

# ATTACHMENT A

## Excerpt from Family Friendly Housing Study Executive Summary

### *Costs associated with development of family- friendly units in new buildings:*

Key findings with regard to family-friendly units, are that the provision of family-friendly units does not specifically drive up construction costs for multi-unit and townhouse buildings as bedrooms are a relatively inexpensive space to incorporate. However, the provision of underground parking for the unit does increase costs. It is primarily the market that sets the purchasing rate and rental rate for housing units.

### *Preliminary consultation with Nanaimo real estate and development professionals:*

The main concern from the development community is the marketability of family-friendly units for both selling and renting. There is no negative impact on return on cost (i.e., construction cost per square foot versus sale price per square foot) with an increased proportion of two- and three-bedroom units in multi-family projects; however, units with three or more bedrooms have a higher market value (selling and renting) that is outside of the range of affordability for many Nanaimo families. Thus, these units may take longer to sell, which given holding costs, could have a negative impact on both revenues and profits for the development community. Also, it was reported that families tend to prefer ground oriented units, such as townhouses, rather than three plus bedrooms in an apartment building, if pricing and size are relatively close.

### *Review of best practices in other jurisdictions:*

Three B.C. municipalities were identified that have family-friendly unit bylaws or policies, North Vancouver, Port Moody and New Westminster. New Westminster has required family-friendly units in their Zoning Bylaw since 2016 and was found to be the best defined program in BC.

North Vancouver - Rezoning policy requiring that proposed new multi-unit developments must provide a minimum of 10% three plus bedroom units.

Port Moody – Rezoning policy requiring that proposed new multi-unit development of 20 or more units must provide: Rental development - minimum 20% 2-bedroom units and 5% 3+ bedroom units; and Strata development – minimum 20% 2-bedroom units and 10% 3+ bedroom units.

New Westminster – Family-friendly unit requirements are in the Zoning Bylaw. In a multi-unit strata ownership development of 10 or more units, a minimum of 30% of the units must be 2 and 3+ bedrooms, and 10% must be 3+ bedrooms. In a multi-unit rental development of 10 or more units, a minimum of 25% of the units must be 2 and 3+ bedrooms, and 5% must be 3+ bedrooms.

### *Recommendations for family-friendly units in Nanaimo:*

Based on a household income and market analysis there is a strong indication that there is an undersupply of affordable family-friendly owner and renter housing options. In the current market owning or renting a single family dwelling would cause many households to spend more than 30% of their income on housing. There is a gap between the economic market rent and sales price for family-friendly units and the incomes of those who require these units. This suggests a need for both non-market units for families, as well as an increased supply of more affordable family-friendly housing options such as townhouse and multi-unit dwellings. To help improve the supply of more affordable family-friendly units Mulholland Parker Land Economists Ltd. recommends that the City of Nanaimo consider moving forward with family-friendly housing requirements that would use the City of New Westminster's policies and bylaws as a guideline. Further consultation with the development community is also recommended.

[Link: Nanaimo Family Friendly and Adaptable Housing Study \(Mulholland Parker Land Economists Ltd. Report - May 2023\)](#)