



REQUEST FOR DECISION

Small scale, multi-unit housing legislation (Bill 44) SSMUH

Date of Meeting: Board of Directors – February 28, 2024

Recommendation:

1. THAT the Board approve the proposed approach to implementing the SSMUH legislation.
2. THAT staff be directed to bring back zoning bylaw amendments reflecting the approved approach for 1st, 2nd, and 3rd readings.
3. THAT staff be directed to hire a consultant to update the Housing Need and Demand Study.

Key Information:

The Province of British Columbia has enacted Bill 44- 2023 Housing Statutes (Residential Development) Amendment Act, 2023 (Bill 44) as part of the overarching Homes for People action plan to address the housing crisis. It sets out new requirements for local governments with respect to small-scale multi-residential housing (SSMUH). Local governments must adopt zoning bylaws that align with the SSMUH legislation by June 30, 2024. It should be noted that public hearings are prohibited with respect to zoning bylaws associated with the implementation of the SSMUH legislation. The SLRD has been granted \$121,296 to assist with SSMUH implementation.

The purpose of this report is to describe the SSMUH requirements and propose a path forward for the SLRD to achieve compliance with the legislation.

Discussion of Bill 44 requirements:

Secondary Suites and Accessory Dwelling Units (ADUs)

A minimum of 1 secondary suite and/or 1 detached accessory dwelling unit (ADU) *must* be permitted in all 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 Drinking Water Protection Act 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. This applies to much of the rural areas of the SLRD.**

Implementation

- **REQUIRED:** Update all residential/rural zones to permit secondary suites (note these legislative requirements are limited to zones that permit a single family dwelling (SFD) as primary use, so not applicable to commercial or industrial zones). Most SLRD zones already allow for secondary suites, but there are a few zones that need to be updated.
- **CONSIDERATIONS:** the Site Standards Package A in the provincial Policy Manual includes other zoning considerations (setbacks, height, lot coverage, parking).
- **OTHER CONSIDERATIONS – Building Schemes:** 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.

3-6 Housing Units

The new legislation requires that 3-6 units be allowed under certain circumstances. 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 (UCB) established by a regional growth strategy or an official community plan (in the case of the SLRD, the UCB is considered to be the RGS-designated Master Planned Communities (Britannia Beach, Furry Creek, Porteau Cove),
- lot size (<4050m²),
- whether a lot is serviced by water and sewerage systems.

Implementation

- **REQUIRED:** Update all residential zones in the Master Planned Communities (Britannia Beach, Furry Creek, Porteau Cove) to allow for 3-4 units (SLRD does not meet bus stop requirements so 6 units are not required) **where servicing permits.** (Note that there is not adequate servicing in Britannia Beach North to allow any additional units and further investigation is required to determine servicing in the rest of the Master Planned Communities).

-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 **where servicing permits**.

- **CONSIDERATIONS:** the Site Standards Package B in the provincial Policy Manual includes other zoning considerations (setbacks, height, lot coverage, parking)
- **OTHER CONSIDERATIONS – In-home Day Cares:** 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.
- **OTHER CONSIDERATIONS – Covenants:** 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.
- **OTHER CONSIDERATIONS – Exemptions:** After adopting bylaws, local governments must advise the Province and note any exemptions from the requirements set out in section 481.3 (4) and (5). In the case of the SLRD, these exemptions will most likely apply to areas where additional density (beyond an SFD and secondary suite) cannot be accommodated due to a lack of servicing.

PROPOSED ACTIONS:

| PROPOSED BYLAW AMENDMENTS TO ADDRESS NEW HOUSING LEGISLATION | |
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| New legislation: Bill 44 | |
| Area A | |
| All zones that allow SFDs including RR2, R5, R3, C6 | Allow secondary suites and consider revising suite and ADU size to 110 m ² , increasing height and reducing setbacks. Consider allowing an additional ADU on non-ALR properties over 1 ha. Review parking requirements. Consider allowing for day cares in all SFDs. |
| Area B | |
| Official Community Plan | No updates required as a new OCP is underway. |
| All zones that allow SFDs | Consider revising suite and ADU size to 110 m ² , increasing height and reducing setbacks. Consider allowing an additional ADU on non-ALR properties over 1 ha. Review parking requirements. Consider allowing for day cares in all SFDs. Note ADU will be distinct from secondary farm residence in the ALR (which is 90m ² or 186m ²). |
| Area C | |
| Official Community Plan | Need to review and possibly update to address Housing Need and Demand study. Deadline for OCP updates is December 31, 2025. |

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| <p>All zones allowing SFDs</p> | <p>Allow secondary suites and consider revising suite and ADU size to 110 m², increasing height and reducing setbacks. Consider replacing “cottage” with ADU to reduce confusion. Note ADU will be distinct from secondary farm residence in the ALR (which is 90m² or 186m²). Clarify if/when secondary suite and ADU GFA is included or in addition to total GFA. Consider allowing an additional ADU on non-ALR properties over 1 ha. Review parking requirements. Consider allowing for day cares in all SFDs.</p> |
| <p>WedgeWoods</p> | <p>Consider allowing an ADU + Secondary Suite if it can be determined that there is adequate servicing capacity. Consider allowing for day cares in all SFDs.</p> |
| <p>Official Community Plan Area D</p> <p>BTR1 (Black Tusk), PR1 (Pinecrest), BBR1,2,3 (Britannia Beach north)</p> <p>RR zones</p> <p>CD1 (Porteau Cove) CD3 (Furry Creek), FCR3 (Furry Creek uplands)</p> | <p>Need to update the OCP to address Housing Need and Demand study. Deadline for OCP updates is December 31, 2025.</p> <p>Allow secondary suites and consider revising suite and ADU size to 110 m², increasing height and reducing setbacks. Consider replacing “cottage” with ADU to reduce confusion. Review parking requirements. Consider allowing for day cares in all SFDs. Note ADU will be distinct from secondary farm residence in the ALR (which is 90m² or 186m²).</p> <p>Consider allowing an additional ADU on rural non-ALR properties over 1 ha. Consider allowing for day cares in all SFDs.</p> <p>Allow for 3-4 units in all residential areas in the Master Planned Communities that can prove adequate servicing. Consider allowing for day cares in all SFDs, duplexes and townhouses, noting that provincial outdoor space will need to be met.</p> |
| <p>AGR zones</p> | <p>Consider allowing a secondary farm residence on parcels over 4ha that have farm status. (This is currently the approach in Area C)</p> |
| <p>Official Community Plan</p> | <p>Remove form and character development permit requirements for intensive residential development and building with fewer than 6 units. Deadline for OCP updates is December 31, 2025.</p> |
| <p>Regional Growth Strategy</p> | <p>Review <i>Goal 3: Generate a Range of Quality Affordable Housing</i> strategic directions to ensure alignment with new housing legislation and amend as necessary as part of the RGS Review.</p> |

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| <p>Housing Needs Reports</p> | <p>Local governments must complete an interim housing needs report by January 1, 2025.</p> <p>Local governments will just have completed updates to their zoning bylaw and Official Community Plans based on their interim housing needs reports.</p> <p>The SLRD's current housing needs report was approved in January, 2020. It will be updated in 2024.</p> <p>OCPs and Zoning Bylaws must be updated by December 31, 2025 to reflect housing needs reports.</p> <p>Regional Growth Strategy bylaw may require updating to reflect housing needs report.</p> |
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Note that additional changes may be required based on a more thorough regulatory review.

Options:

1. (Preferred Option) Direct staff to prepare bylaws to align with the SSMUH legislation and direct staff to hire a consultant to update the Housing Need and Demand Study. Post notice of all proposed bylaws prior to bringing bylaws forward for 1st, 2nd and 3rd reading.
2. Recommend changes to the proposed approach and direct staff to prepare bylaws to align with SSMUH legislation and direct staff to hire a consultant to update the Housing Need and Demand Study. Post notice of all proposed bylaws prior to bringing bylaws forward for 1st, 2nd and 3rd reading.
3. Other, as per Board recommendations.

Policy Considerations:

All SLRD zoning bylaws will require revision to implement the SSMUH legislation. All SLRD OCP bylaws will require revision to reflect the Housing Needs Report. The SLRD Regional Growth Strategy may require revision to reflect the SSMUH legislation and Housing Needs Report.

Organizational Considerations:

SLRD bylaw amendments will be carried out in-house given the time constraints and in-house knowledge of the required tasks. Staff will be focussed on implementing these changes by the June 30, 2024 deadline. The Province does allow applications for extensions, in extenuating circumstances, however, it will be unlikely that the SLRD will need to request an extension to this deadline.



An update to the SLRD Housing Need and Demand Study will require in-house staff oversight.

Legal/Financial Considerations:

The SLRD received \$121,296 through the Province's housing capacity funding stream. The funding is intended to help local governments pay for the implementation of the new housing legislation. The funds will be used to pay for the Housing Need and Demand Study update which will cost approximately \$30,000 - \$40,000. The funds will also be used to pay for advertising and staffing time associated with bylaw preparation.

Regional Impacts Analysis:

Additional units, if constructed, may add additional vehicular trips and put pressure on on-street parking.

Affordability may be improved as small-scale units may be more affordable than single family dwellings.

Follow Up Action:

Prepare amendment bylaws for all Electoral Area zoning bylaws and the Electoral Area D official community plan. Consider amendments as part of the RGS Review.

Communications Plan:

The SLRD will create an information page on the SLRD website to provide more information about activities related to SSMUH.

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| Submitted by: | Kim Needham, Director of Planning and Development Services and Claire Dewar, Senior Planner |
| Approved by: | Heather Paul, CAO |