road;
- 60m long, 200mm diameter crossing Cloke Road at Taylor Crescent;
- 100m long, 300mm diameter on 2nd Avenue at Strathcona Road; and
- 550m long, 300mm diameter along Highway 1 from 1150 2nd Avenue to 1020 1st Avenue (round about).

4.4.1 Mackie Road

The Lamont Lands and Lot A developments are anticipated to inflow into this small subcatchment on Mackie Road, which was likely not considered when the relatively small 150mm diameter main was constructed. Without the developments the pipe size is sufficient; however,

with this additional development the pipe is nearing capacity under existing conditions. We have inferred builders in both developments are likely to build according to SSMUH which would result in a density around 72 pph and significantly exceed the pipe capacity. We recommend the Lamont Lands and Lot A developments be included in an extension request or require the developer(s) to make downstream improvements.

4.4.2 Cloke Road

This pipe is nearing capacity in current conditions and surcharges when population density reaches between 48 and 72 pph. An extension is not required due to this finding.

We recommend that this main be checked in the model as development proposals are presented to the Town and that replacement with a 250mm diameter pipe be considered in the next iteration of the Town's Development Cost Charge (DCC) bylaw.

4.4.3 2nd Avenue

Although a small sub-catchment of the Old Town Area flows into this main, the primary source of flow is the North Area. This pipe is twinned with an older 200mm diameter AC main in parallel. The Engineering Department is not aware of how the flows are shared between both pipes, but believe the newer 300mm main is at a slightly lower grade and will overflow into the older main when surcharged.

This main is near capacity under existing conditions without considering overflow; however, capacity is exceeded at 48 pph. The Engineering Department assumed an allowable 25% overflow and determined the overflow pipe and main reached capacity between 48 and 72 pph.

The Development Services Department should consider the likelihood this area will redevelop and push density beyond 48 pph. This main should also be monitored once the computer model has been updated. Consideration of replacing the overflow with a larger pipe, or complete replacement of both mains for the DCC bylaw is recommended.

4.4.4 Highway 1 to 1st Avenue (Round About)

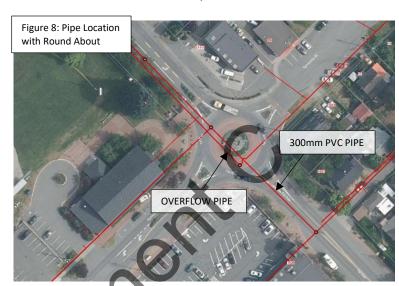
This 300mm main with a twin 200mm overflow main is at capacity in existing conditions according to spreadsheet calculations and 85% according to the model. Similar to the description in 4.4.3, this pipe is shared with the Old Town Area and the Engineering Department does not know how the overflow is directed. Despite this, the North Area is the main contributor and is discussed in that context.

This is an existing capacity issue that should be reviewed in detail as a high priority to the Town. Consideration was given to recommending an extension request, but the need to upgrade the main shouldn't be delayed. An extension request should be made where new greenfield

development may build in accordance with SSMUH, such as the new Malone Road development.

This main runs under the existing 1st Avenue round about, which is an extensive surface feature that would need to be removed for conventional open-cut excavation. The cost and disruption for this work is relatively high. A detailed review should be completed to determine the

function of the bypass and how to increase capacity with minimal impacts to 1st Avenue. Conceptually, the Engineering Department suggests considering a pipe-burst replacement of one or both mains. It will be necessary to check pipe depths, nearby utilities, soil conditions, and dry weather flows with a specialized contractor in order to evaluate the feasibility. It is not possible to estimate costs at this time.



5.0 WASTEWATER TREATMENT PLANT

According to the Province's bulletin, the Province may provide extensions for lack of treatment capacity; however, a preliminary review of the Town's Wastewater Treatment Plant was not part of this scope of work. The Engineering Department did a background review of available information to confirm whether an issue may exist and additional engineering may be required.

Background information indicates the Plant is designed for a population of 17,200 people and a maximum flow of 14,400m³ per day. However, we understand the Wastewater Treatment Plant has gone into overflow on multiple occasions due to high inflows during heavy rainfall. Based on the measured flows and history of overflow, the Town's Wastewater Treatment Plant is nearing capacity due to I&I rather than population. Improving I&I throughout the system will reduce the inflow to the Treatment Plant and allow for increased population growth such as SSMUH.

6.0 SUMMARY AND CONCLUSION

The Engineering Department has reviewed background information and carried out an analysis, including limited verification with computer modeling, of the sanitary sewer collection system. The Town's sanitary sewer collection system seems to be limited by the trunk mains along Highway 1, which travel adjacent to large catchments at relatively low grades. These trunk

mains were constructed prior to significant developments and may not be adequately sized for the proposed SSMUH density increases.

This review included recommendations for upgrades and application for an extension to the Province. The recommendations provided above are summarized as follows:

- 1. Update the sewer model with current conditions and I&I rates;
- 2. Request an extension for the entirety of the South Area;
- 3. Carry out detailed review of the Highway 1 main. Consider lining the existing 450mm diameter main in the near term and twinning longer term;
- 4. Budget for detailed design for replacement of the Chemainus Road foreshore;
- 5. Request an extension for the relatively small catchment leading to the main connecting 4th Avenue Extension to Dogwood Drive;
- 6. Include replacement of the 130m of main connecting 4th Avenue Extension to Dogwood Drive in the 2025 budget. Complete a more detailed assessment of the pipe and refine the cost estimate prior to budgeting;
- 7. Allow development within the Old Town Area with strict stormwater management requirements to reduce I&I;
- 8. Review and implement the recommendations in the recently submitted Inflow and Infiltration report from WSP;
- 9. Carry out detailed review of the trunk main leading from the Old Town Area to the Wastewater Treatment Plant. Consider lining the concrete pipe to reduce roughness;
- 10. Request an extension from the Province for the Lamont Lands and Lot A developments or require downstream improvements;
- 11. Monitor 200mm main on Cloke Road and consider replacement with 250mm main in the next DCC bylaw;
- 12. Monitor 300mm main and overflow main on 2nd Avenue and consider replacement in the next DCC bylaw;
- 13. Include detailed review and design for upgrades to the Highway 1 to 1st Avenue round about main in the 2025 Budget. Complete a detailed assessment and consider subsurface replacement methods; and
- 14. Request an extension request for the Malone Road development.

Most of the recommendations require detailed analysis not performed in this review. Updates to the computer model will assist the Town's Engineering Department and consultants working for the Town. The Development Services Department should be aware of the recommendations and discuss them with the Engineering Department when a development proposal may impact one or more of the highlighted mains in this report.

A request should be made to the Province for the South Area of Town, 4th Avenue Extension, the Lamont Lands and Lot A developments, and the Malone Road development. These areas are shown in Appendix A. The Engineering Department is able to assist with these requests as required.

We trust this report meets your needs at this time. Please contact the undersigned with any questions. Thank you.

Per:

Ryan Bouma, P. Eng.

Director of Infrastructure Services

Reviewed by: Michele Gill, AScT.

Sr. Engineering Technologist

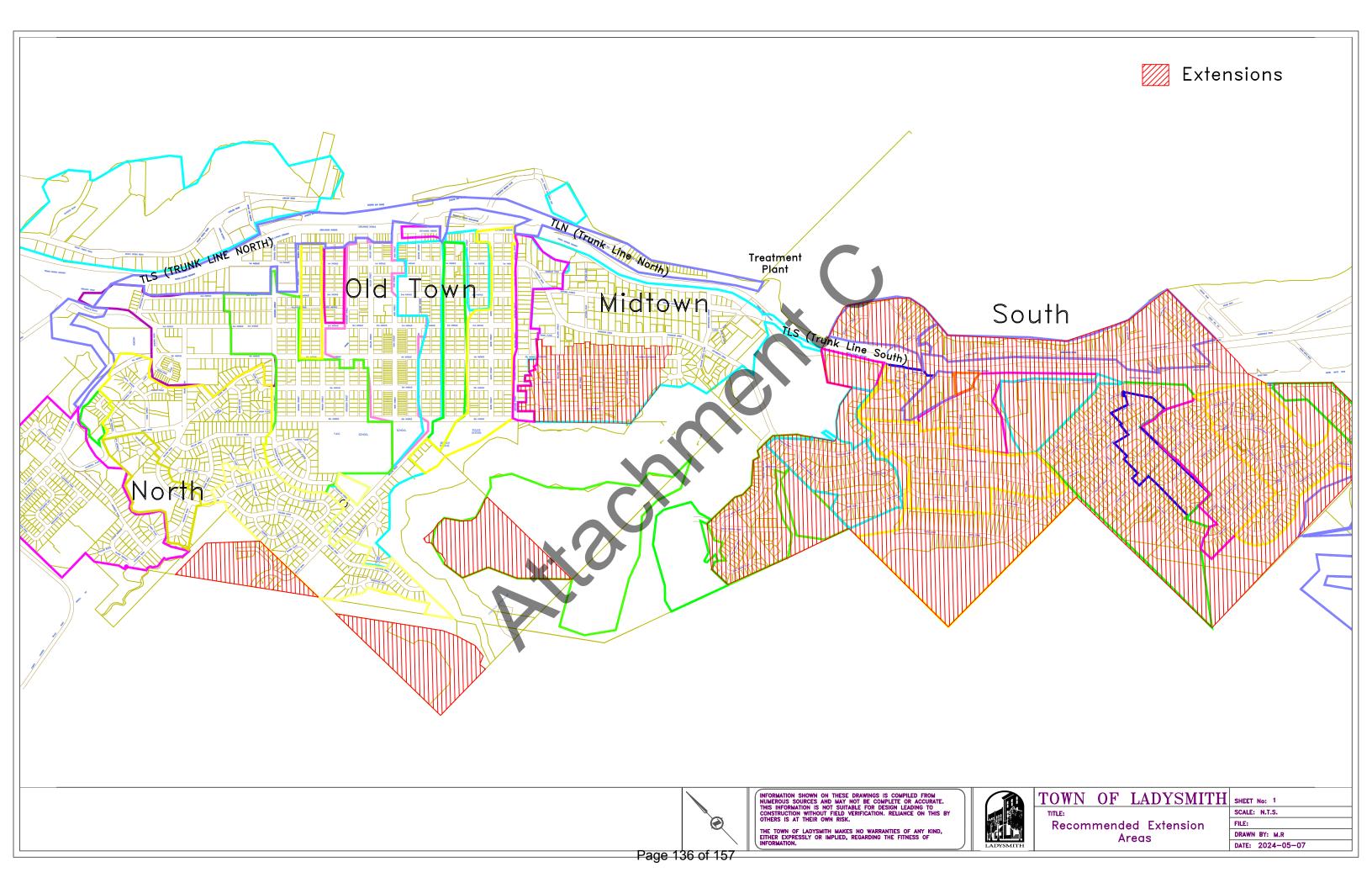
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APPENDICES

APPENDIX A - RECOMMENDED EXTENSION AREAS

APPENDIX B - SAMPLE CALCULATIONS

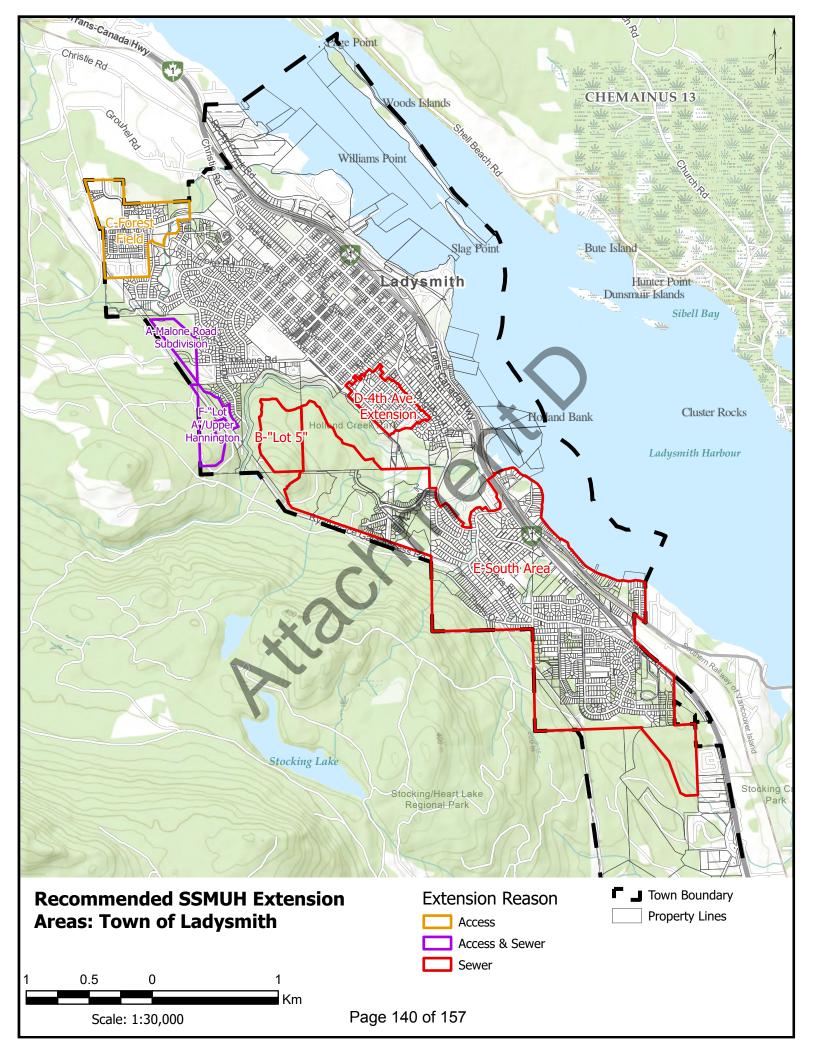
APPENDIX A RECOMMENDED EXTENSION AREAS



APPENDIX B SAMPLE CALCULATIONS

| Catchment Area (m | 12) Ar | ea (Ha) | PPHa | Equiv. Pop | Peaking Factor | Peak Flow (L/D) | Infiltration Rate | (L/D) | Total (L/D) | Dia (mm) | R (m) | Slope % | Slope m/m | Type | =((Rm^(2/3))* (Sm/m^(1/2)))/n | Q =V*PI()* (Rm^2)*1000 | Flow (L/sec) | Density | Pipe Fullness (%) | n |
|-----------------------|---------|-----------|------|------------|-------------------|--|-------------------|--------------|-------------|----------|--------|---------|-----------|------|----------------------------------|---------------------------|-----------------|---------|----------------------|------|
| 523.8 | | 2.3870893 | | | | 1563930.67 | | | | | | | | | | 52.4563726 | 35.34 | Low | 67 | 0.0 |
| (30 to K20 | | 2.3870893 | | | | 2027927.64 | | | 3517502.1 | | 0,1220 | 2110 | 0,00210 | | 2,00000 | 0211000720 | 40.71 | | 78 | - |
| 10 10 110 | | 2.3870893 | | | 3 3.35605736 | | | | 4401055.6 | | | | | | | | 50.94 | SSMUH | 97 | |
| | | 2.3870893 | | | 1 3.1514367 | | | | | | | | | | | | 69.98 | High | 133 | |
| | | | | | | | | | | | | | | | | | | | | |
| | | | | | Peaking | Peak Flow | | Infiltration | | | | | | | =((Rm^(2/3))*(S | | Flow | | Pipe | |
| Catchment Area (m | | | | Equiv. Pop | | A Company of the Comp | Rate | (L/D) | | Dia (mm) | | | Slope m/m | | | =V*PI()*(Rm^2) | | Density | Fullness (%) | n |
| | | .81432864 | | | 4.1407666 | | | | | | 0.125 | 0.51 | 0.00051 | PVC | 0.62731 | 30.7930343 | | Low | 10 | 0.0 |
| LS 330 to TLS320 | | .81432864 | | | 5 4.09167643 | | | | | | | | | | | | 3.79 | | 12 | |
| | | .81432864 | | | | 386362.509 | | | | | | | | | | | 5.23 | SSMUH | 17 | |
| | 5. | .81432864 | 120 | 697.719437 | | 625112.295 | | | 690232.8 | | | | | | | | 7.99 | High | 26 | |
| | | | | | Peaking | | | Infiltration | | | | | | | =((Rm^(2/3))*(S | | Flow | | Pipe | |
| Catchment Area (m | 12) Ar | ea (Ha) | PPHa | Equiv. Pop | Factor | (L/D) | Rate | (L/D) | Total (L/D) | Dia (mm) | R (m) | Slope % | Slope m/m | Туре | m/m^(1/2)))/n | =V*PI()*(Rm^2) | (L/sec) | Density | Fullness (%) | n |
| South End south of | | | | | | | | | | | | | | | | | | | | 1000 |
| | | 62.810181 | | | | 6481520.92 | | | | | 0.222 | 0.81 | 0.00081 | Conc | 1.15941 | 179.51103 | | Low | 66 | 0.0 |
| FLS40 to TLS30 | | 62.810181 | | | 7 2.85387629 | | | | | | | | | | | | 138.64 | | 77 | |
| | | 62.810181 | | | | 11649148.9 | | | | | | | | | | | 177.63 | SSMUH | 99 | |
| | 2 | 62.810181 | 120 | 31537.2217 | 7 2.45593694 | 17814288.4 | 14070 | 3697807.026 | 21512095.4 | | | | | | | | 248.98 | High | 139 | |
| | | | | | | | _ | | | | | | | | | | | | | |
| | | | | | Peaking | Peak Flow | Infiltration | Infiltration | | | | | | | =((Rm^{2/3))*(S | Q | Flow | | Pipe | |
| Catchment Area (m | n2) Ar | ea (Ha) | PPHa | Equiv. Pop | Factor | (L/D) | Rate | (L/D) | Total (L/D) | Dia (mm) | R (m) | Slope % | Slope m/m | Туре | m/m^{1/2}))/n | =V*PI()*(Rm^2) | (L/sec) | Density | Fullness (%) | n |
| South End south of | | | | | | | | | | | | | | | | | | | | |
| Holland Creek 2,628,1 | 01.81 2 | 62.810181 | 36 | 9461.16652 | 2 2.97854664 | 6481520.92 | 14070 | 3697807.026 | 10179327.9 | 444 | 0.222 | 2.28 | 0.00228 | Conc | 1.94518 | 301.173012 | 117.82 | Low | 39 | 0.0 |
| FLS50 to TLS40 | 2 | 62.810181 | 48 | 12614.8887 | 7 2.85387629 | 8280306.3 | 14070 | 3697807.026 | 11978113.3 | - | | | | | | | 138.64 | | 46 | |
| | 2 | 62.810181 | 72 | 18922.333 | 3 2.67665056 | 11649148.9 | 14070 | 3697807.026 | 15346955.9 | | | | | | | | 177.63 | SSMUH | 59 | |
| | 2 | 62.810181 | 120 | 31537.2217 | 7 2.45593694 | 17814288.4 | 14070 | 3697807.026 | 21512095.4 | | | | | | | | 248.98 | High | 83 | |
| | | | | | | | | | | | | | | | | | | | | |
| | | | | | Peaking | Peak Flow | Infiltration | Infiltration | | | | | | | =((Rm^{2/3))*(S | Q | Flow | | Pipe | |
| Catchment Area (m | n2) Ar | ea (Ha) | PPHa | Equiv. Pop | Factor | (L/D) | Rate | (L/D) | Total (L/D) | Dia (mm) | R (m) | Slope % | Slope m/m | Туре | | =V*PI()*(Rm^2) | (L/sec) | Density | Fullness (%) | n |
| South End south of | | | | | | | | | | | | | | | | | | | | |
| Holland Creek 1,955,4 | 02.57 1 | 95.540257 | 36 | 7039.44925 | 5 3.10425184 | 5026011.35 | 19981 | 3907089.875 | 8933101.2 | 444 | 0.222 | 0.34 | 0.00034 | Conc | 0.67604 | 104.672018 | 103.39 | Low | 99 | 0. |
| FLS70 to TLS60 | 19 | 95.540257 | 48 | 9385.93234 | 4 2.98197903 | 6437390.27 | 19981 | 3907089.875 | 10344480.1 | | | | | | | | 119.73 | | 114 | |
| | 19 | 95.540257 | 72 | 14078.8985 | 5 2.80594226 | 9086052.55 | 19981 | 3907089.875 | 12993142.4 | | | | | | | | 150.38 | SSMUH | 144 | |
| | 19 | 95.540257 | 120 | 23464.8308 | 8 2.58298498 | 13940140.3 | 19981 | 3907089.875 | 17847230.2 | | _ | | | | | | 206.57 | High | 197 | |
| | 1 | 33.040237 | 120 | 23404.0300 | 2.30230430 | 15540140.5 | 19901 | 3907089.875 | 17047230.2 | | | | | | | | 200.07 | Iligii | 157 | |

| | | | | | | | | Infiltration | _ | | Actual Flow | | | | | | | | | | |
|---------|----------------------------|------------|---|------|------------|------------|-------------------|--------------|----------------|-------------|---|--|--------|-----------|--------------|-------|--------|----------|--|----------|--|
| 1anhole | Inflow Areas Considered | Area (m^2) | Area (Ha) | PPHa | Equiv. Pop | Peaking Fa | Peak Flow | Rate | Infiltration (| Total (L/D) | (L/sec) | Pipe Dia | Radius | Slope (%) | Slope (m/r T | уре | n | ٧ | Q | Fullness | % Full |
| LN 230 | | 1804550 | | | | | | 32445.4673 | | 10543339.8 | A Commence of the Commence of | Contract of the Contract of th | | 1.4 | | 7 | 0.009 | 1.361933 | | | |
| | No more Overflow. So | 1804550 | | | | | | 32445.4673 | | 11864269.4 | | | | 1.4 | | | | 1.361933 | | | |
| | all X, XW, W, V, U, T, S, | 1804550 | 180.455 | 72 | 12992.76 | 2.841004 | 8489870 | 32445.4673 | 5854946.8 | 14344817.3 | 166.0279776 | 375 | 0.1875 | 1.4 | 0.0014 | | 0.009 | 1.361933 | 150.4209 | 1.103756 | 110.375 |
| | and TLN contributions | 1804550 | | | | | | 32445.4673 | | 18893309.4 | | 375 | | 1.4 | | | | 1.361933 | | | - The State of the |
| LN 170 | | 499701 | 100000000000000000000000000000000000000 | | | 4.260966 | | 35408.5925 | | 1853623.5 | | W/41000 | - | 0.43 | | VC | | 0.576012 | | | |
| | | 499701 | | | 2398.565 | | | 35408.5925 | | 3712959.1 | | | | 0.43 | | | | 0.576012 | | | |
| | Z and a small amount of | 499701 | | | | | | 35408.5925 | | 4561512.4 | | | | 0.43 | | | | 0.576012 | | | |
| | TLN | 499701 | | | | | | 35408.5925 | | 6142680.2 | | | | | 0.00043 | | | 0.576012 | | | |
| LN 220 | | | 202.4918 | | | | | 31036.2887 | 6284594 | 11464665.0 | | | | | 0.00388 | CONC | | 1.569664 | | | 76.5400 |
| | | | 202.4918 | | | | | 31036.2887 | 6284594 | 12917232.8 | | | | 3.88 | | | | 1.569664 | | | |
| | X, XW, W, V, U, T, S, R | | 202.4918 | | | | | 31036.2887 | 6284594 | 15642450.4 | | 375 | | 3.88 | | | | 1.569664 | | | |
| | and TLN Contributions | | 202.4918 | | | | | 31036.2887 | 6284594 | 20635748.5 | | | | 3.88 | | | | 1.569664 | | | |
| LN 180 | X, XW, W, V, U, T, S, R | | 203.697 | | | | | 47311.6398 | | 14843926.0 | | 1000000 | | 1.4 | 0.0014 0 | Conc | | 1.064737 | | | |
| LIN 100 | and TLN Contributions | 2036970 | | | | | | 47311.6398 | | 16303604.7 | | | 0.225 | 1.4 | 0.0014 | JUIC | | 1.064737 | | | |
| | (includes are to the right | 2036970 | | | | | | 47311.6398 | | 19042038.8 | | | | 1.4 | 0.0014 | | | 1.064737 | | | |
| | of MH) | | 203.697 | | | | | 47311.6398 | | 24059373.8 | | | 0.225 | 1.4 | | | | 1.064737 | | | A |
| IN 150 | OIMH) | | | | | | The second second | 42655.6158 | | 17205783.8 | | | - | | | | 27,000 | | | | |
| TLN 150 | | | 255.1931 | | | | | | | | A | | | 0.53 | | AOTAA | | 0.793613 | | | |
| | V MW W W II T O D 7 | | 255.1931 | | | | | 42655.6158 | | 18961843.3 | | | | | | | | 0.793613 | | | |
| | X, XW, W, V, U, T, S, R, Z | 2551931 | | | | | | 42655.6158 | | 22251236.5 | | | | | | | | 0.793613 | | | |
| | and TLN Contributions | | 255.1931 | | | | | 42655.6158 | | 28271570.7 | | | | 0.53 | | | 17.50 | 0.793613 | The state of the s | | |
| TLN 123 | N, NP, P,O | 299698 | | | | 3.77849 | | | 1300839.2 | 2238471.4 | | | | 2.04 | | VC | | 1.254621 | | | |
| | | 299698 | | | | 3.692621 | | | 1300839.2 | 2522603.9 | | | | 2.04 | | | | 1.254621 | | | |
| | | 299698 | | | | 3.559905 | | | 1300839.2 | 3067619.4 | | | | 2.04 | | | | 1.254621 | | | |
| | - | 299698 | | | | 3.374326 | | | 1300839.2 | 4091968.1 | | | | 2.04 | | | | 1.254621 | | | |
| LN 120 | | | 289.1543 | | | | | 33281.3905 | | 16656041.8 | | | | 0.6 | 0.0006 | Conc | | 0.844397 | | | |
| | X, XW, W, V, U, TS, R, Z, | 2891543 | 289.1543 | 48 | 13879.41 | 2.812179 | 8977215 | 33281.3905 | 9623457.2 | 18600672.4 | | 600 | 0.3 | 0.6 | 0.0006 | | 0.013 | 0.844397 | 238.7475 | 0.901729 | 90.1729 |
| | N, NP, P, O, and TLN up | 2891543 | 289,1543 | 72 | 20819.11 | 2.63498 | 12617325 | 33281.3905 | 9623457.2 | 22240782.5 | 257.4164635 | 600 | 0.3 | 0.6 | 0.0006 | | 0.013 | 0.844397 | 238.7475 | 1.078195 | 107.819 |
| 111 | to MH | 2891543 | 289.1543 | 120 | 34698.52 | 2.415493 | 19277228 | 33281.3905 | 9623457.2 | 28900685.0 | 334.4986694 | 600 | 0.3 | 0.6 | 0.0006 | | 0.013 | 0.844397 | 238.7475 | 1.401056 | 140.105 |
| LN 83 | | 241450 | 24.145 | 36 | 869.22 | 3.838421 | 767379.4 | 53146 | 1283210.2 | 2050589.6 | 23.73367602 | 250 | 0.125 | 2.65 | 0.00265 | | 0.009 | 1.429949 | 70.19244 | 0.338123 | 33.812 |
| | | 241450 | 24.145 | 48 | 1158.96 | 3.757778 | 1001676 | 53146 | 1283210.2 | 2284886.6 | 26.44544657 | 250 | 0.125 | 2.65 | 0.00265 | | 0.009 | 1.429949 | 70.19244 | 0.376756 | 37.6756 |
| | | 241450 | 24.145 | 72 | 1738.44 | 3.632322 | 1452352 | 53146 | 1283210.2 | 2735562.0 | 31.66159703 | 250 | 0.125 | 2.65 | 0.00265 | | 0.009 | 1.429949 | 70.19244 | 0.451068 | 45.1068 |
| | L and M | 241450 | 24.145 | 120 | 2897.4 | 3.455203 | 2302554 | 53146 | 1283210.2 | 3585764.7 | 41.50190588 | 250 | 0.125 | 2.65 | 0.00265 | | 0.009 | 1.429949 | 70.19244 | 0.591259 | 59.1258 |



STAFF REPORT TO COUNCIL

Report Prepared By: Sue Bouma, Manager of Corporate Services **Reviewed By**: Allison McCarrick, Chief Administrative Officer

Meeting Date: May 14, 2024 File No: 4200-20

Re: Alternative Approval Process Confirmation – City Hall

RECOMMENDATION:

That Council:

- Confirm its direction to staff to carry out an Alternative Approval Process to obtain elector approval to build a new City Hall including Institutional/Commercial space below a housing development on Town-owned lands at 1st Avenue and Buller Street;
- 2. Establish the deadline for receiving elector responses as 4:00 p.m. on June 25, 2024 (33 days);
- 3. Establish that the elector response form will be the single elector response form.
- 4. Approve the total number of electors of the Town of Ladysmith to which the approval process applies is 741; and
- 5. Direct staff to report the results of the Alternative Approval Process to Council.

EXECUTIVE SUMMARY:

As per the *Community Charter* requirements, staff are seeking Council's approval of the AAP process outlined above regarding the proposed project to build a new City Hall beneath a housing development on 1st Avenue and Buller Street.

PREVIOUS COUNCIL DIRECTION:

| Resolution | Resolution Details |
|------------|---|
| CS 2024- | That Council direct staff to prepare a borrowing bylaw in the amount of |
| 005 | \$13,500,000 for the Buller Street revitalization project located on Town owned |
| | lands at 1st Avenue and Buller Street and proceed with the Alternative Approval |
| | Process to obtain elector assent. |

INTRODUCTION/BACKGROUND:

At its meeting held January 9, 2024, Council approved proceeding with an Alternative Approval Process (AAP) to build a new City Hall and institutional space (previous Council report included as Attachment A). The project would require borrowing an estimated \$13,500,000 from the Municipal Finance Authority (MFA). This type of borrowing requires the approval of electors, and







the borrowing bylaw related to the project needs to receive statutory approval from the Inspector of Municipalities before the process can move forward. "Town of Ladysmith City Hall Loan Authorization Bylaw 2024, No. 2166" received first three readings at the January 23, 2024 Council meeting and received statutory approval from the Inspector of Municipalities on February 26, 2024 so staff are now seeking direction to begin the AAP process.

In an AAP, people who do not support the matter at hand must sign and submit an "elector response form" indicating their opposition. As outlined in the *Community Charter*, if less than 10% of elector response forms are received, the project is considered to have received the approval of the public.

Staff have now prepared the necessary materials to proceed with the AAP and the required resolutions for Council consideration. Section 86(3) of the *Community Charter* requires that prior to proceeding with an AAP, Council must:

- establish a deadline for receiving elector responses;
- determine whether the response will be "single elector" or "multiple elector"; and
- make a fair determination of the total number of electors.

Section 86(3) of the *Community Charter* requires Council to:

| Establish a deadline for receiving elector responses. | A minimum of 30 days is required and the timeline proposed by staff is a total of 33 days for electors to respond. Starts May 24, 2024 and ends June 25, 2024 (see timeline below). |
|--|--|
| Determine the format of the response form: "single elector" or "multiple elector". | Either form is acceptable under the Charter, however the "single elector" form is the most commonly used and the one recommended by staff (Attachment B). This simply means that each person who wishes to respond will fill out their own form. This protects the privacy of individual electors. The "multiple elector" response form is similar in appearance to a petition where electors would sign their name one above the other on the same form. This limits the privacy of those signing. |
| Determine the total number of electors. | Staff obtained a copy of the most recent Provincial Voters List for that determination and the required report is contained in Attachment C. |

The Corporate Officer is responsible for administration of an AAP. The steps and timeline are proposed as follows, and in accordance with the *Community Charter*:

| May 14, 2024 | Report to Council requesting authorization to proceed; voter numbers; whether or not to use individual or petition-style |
|------------------------|--|
| | response forms; and the recommended length of the process. |
| Starting in March 2024 | Information provided to voters regarding the AAP – website, at |
| and updated as | City Hall. |
| necessary | |
| May 16 & 23, 2024 | Statutory notices placed in the Ladysmith Chronicle and on the |
| | Town's website. |
| By May 16, 2024 | Elector response forms available at City Hall and on the Town's |
| | website. |
| May 24, 2024 | Completed elector response forms may be received at City Hall. |
| June 25, 2024 | End of elector response period (33 days – minimum 30 days |
| | required) and authentication thereafter. |
| July 2, 2024 | Report to Council with the results. |

As noted above, if less than 10% of elector response forms are received, the Town will proceed with building a new City Hall below the housing development on the Town-owned properties at 1st Avenue and Buller Street. If the results of the AAP indicate that the Town's electors do not approve of building a City Hall and institutional space, staff will await further direction from Council.

ALTERNATIVES:

Council can choose to:

- 1. Establish a different deadline for receiving elector responses.
- 2. Use the "multiple elector" form for responses to the AAP.

FINANCIAL IMPLICATIONS:

If the AAP is successful, the Town would apply for financing through the MFA Financing Program. The amount to be borrowed is estimated to be \$13.5 million. The estimated yearly payment is \$860,520, and the term of the loan will be up to 30 years.

LEGAL IMPLICATIONS:

The AAP must be conducted in accordance with Provincial legislation.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

AAPs are an opportunity for citizens to indicate whether or not they approve of the proposed borrowing. Statutory notices will be placed in the Ladysmith Chronicle newspaper and on the Town website on two consecutive weeks. The website will also include background information about the proposed borrowing so that the public has all information available to them.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

| Corporate Services will conduct the AAP and process. | d Financial Services will manage the borrowing |
|--|--|
| ALIGNMENT WITH STRATEGIC PRIORITIES: | |
| ☐ Core Infrastructure | ☐ Economy |
| ☐ Official Community Plan Implementation | ☐ Leadership |
| ☐ Waterfront Area Plan | ☐ Not Applicable |
| | |
| | |

I approve the report and recommendations.

Allison McCarrick, Chief Administrative Officer

ATTACHMENTS:

- A. January 9, 2024 Staff Report _Buller Street Revitalization Project
- B. Elector Response Form
- C. Sample of Notice #1
- D. Sample of Notice #2
- E. Report Total Number of Electors

STAFF REPORT TO COUNCIL

Report Prepared By: Erin Anderson, Director of Financial Services and

Sue Bouma, Manager of Corporate Services

Reviewed By: Allison McCarrick, CAO

Meeting Date: January 9, 2024

File No: 4200-20

Re: Alternative Approval Process – Buller Street Revitalization

Project

RECOMMENDATION:

That Council direct staff to prepare a borrowing bylaw in the amount of \$13,500,000 for the Buller Street revitalization project located on Town owned lands at 1st Avenue and Buller Street and proceed with the Alternative Approval Process to obtain elector assent.

EXECUTIVE SUMMARY:

The Town is pursuing opportunities to work with the Provincial and Federal Governments to build housing in the downtown heart of Ladysmith. This housing is proposed to be provided above a new city hall and institutional space on the Town-owned properties at 1st Avenue and Buller Street. Staff are seeking Council's direction to prepare a borrowing bylaw and to proceed with an Alternative Approval Process (AAP) to fund the city hall and institutional space.

PREVIOUS COUNCIL DIRECTION:

| Resolution | ResolutionDetails |
|------------|---|
| CE 2017- | That Council direct staff to bring the City Hall Space Requirements and Funding |
| 132 | Strategy back to the July 17th Closed Meeting of Council with the following items |
| | noted: |
| | 1. Potential partnership |
| | 2. Direct award options |
| | 3. Debt servicing limits, with consideration of all other current and upcoming |
| | capital projects |
| | 4. Accommodating additional staff in the Council office for the interim |
| | 5. Use of the Seniors' Centre for Council meetings in the interim |
| | 6. Comparisons with municipal building costs in other communities |





| Resolution | ResolutionDetails |
|-----------------|--|
| CE 2016- 086 | That Council direct staff to prepare a report outlining options for financing the construction of a new City Hall, including the Town's capacity to borrow funds and alternative arrangements such as leasing or lease to purchase. |
| CE 2016- 065 | That Council receive the report from Process Four on the City Hall Optimization Project as a guideline for the design and construction of a new City Hall, and invite report author Jim Sumi to a future Council meeting to present the report and discuss his recommendations. |
| CE 2013- 049 | It was moved, seconded and carried that the draft agreement for Right of First Refusal for the purchase of properties on Buller Street and First Avenue owned by the Ladysmith and District Credit Union be approved, and that staff be directed to execute the agreement. |
| CE 2013- 051 | It was moved, seconded and carried that Council arise with report on Resolution CE 2013-49, that staff were directed to execute an agreement for Right of First Refusal for the purchase of properties on Buller Street and First Avenue owned by the Ladysmith and District Credit Union. |

INTRODUCTION/BACKGROUND:

The need for a new city hall has been discussed and listed as a strategic priority for several years. Since 2013, the Town engaged with consultants to prepare a space-needs assessment and to analyze various options/locations for a new city hall building. In 2015, the Town purchased the lands located at Buller Street and 1st Avenue with the intention of constructing a new administration building.

The current city hall no longer fits the needs of the community. The building is too small and requires staff to work out of multiple locations, which results in process inefficiencies. The Town pays for rented space at 132c Roberts Street and also utilizes an off-site storage area due to moisture and rodent issues at the current city hall. Over the years, minor modifications have been made internally to accommodate additional staff by re-arranging offices and moving Council meetings to the Seniors Centre, though the functional inefficiencies remain. The opportunity to work with upper levels of government and achieve housing and a new city hall on the Town owned property is a great opportunity for the community.

The current city hall was constructed in the early 1950's¹ (see Attachment A regarding the history of Ladysmith city halls published by Ladysmith Chemainus Chronicle on March 22, 2016 by Ed Nicholson). Recently, there have been several necessary upgrades to the

https://www.ladysmithhistoricalsociety.ca/histories/buildings/410-esplanade-avenue-ladysmith-british-columbia/ accessed January 4, 2024.

¹ Ladysmith & District Historical Society -

building, such as a new roof and windows in 2023. These upgrades were required to ensure the building would remain functional into the future, but further renovations would be required if the building is to remain as a city hall.

Borrowing process

Borrowing funds for a period of more than five years requires the Town to pass a loan authorization bylaw. In accordance with the *Community Charter*, before the bylaw can be adopted, it must receive approval from the Inspector of Municipalities and then receive the approval of the Town's electors. Although elector approval may be sought via a referendum or an AAP, staff are recommending using the AAP approach as it is a more cost-effective process.

The proposed introduction of the borrowing bylaw for first three readings is January 23, 2024, after which the bylaw will be forwarded to the Inspector of Municipalities. Upon approval by the Inspector of Municipalities, staff will return to Council with the Alternative Approval Process.

If the final results of the AAP indicate that the Town's electors do not approve borrowing funds to build a city hall and institutional space below the proposed housing development, staff will provide alternative options for the Town-owned properties at 1st Avenue and Buller Street.

ALTERNATIVES:

Council can choose to:

- 1. Sell the property at 1st Avenue and Buller Street.
- 2. Direct staff to hold a referendum on the borrowing question instead of an AAP. (This will be much more costly than running an AAP due to additional staff time, facility costs, ballots and voting machines.)
- 3. Not proceed with the Buller Street project.

FINANCIAL IMPLICATIONS:

This project contains housing, a city hall, and institutional space, though the Town would only be borrowing for the city hall and institutional space, not for the housing portion of the project. There are economies of scale savings using the same developer throughout the entire construction project.

Borrowing is estimated to be \$13,500,000. Similar to all previous borrowing, the Town will use the Municipal Finance Authority to borrow the funds. Using the interest rate of 4.5% over 30 years, the annual estimated debt payments would be \$860,520.

At the November 21, 2023, Council meeting, staff presented a 6.3% budget increase for the 2024 fiscal year. Council also approved a number of Higher Service Level Requests which added an additional 0.7% to the budget. Included in the proposed budget was \$590,520 for asset renewal. These renewal funds would be used to offset the annual borrowing costs. There is a shortfall of \$270,000 to cover the annual debt payments, though it would not be required until 2025 due to the timing of the project and borrowing timelines.

Running an AAP does have additional costs for communications, statutory advertising and mailouts. It is expected that the staffing costs will be absorbed into the current budget.

LEGAL IMPLICATIONS:

The municipal borrowing process is highly legislated through the Community Charter².

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

Statutory advertising will be completed, and the AAP timelines will be followed, allowing for public participation. The Ladysmith & District Historical Society currently occupies a Town-owned building on the proposed site. Staff have discussed the potential of relocating the Museum to another location if the AAP passes and negotiations with the higher levels of government are successful. A report for consideration by Council will be brought forward when appropriate.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

If approved, Corporate Services will lead the AAP; Finance will lead the borrowing process.

ALIGNMENT WITH STRATEGIC PRIORITIES:

| | ☐ Economy |
|--|------------------|
| \square Official Community Plan Implementation | ☐ Leadership |
| ☐ Waterfront Area Plan | ☐ Not Applicable |

I approve the report and recommendation.

Allison McCarrick, Chief Administrative Officer

ATTACHMENTS

A – Ladysmith Chemainus Chronicle – "A brief history of our city halls" by Ed Nicholson, March 22, 2016.

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² Community Charter s.179 & 180

LADYSMITH CHEMAINUS CHRONICLE

A brief history of our city halls

Ed Nicholson Mar 22, 2016 7:00 PM



The opening address at the present city hall by Mayor Len Ryan in 1952.

In February of 1902, a group of local businessmen met in the Checkers Room of the Grand Hotel to form the Ladysmith Board of Trade. They wanted to incorporate Ladysmith as quickly as possible so that the new city would rival Nanaimo. They discussed the need for a water and sewer system, electric lighting and a cemetery for the new city. They also decided where the civic centre of Ladysmith would be located.

James Dunsmuir supported incorporation, but did not want his industrial facilities included within municipal boundaries. Nor did the owners of the smelter and several other employers including future mayor John Coburn.

After canvassing local businesses and property owners, a decision was made to petition the Provincial government. Despite the fact that Newcastle provincial riding had elected a socialist MLA, the Conservative government of Richard McBride agreed and letters patent were issued on June 3, 1904.

Elections were quickly held in the Oddfellow's Lower Hall. Mayor John Coburn who had served previously as Mayor of Wellington, was a logical choice for Ladysmith's first Mayor. He was joined by Aldermen Dan Nicholson, Murdoch Matheson, Henry Blair, William Beveridge and George Haworth. All positions, including City Clerk and Police Constable were elected by acclamation. (In fact, until January of 1908, no vote was necessary in a Ladysmith City election!)

The first meeting of the new city council was held in the recently built Oddfellows Hall. Meetings were held here or in the Grand Hotel Checkers Room until, in October of 1904, Council purchased a lot at 207 Roberts Street. William Nicholas was hired to draw up plans for a combination City Hall, Jail and Fire Station. Downstairs held the fire hall, two jail cells and a bedroom for an attendant. The Upper floor contained a 23 by 35 foot area for the Council Chambers. This area also served as a court room after the city appointed a magistrate in 1905.

This building was used as City Hall until 1917 and continued as the Fire hall until the Safety Building on Dogwood Drive was constructed in 1973. Later, the building at 207 Roberts was used for many years by the Fraternal Order of Eagles, who renovated the interior and took down the hose drying chamber. Today it is a private residence.

However, Ladysmith's service needs were growing rapidly, and the elected officials realized there was a need for a new location in which to conduct the city's business. In 1917, Mayor Pannell informed electors that the Fire Department required more space in the existing building and other municipal services should be relocated to a new common area.

The council began a search for a new home. As it turned out, the answer was less than a block away. For a number of years, the Grand Hotel at the corner of Roberts and Esplanade had been in financial

difficulty from both the loss of business during the Coal Strike and a requirement to make structural changes to the hotel due to changes in the provincial liquor laws. In August of 1917, owner William Beveridge agreed to sell the old hotel to the council for the sum of \$600 plus the cancellation of back taxes. After purchasing the Grand, the building was renovated to contain the civic chambers, the city clerk's office, the jail, the library, a morgue, and later a public health clinic.

This arrangement lasted until 1951, when the steadily increasing population of Ladysmith had outgrown the ability of the repurposed hotel to serve the municipal requirements of a modern town. Town Council presented a plan for a new Municipal Building immediately behind the existing site which would cost the town \$45,000. It called for a one-storey stucco building with a footprint of approximately 54 by 64 feet. The new structure would serve both as town hall and RCMP station, with the council chamber doubling as a court room. The Ladysmith Library also shared the building space.

On Wednesday, January 23, 1952, Mayor Len Ryan proudly opened the first meeting of city council in their new "spacious" chambers. In the 64 years since that meeting, Mayors Kay Grouhel, Bob Stuart, Frank Jameson, Alex Stuart, Rollie Rose, Rob Hutchins and Aaron Stone have all endured complaints about a crowded, stuffy council chamber with uncomfortable chairs and long winded local politicians.

Ed Nicholson is Board Chair of the Ladysmith Historical Society. With thanks to fellow society volunteer Harald Cowie, who provided research for this article.

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TOWN OF LADYSMITH

ALTERNATIVE APPROVAL Elector Response Form

Town of Ladysmith Alternative Approval Process Borrowing to Build a New City Hall Beneath a Housing Development

By completing this Elector Response Form, I oppose the Town of Ladysmith Council's intention to borrow up to \$13.5 million dollars to be repaid over a period up to 30 years in order to finance the construction of a new City Hall including Institutional/Commercial space beneath a Housing Development on Townowned lands at 1st Avenue and Buller Street.

Completed Elector Response Forms must be returned to the Town of Ladysmith by 4:00 p.m., Tuesday, June 25, 2024. Office hours are 8:30 a.m. to 4:00 p.m. Monday through Friday excluding statutory holidays.

By signing the Elector Response Form you are certifying that:

| Resident Elector | Non-Resident Elector | | | | |
|---|---|--|--|--|--|
| ✓ I am a Canadian citizen; ✓ I am 18 years of age or older; ✓ I have been a resident of British Columbia for at least the last six months; ✓ I reside in the Town of Ladysmith; ✓ I am not disqualified by law from voting in local elections; and ✓ I am entitled to sign this elector response form for the proposed bylaw. | ✓ I am a Canadian citizen; ✓ I am 18 years of age or older; ✓ I have been a resident of British Columbia for at least the last six months; ✓ I have owned and held registered title to a property in the Town of Ladysmith for at least the last 30 days, (and have been designated as the elector in that property); ✓ I am not disqualified by law from voting in | | | | |
| | local elections; ✓ I may not sign an Elector Response Form more than once in relation to this matter | | | | |
| Elector's Full Name (print): | | | | | |
| Residential Address (AND mailing address if different from residential address): | | | | | |
| | | | | | |
| Choose One: | | | | | |
| ☐ I am a resident elector ☐ I am a non-resident elector who lives in another community and owns property in the Town of Ladysmith located at: | | | | | |
| Signature of Elector: | | | | | |
| | | | | | |

How to submit the completed form:

City Hall, 410 Esplanade, Ladysmith, BC V9G 1A2 In person:





TOWN OF LADYSMITH

ALTERNATIVE APPROVAL Information

By mail: PO Box 220, Ladysmith, BC V9G 1A2

See the reverse side of this form for further information regarding the alternative approval process





TOWN OF LADYSMITH

ALTERNATIVE APPROVAL **Information**

Borrowing to Build a New City Hall Beneath a Housing Development Information Sheet

Council intends to borrow funds through the Municipal Finance Authority of British Columbia to finance the construction of a new City Hall and Institutional/Commercial space beneath a housing development on Town-owned lands at 1st Avenue and Buller Street. The amount to be borrowed is up to \$13.5. million. The estimated yearly payment is \$860,520 and the term of the loan will be up to 30 years.

A Public Information Package on this proposed project is available at City Hall reception, 410 Esplanade, Ladysmith, BC and on the Town's website at www.ladysmith.ca.

Only electors of the Town of Ladysmith are eligible to sign the Elector Response Forms. There are two types of electors - resident and non-resident, as outlined on the front page.

INSTRUCTIONS

- If you are opposed to the borrowing of a total of thirteen million, five hundred thousand dollars (\$13,500,000) for the construction of a new City Hall including Institutional/Commercial space beneath a Housing Development on Town owned lands at 1st Avenue and Buller Street, and you qualify as an elector of the Town of Ladysmith, you may sign an alternative approval process elector response form.
- If you are not opposed to borrowing thirteen million, five hundred thousand dollars (\$13,500,000) for the construction of a new City Hall as outlined above, you do not need to do anything.
- To submit an elector response form you must qualify as a resident elector or a non-resident property elector within the Town of Ladysmith.
- Only one elector per elector response form is permitted.
- All alternative approval elector response forms must be received by 4:00 p.m. on Tuesday, June 25, 2024. Office hours are 8:30 a.m. to 4:00 p.m. Monday through Friday, excluding statutory holidays.

For further information please see: www.ladysmith.ca/aap

Section 86(6) of the Community Charter requires all electors to submit their response on the form established by the Town of Ladysmith or an accurate copy of that form. If this form is altered in any way, it must be rejected by the Town.



ALTERNATIVE APPROVAL PROCESS

NOTICE TO ELECTORS OF THE TOWN OF LADYSMITH OF AN ALTERNATIVE APPROVAL PROCESS

This notice is the first of two notices to advise electors in the Town of Ladysmith that Council intends to borrow funds through the Municipal Finance Authority of British Columbia for the construction of a new City Hall including Institutional/Commercial space. The amount to be borrowed is up to \$13.5 million. The estimated yearly payment is \$860,520 and the term of the loan will be up to 30 years.

The proposed new City Hall would form the foundational floor of a not-for-profit housing development offering workforce housing for middle income earners. The approximate 90 rental units to be built on the Town-owned properties at 1st Avenue and Buller Street will be a mix of unit configurations based on the Town's Housing Needs Assessment Report. The housing development would be funded by the non-profit developer and the Province of BC.

A **Public Information Packag**e about the New City Hall borrowing is available at City Hall reception, 410 Esplanade, Ladysmith, BC and on the Town's website at www.ladysmith.ca.

ALTERNATIVE APPROVAL PROCESS

In accordance with sections 84 and 86 of the *Community Charter*, Council must seek the approval of the electors through an Alternative Approval Process. The area to which this Alternative Approval Process applies is the Town of Ladysmith as defined by its municipal boundaries.

Council will commit to borrowing the money and apply for funding of up to \$13.5 million unless by 4:00 p.m. on Tuesday, June 25, 2024, at least 10 percent of the electors in the whole municipality sign an Elector Response Form opposing the borrowing. The number of elector responses required to prevent the Town of Ladysmith from proceeding is 741. A report outlining the basis on which this determination was made is included in the Public Information Package.

Elector Response Forms are available during regular business hours (8:30am to 4:00pm) at Ladysmith City Hall, 410 Esplanade, Ladysmith, BC. The form can also be downloaded from the Town of Ladysmith website: www.ladysmith.ca.

Beginning on Friday, May 24, 2024 signed forms can be submitted in person at City Hall or through the mail.

Elector Response Forms must be in the form established by the Town of Ladysmith Council and only eligible electors in the Town of Ladysmith may sign Elector Response Forms.

There are two types of electors - resident and non-resident.

| Resident Elector | Non-Resident Elector | |
|--|--|--|
| ✓ Canadian citizen; | ✓ Canadian citizen; | |
| √ 18 years of age or older; | √ 18 years of age or older; | |
| ✓ Resident of British Columbia for at least the last six months; ✓ Reside in the Town of Ladysmith; and ✓ Not disqualified by law from voting in | ✓ Resident of British Columbia for at least the last six months; ✓ Have owned and held registered title to a property in the Town of Ladysmith for at | |
| local elections. | least the last 30 days, (and have been designated as the elector in that property); and ✓ Not disqualified by law from voting in local elections. | |

Property owned in whole or in part by a corporation does not qualify under the non-resident elector provisions.

Deadline: Signed Elector Response Forms must be received by the Corporate Officer at City Hall, 410 Esplanade, Ladysmith, BC **before 4:00 p.m. on Tuesday, June 25, 2024**. Office hours are 8:30am to 4:00pm Monday through Friday, excluding statutory holidays.

This is the first of two publications of this notice. Dated this 16th day of May, 2024.

Sue Bouma
Corporate Officer
Town of Ladysmith
PO Box 220, 410 Esplanade, Ladysmith, BC V9G 1A2
250.245.6400 / www.ladysmith.ca

ALTERNATIVE APPROVAL PROCESS

NOTICE TO ELECTORS OF THE TOWN OF LADYSMITH OF AN ALTERNATIVE APPROVAL PROCESS

This notice is the second of two notices to advise electors in the Town of Ladysmith that Council intends to borrow funds through the Municipal Finance Authority of British Columbia for the construction of a new City Hall including Institutional/Commercial space. The amount to be borrowed is up to \$13.5 million. The estimated yearly payment is \$860,520 and the term of the loan will be up to 30 years.

The proposed new City Hall would form the foundational floor of a not-for-profit housing development offering workforce housing for middle income earners. The approximate 90 rental units to be built on the Town-owned properties at 1st Avenue and Buller Street will be a mix of unit configurations based on the Town's Housing Needs Assessment Report. The housing development would be funded by the non-profit developer and the Province of BC.

A **Public Information Packag**e about the New City Hall borrowing is available at City Hall reception, 410 Esplanade, Ladysmith, BC and on the Town's website at www.ladysmith.ca.

ALTERNATIVE APPROVAL PROCESS

In accordance with sections 84 and 86 of the *Community Charter*, Council must seek the approval of the electors through an Alternative Approval Process. The area to which this Alternative Approval Process applies is the Town of Ladysmith as defined by its municipal boundaries.

Council will commit to borrowing the money and apply for funding of up to \$13.5 million unless by 4:00 p.m. on Tuesday, June 25, 2024, at least 10 percent of the electors in the whole municipality sign an Elector Response Form opposing the borrowing. The number of elector responses required to prevent the Town of Ladysmith from proceeding is 741. A report outlining the basis on which this determination was made is included in the Public Information Package.

Elector Response Forms are available during regular business hours (8:30am to 4:00pm) at Ladysmith City Hall, 410 Esplanade, Ladysmith, BC. The form can also be downloaded from the Town of Ladysmith website: www.ladysmith.ca.

Beginning on Friday, May 24, 2024 signed forms can be submitted in person at City Hall or through the mail.

Elector Response Forms must be in the form established by the Town of Ladysmith Council and only eligible electors in the Town of Ladysmith may sign Elector Response Forms.

There are two types of electors – resident and non-resident.

| Resident Elector | Non-Resident Elector |
|---|---|
| ✓ Canadian citizen; | ✓ Canadian citizen; |
| √ 18 years of age or older; | √ 18 years of age or older; |
| ✓ Resident of British Columbia for at least the last six months; | ✓ Resident of British Columbia for at least the last six months; |
| ✓ Reside in the Town of Ladysmith; and ✓ Not disqualified by law from voting in local elections. | ✓ Have owned and held registered title to a property in the Town of Ladysmith for at least the last 30 days, (and have been designated as the elector in that property); and ✓ Not disqualified by law from voting in local elections. |

Property owned in whole or in part by a corporation does not qualify under the non-resident elector provisions.

Deadline: Signed Elector Response Forms must be received by the Corporate Officer at City Hall, 410 Esplanade, Ladysmith, BC **before 4:00 p.m. on Tuesday, June 25, 2024**. Office hours are 8:30am to 4:00pm Monday through Friday, excluding statutory holidays.

This is the second of two publications of this notice. Dated this 23rd day of May, 2024.

Sue Bouma
Corporate Officer
Town of Ladysmith
PO Box 220, 410 Esplanade, Ladysmith, BC V9G 1A2
250.245.6400 / www.ladysmith.ca

ATTACHMENT E

INFORMATION REPORT TO COUNCIL

Report Prepared By: Sue Bouma, Corporate Officer

Meeting Date: May 14, 2024 File No: 4200-20

Re: ATTACH E Determination of Estimated Eligible Electors - AAP CITY

HALL.docx

PURPOSE:

The purpose of this report is to show the basis for determining the total number of eligible electors in relation to the Alternative Approval Process (AAP) for the borrowing of up to \$13.5 million to finance the building of a new City Hall and Institutional/Commercial Space.

EXECUTIVE SUMMARY:

Section 86 of the *Community Charter* requires Council to make a fair determination of the total number of electors of the area to which the approval process applies (in this case, the Town of Ladysmith as defined by its municipal boundaries). In addition, Council must make available to the public on request, a report on the approach used for making the determination.

The number of people eligible to be a resident elector or a non-resident elector is determined based on those individuals who, when signing an elector response form:

- Are 18 years of age;
- Are a Canadian citizen;
- Have lived in British Columbia for at least the last six months;
- Have lived or owned property in the Town of Ladysmith for at least the last 30 days;
- Live or own property in the area defined for the AAP; and
- Are not disqualified by law from voting in local elections.

For the purposes of this AAP, the estimated number of eligible electors within the Town of Ladysmith is based on the following information:

| Number of eligible voters on the Provincial voters list for the Town of | 7401 |
|---|------|
| Ladysmith on January 23, 2024. | |
| Plus the number of registered non-resident property electors (maintained | 4 |
| by the Town) | |
| Estimated total number of eligible electors in the area defined for the AAP | 7405 |
| (whole municipality) | |
| 10% of the total number of eligible electors is estimated to be: | 741 |

