

The background of the slide is a purple-tinted map of a city. It features a dense grid of streets, with a prominent river or waterway winding through the lower-left and middle-right portions of the image. The map is rendered in a lighter shade of purple, creating a subtle pattern behind the text.

Small-Scale, Multi-Unit Housing + Changes to Local Government Act Technical Briefing

Nov 1, 2023
Ministry of Housing



What we will cover today

- How historical zoning laws make it hard to build the homes people need
- Small-scale, multi-unit homes
 - What they are?
 - What has been done in other areas to create more of them
 - Why they are needed here in B.C.
- More proactive planning and zoning to help build more homes, faster.

Taking action to create more homes for people

- Changes brought forward today are part of the *Homes for People Action Plan* and, if passed, will help create more housing options that are within reach for people and fit well within existing neighbourhoods.
- The proposed changes will accelerate building homes in existing neighborhoods.
- We're also taking action to reduce the delays and limitations that hold back housing projects.
- We know we need more housing for people, that is why government is taking strong and thoughtful action.
- The intent of these changes is to help to deliver tens of thousands of new homes and provide the kinds of housing that families, seniors, young people and more need to stay in their home communities.



Building from a strong foundation

- Government has taken strong action since 2017 to deliver more homes for people, including:
 - Tackling vacant homes by introducing the Speculation and Vacancy Tax
 - Making historic investments and steps to deliver new homes
- In the spring, the Government introduced the ***Homes for People Action Plan*** designed to double-down on historic investments in housing and introduce new ways of creating more homes for people, faster.
- B.C. has made real progress. To date, nearly **77,000 homes are open or on the way**, and **tens of thousands more to come**.
- Progress includes:
 - Introducing new short-term rental rules to turn more short-term rentals back into homes for people.
 - Continuing to take substantial action to increase supply and deliver homes that people can afford to rent or buy.
 - Working with municipalities to introduce housing targets to deliver more homes in communities with the greatest housing need.
 - Introducing and expanding the Speculation and Vacancy Tax to deliver more homes for people.
 - Freezing rent increases during the pandemic and capping increases over the last two years at well below the rate of inflation.
 - Adding more resources and staff at the Residential Tenancy Branch to provide faster resolutions to renter/landlord disputes.

Outdated Zoning Rules

- Historically, many communities throughout B.C. have zoning bylaws and rules that make it difficult to build housing that works for people.
- For years, through this outdated zoning, new housing has been built primarily either in the form of tall condo towers or single-family homes on traditional lots that are out of reach for many people and families looking to enter the housing market.
- This has led to a shortage of homes that are more within reach for people like townhouses, duplexes, and row homes.
- This is sometimes called the "missing middle."
- That's why we are proposing action to change this restrictive zoning approach, making it easier for people and home builders to create more small-scale, multi-unit homes that fit into existing neighbourhoods.



The challenge of building small-scale, multi-unit

- Zoning that exclusively permits single-family detached homes covers a large portion of the land zoned for housing in many B.C. communities.
- Currently, small-scale, multi-unit housing is not zoned for in many communities.
- This means a builder who wants to build three units on a large traditional single-family lot is subject to layers of regulations and red-tape for rezoning.
- These layers of regulations lead to additional costs, delays and often a reduction of the number of homes or units built.
- In many cases, these types of homes are already part of a community's vision or Official Community Plan, but the zoning bylaws have not been updated to reflect this.
- Due to these restrictions, in many communities, building a large home for one family to live in takes significantly less time than building a smaller structure on the same sized lot for two or three families to live in.

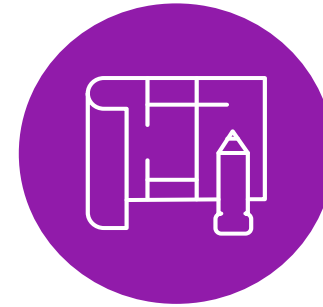


Proposed changes overview



Small-Scale, Multi-Unit Housing (Row Homes/Townhouses/Triplexes)

- Permit secondary suites/additional dwelling units
- Permit 3 or 4 units (depending on lot size) on traditional single-family lots and duplex lots in most B.C. communities
- Permit 6 units on traditional single-family lots and duplex lots near frequent transit
- Policy manual, site standards and building designs to create small-scale, multi-unit homes



More proactive and upfront community planning and zoning

- More complete Housing Needs Reports
- Updating Official Community Plans (OCP) to better address housing needs
- More efficient, upfront zoning to deliver more homes, faster
- Reduce one-off public hearings for rezonings that slow down housing projects that already fit with community plan

\$51 million to support
local governments implement zoning changes

Secondary Suites/Accessory Dwelling Unit (ADU)



- Proposed legislation permits 1 secondary suite and/or 1 ADU (laneway home) in all single-family/duplex residential zones, in all communities throughout B.C.
- Requires local governments to update zoning bylaws to permit this change.
- Comes in advance of the upcoming provincial pilot secondary suite incentive program.
- Pilot program will provide a forgivable loan of up to \$40,000 to people to convert a portion of their home into a secondary suite to rent out at below market rates.



What is Small-Scale, Multi-Unit?

- Small-Scale Multi-Unit Housing (SSMUH) refers to a range of buildings and unit configurations that can provide more affordable and attainable housing and provide people with small yard spaces for children and pets.
- Examples of SSMU are:
 - secondary suites in single-family homes or duplexes;
 - detached garden suites or laneway homes;
 - triplexes;
 - townhomes; and
 - house-plexes.



SSMU Case Study

In 2016, the City of Auckland, New Zealand removed single-detached zoning and set a bylaw density of 3 units per detached residential lot.

Research has shown these changes have led to the creation of more than 20,000 additional new homes over five years in Auckland, and rents stabilizing leading to slower rent increases than the rest of country.

Small-Scale, Multi-Unit

- Proposed legislation and regulations will require many local governments to update zoning bylaws to permit small-scale, multi-unit (3 / 4 or 6 units) on traditional single-family detached lots and duplex zones.
- This is intended to apply within urban containment boundaries and municipalities over 5,000 people.
- The proposed legislation and forthcoming regulations will do the following:
 - Local governments must allow for at least 3 to 4 units on lots currently zoned for single-family or duplex use depending on lot size. (lots less than 280 square metres 3 units/lots greater than 280 square metres 4 units)
 - Local governments must allow for at least 6 units on larger lots (greater than 280 square metres) currently zoned for single-family or duplex use and close to transit stops with frequent service.
- This means local governments can no longer exclusively zone neighbourhoods for single-family detached lots and moves communities away from long rezoning processes to build a triplex or renovate a single-family unit to create additional units.
- Recognizing that parking is needed in areas farther from frequent transit, the Province will be putting forward direction around parking, dependent on lot size and proximity to transit. For SSMU projects closer to transit stops with frequent service, parking minimums will decrease. For projects that are within 400M of these transit stops there will be no minimum parking requirements and parking will be determined by home builders.

Supporting Municipalities Implementing SSMU

- A policy manual will be released immediately after the SSMU regulations are released to support local governments in implementing the required bylaw changes.
- The manual will set clear provincial expectations in terms of setbacks, height restrictions, parking and lot coverage.
- Some local governments have introduced similar or aligned policies to the SSMU proposed legislation (Victoria/Vancouver/Kelowna/Kimberley).
- In communities/neighbourhoods that have already adapted SSMU zoning changes to single-family and duplex lots, existing bylaws would remain.
- Municipalities with current SSMU zoning bylaws can adopt provincial site standards on setbacks, height restrictions, parking and lot coverage provided in the policy manual.
- This will maximize the opportunity for SSMU to get built and reduce potential restrictive barriers around lot size, height, setbacks; and ensure adequate parking is available for SSMU.



How Communities Currently Plan

Housing Needs Reports

Municipalities and regional districts are required to complete housing needs reports every five years. These reports help local governments and the Province better understand and respond to housing needs in communities

Official Community Plans

Official community plans describe the long-term vision of communities. They are a statement of objectives and policies that guide decisions on municipal and regional district planning and land use management.

Zoning and other bylaws

Zoning bylaws determine what uses are permitted on a lot, the type and size of buildings and structures that may be built, minimum lot sizes, parking, and other requirements.

Creating a more efficient and effective process

Housing Needs Report

Proposed changes include:

- Requiring all local governments to update HNRs using a standard method, for a more consistent, robust, understanding of both local housing needs currently and over the next 20 years

Official Community Plans

Proposed changes include:

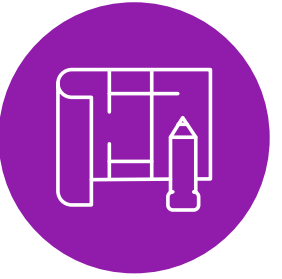
- OCPs to be updated every 5 years with public engagement
- Plan for enough homes for forecasted growth over the next 20 years (rather than 5).
- Include policies that address a wider range of housing types (e.g. affordable housing, rental housing, housing for families, etc.)

Municipal Bylaws/Zoning

Proposed changes include:

- Moving away from site-by-site rezoning or spot-zoning.
- Require zoning bylaws to better match housing needs and OCPs
- Small-scale, multi-unit homes will be zoned upfront within city bylaws (eliminating long-zoning process to build a row home, townhouse)

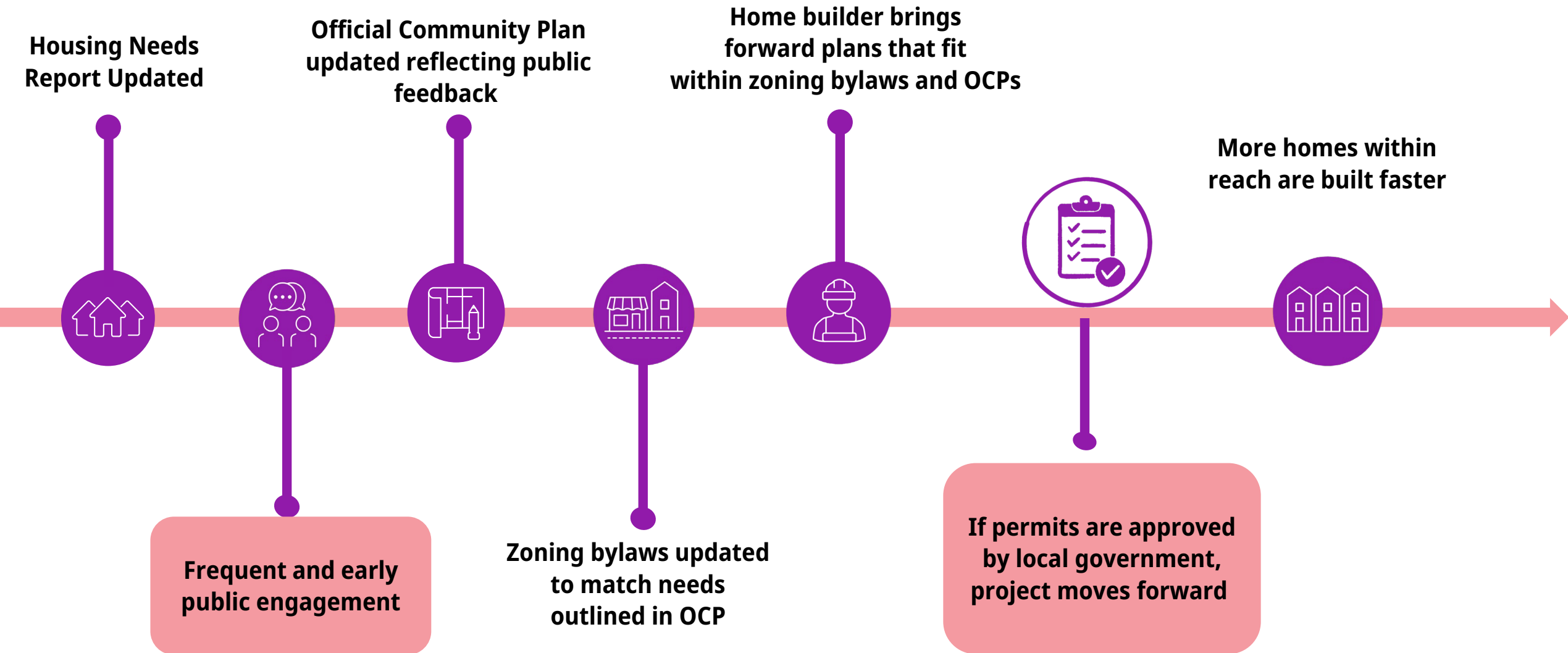
Better proactive planning



Reduce one-off hearings that slow down housing that already aligns with community plans

- Currently, rezoning processes, including public hearings, for stand-alone housing projects are creating lengthy delays and adding costs. In many cases the housing being discussed is supported or encouraged in the official community plan
- **Proposed changes will phase out one-off and site-by-site public hearings for rezonings for housing projects that are consistent with official community plans (which already have a public hearing).**
 - This includes mixed use projects that are at least 50% housing (e.g. housing above a grocery store, daycare or library)
- There will instead, be more frequent opportunities for people to be involved in shaping their communities earlier in the process, when OCPs are updated. These opportunities, including a public hearing, provide for more meaningful engagement opportunities for a greater number of community members.
- Important to note: development permits and building permits, and any required zoning changes beyond SSMU zoning bylaws would still need to be approved by local governments.
- Public hearings will continue to be *required* whenever local governments:
 - Update or develop new official community plans; or
 - Consider rezonings for projects that are not consistent with the official community plan
- People will also still be able to engage with their local elected officials about housing projects through other channels and forums.
- *The Vancouver Charter* does not include the same community planning framework that the *Local Government Act* does. This means that the zoning stage is often the only time where community members can directly engage with their local government. The Province is working with the City of Vancouver to explore how the changes to the public hearings process could apply to Vancouver.

How these changes will work



Working together to build more homes

To help facilitate implementation of these changes, the Province will continue to provide local governments with a range of resources and support, including:

- the recently announced \$51 million to support local governments in meeting the new density requirements.
- \$10 million for a second intake of the Local Government Development Approvals Program (administered by UBCM).
- \$1B Growing Community Funds to local governments to support the delivery of infrastructure projects necessary to enable community growth measures.
- a range of implementation tools for local governments to use to help achieve more small-scale, multi-unit housing.



How many homes will SSMU create?

- The Ministry of Housing worked with leading economic and planning experts to undertake a study looking at the impacts of what more small-scale, multi-unit home and proactive zoning would have in B.C.
- The analysis used relevant international examples of recent zoning changes, particularly in New Zealand and Washington State, and B.C. examples like Kelowna.
- Modelling future scenarios cannot account for unforeseen circumstances, the changing nature of housing, real estate markets and other factors, but preliminary analysis indicates the province could see over 130,000 new small scale multi-unit homes in B.C. over the next ten years.
- Findings also found new housing is expected to be built closer to city centres, reducing commuting times, as well as increasing transit use.

What does this mean for:

Municipalities

- ❖ Better use of proactive planning stage
 - ❖ Less time/resources used to review plans that have already been approved
- ❖ Clear understanding of the housing a community needs, and a path to get there
- ❖ Provide more homes within reach for families and people working in communities

Home Builders

- ❖ Less delays
- ❖ Less layers of regulations
- ❖ More certainty
- ❖ More efficient zoning process to help build more affordable projects, faster

People living in B.C.

- ❖ More homes that are within reach (townhouses, row homes)
- ❖ More opportunities to live in the communities of their choice
- ❖ More frequent opportunities for people to be involved in shaping their communities earlier in the process

Timelines

