

Staff Report for Decision

DATE OF MEETING September 14, 2023

AUTHORED BY CALEB HORN, PLANNER, CURRENT PLANNING

SUBJECT INFILL HOUSING AND SECONDARY SUITE REGULATIONS

OVERVIEW

Purpose of Report

To present proposed regulations to increase opportunities for secondary suites and infill housing in existing neighbourhoods to the Design Advisory Panel.

Recommendation

That the Design Advisory Panel recommends that Council support for the proposed Infill Housing and Secondary Suite Regulations, as outlined in the 2023-SEP-14 report titled “Infill Housing and Secondary Suite Regulations.”

BACKGROUND

At its regular meeting on 2023-JUN-19, Council directed Staff to proceed with community consultation on the following two projects as part of an effort to promote affordable housing in Nanaimo:

- Expand Secondary Suite and Coach House Regulations; and,
- Support Infill and Intensification in Existing Neighbourhoods.

A number of policies endorsed by Council support these two objectives including the *Affordable Housing Strategy* (2018) and *City Plan* (2022) as outlined in the following table:

Policy Document	Expand Secondary Suite and Coach House Regulations	Support Infill and Intensification in Existing Neighbourhoods
<i>Affordable Housing Strategy</i>	1.2 – Expand Secondary Suite Policy 2.1 – Update the Policy on Coach Houses	2.2 – Support Infill & Intensification in Single Detached Neighbourhoods 3.1 – Promote Housing Innovation
<i>City Plan</i>	C4.3.22 – Enable seniors to age in-place by supporting alternative housing and care options, such as adapting existing housing to be accessible, supporting in-law or secondary suites, encouraging shared or co-housing opportunities, and enabling at-home care opportunities. D4.5.1 – Develop Neighbourhood designations as primarily residential areas that support low to modest increases in density and include livable, diverse housing that respects existing residential character.	C3.2 – Equitably distributed affordable housing options across all residential areas. D4.5.2 – Support the development and redevelopment of lands with residential infill to enhance the livability of Neighbourhoods. The design is to take into consideration surrounding context, including architecture, scale, densities, as well as lot and lane configuration. D4.5.12 – Encourage infill of residential lots, with infill designed to complement existing neighbourhood character.

Expanding secondary suite regulations and supporting infill housing are linked to affordable housing in that they are intended to increase both the supply and diversity of housing options for those looking to rent or own. These objectives form part of the overall Affordable Housing Strategy implementation initiatives along with other affordable housing projects.

The following sections summarize potential changes to the “City of Nanaimo Zoning Bylaw 2011 No. 4500” (the “Zoning Bylaw”) to support these two objectives, subject to further staff review and consultation with stakeholders.

DISCUSSION

Secondary Suite Regulations

In the City of Nanaimo, secondary suites have been permitted in single residential dwellings since 2005-FEB-07, and detached suites have been permitted within accessory buildings on certain lots since 2008-AUG-11. For clarity, detached secondary suites within accessory buildings will be referred to as “detached suites” for the remainder of this report but these are commonly known by a variety of names, depending on jurisdiction and context, including accessory dwelling units, coach houses, carriage houses, laneway homes, granny flats, garden suites, etc.

Secondary suites have been a popular feature of single residential dwellings since their introduction in Nanaimo, with 65% of new single residential dwellings constructed with a secondary suite in 2022. Suites are an important component of the City’s market rental housing stock, and can also assist homeowners as a mortgage helper. While some minor amendments have been adopted since 2005, secondary suite regulations have remained largely the same as when they were first added to the Zoning Bylaw. In 2019, the British Columbia Building Code (BCBC) was revised to permit secondary suites more broadly in different unit types and to remove maximum size requirements of suites. The BCBC changes do not override any local Zoning Bylaw regulations, and to date no changes to Nanaimo’s secondary suite regulations have occurred in response to the revised BCBC.

The following amendments are proposed to be explored:

1. *Detached Suite Eligibility.* Expand the eligibility of detached suites to including single residential dwelling lots greater than 500m² and ‘through lots’ (lots with two front yards).
Rationale: Detached suites are presently only permitted on corner lots, lots abutting a lane, and lots greater than 800m². The minimum lot size in the R1 (Single Dwelling Residential) zone is 500m², and through lots would have the opportunity for vehicle access from two abutting streets.
2. *Number of Secondary Suites.* Permit up to one secondary suite (attached) and one detached suite on single residential dwelling lots greater than 800m² with a minimum 15m lot frontage.
Rationale: Only one suite (attached or detached) is currently permitted on a lot less than 0.4 hectares. Lots that are greater than 800m² will typically have area for both a suite and detached suite, depending on the size of the principal dwelling. A minimum 15m lot frontage will ensure adequate space to accommodate required vehicle parking and access from the street. Municipalities that presently permit one attached and one detached suite include the City of Vancouver and the City of North Vancouver.

3. *Secondary Suites in Duplexes.* Permit one secondary suite per dwelling unit in side-by-side and detached duplexes.
Rationale: While allowed by the BCBC, Nanaimo suites are only permitted in single residential dwellings.
4. *Secondary Suites in Townhouses.* Permit secondary suites in side-by-side townhouse and rowhouses.
Rationale: While allowed by the BCBC, Nanaimo suites are only permitted in single residential dwellings.
5. *Maximum Size of Secondary Suites.* Increase the permitted size of a secondary suite to 40% of the building floor area up to a maximum of 100m².
Rationale: Allowed by the BCBC and will be suitable for three-bedroom suites. Currently the maximum size of a secondary suite in Nanaimo is 90m² and limited to two bedrooms.
6. *Detached Suite Siting and Size.* Review the siting and size regulations (setbacks, building height, floor, etc.) for accessory buildings containing secondary suites to determine what changes, if any, may be appropriate.

Infill and Intensification in Existing Neighbourhoods

Infill housing is defined by the Province as “housing that fits within an existing neighbourhood without significantly altering its character or appearance”. Such housing can be contrasted with greenfield development that occurs outside of existing neighbourhoods. There has been growing interest in infill housing across BC in the last few years, with the Provincial government recently introducing the Housing Supply Act (2022) and announcing the Homes for People action plan (2023), which includes potential changes Province-wide through the “More small-scale multi-unit townhomes, duplexes, and triplexes” action item. At the local government level, some municipalities have implemented zoning and policy changes to incentivize infill housing including the City of Victoria’s Missing Middle Initiative (2023), which broadly permits infill housing (six-unit houseplexes and corner lot townhouses) across the city’s neighbourhoods.

In the City of Nanaimo, some past initiatives that have directly or indirectly aided infill and intensification in existing neighbourhoods include the introduction of row house zoning (2011), permitting of two dwelling units on certain corner lots (2011), adoption of a small lot policy (2014), general amendments to increase exemptions under the definition of gross floor area (2021), and exempting projects with four units or less from ‘form and character development permits’ (2022). There are also a number of existing properties throughout the city that have been pre-zoned for multi-family residential development under the R8 (Medium Density Residential) zone; however, this zone is not necessarily suitable for smaller infill projects given the more restrictive siting regulations under R8.

As housing market conditions and needs have changed considerably in recent years, there is a strong demand for more infill housing forms and more up-to-date zoning regulations to address the City’s *Affordable Housing Strategy* and *City Plan* policies. The following amendments are proposed for consideration to support infill and intensification in existing neighbourhoods:

1. **Minimum Lot Areas.** Reduce minimum lot areas for the R4 (Duplex Residential), R5 (3- and 4-unit Residential), and R6 (Low Density Residential) zones to 600m², 600m², and 1,200m², respectively.
Rationale: Reducing lot sizes will align with incentivizing infill housing by permitting the subdivision and creation of more properties in these zones. The proposed minimum lot sizes are meant to facilitate more opportunities for the intended building forms in each zone.
2. **Front Yard Setbacks.** Reduce the minimum front yard setbacks in existing infill housing zones (R4, R5, R6, R13, R14, and R15) for the first two storeys.
Rationale: Larger front yard setbacks (4.5m – 6.0m) are appropriate in single residential dwelling zones but these setbacks can be prohibitive in infill housing zones, often leading to front yard setback variance requests. Reducing required front yard setbacks can allow for larger functional rear yard spaces while fostering greater street presence. For comparison, the minimum front yard setback in the existing R7 (Rowhouse Residential) zone is 3.0m.
3. **Revise R5 (Three- and Four-Unit Residential) Zone.** Expand the eligibility of a fourth dwelling unit by reducing the minimum lot size for an additional unit from 1,200m² to 800m².
Rationale: A typical 800m² lot can functionally accommodate four dwelling units and required parking, while respecting the form and massing of existing neighbourhoods.
4. **Rezone to R5 (Three- and Four-Unit Residential) Zone.** Rezone existing single residential dwelling and duplex properties to the R5 zone in certain areas of the city, for example within the *City Plan* 'Neighbourhood' land use designation.
Rationale: Pre-zoning in certain areas will allow for triplexes or fourplexes depending on the size of the lot and allow such projects to proceed without a separate rezoning process. The exact extent of the area proposed to be rezoned will be reviewed further through consultation to determine where may be most appropriate based on context, access to transit, servicing capacity, etc. This is consistent with the *City Plan* 'Neighbourhood' land use designation, which contemplates infill development on residential lots.
5. **Revise R7 (Rowhouse Residential) Zone.** Allow both multi-family strata and fee simple residential tenure in a revised R7 zone.
Rationale: Currently only fee simple rowhouse lots are permitted, and allowing multiple tenure types will provide for flexibility in zoning to accommodate different forms of housing. The City has recently seen an increased demand for this scale of housing density between the existing R6 (Low Density Residential) and R8 (Medium Density Residential) zones which have maximum base Floor Area Ratios of 0.45 and 1.25, respectively.
6. **Conversion of Older Homes in Old City.** Consider permitting additional density for the conversion of existing single residential dwelling structures in the Old City zones (R13, R14, and R15).
Rationale: Allowing bonus density for the conversion of existing houses can incentivize both the protection of existing neighbourhood character homes as well as additional gentle density. For an example of a similar initiative, the City of

Victoria incentivizes the conversion of older homes through their House Conversion Regulations.

Next Steps

Staff are seeking input on the proposed changes to the Zoning Bylaw, and following DAP will continue to consult with stakeholders on the proposed infill housing and secondary suite regulations, including consultation with the development community and the general public. See attachment A for a link to the survey and more information on the City's get-involved webpage. Following the consultation process, it is anticipated that proposed regulations will be revised and refined before to Council with a Zoning Amendment Bylaw.

SUMMARY POINTS

- At its regular meeting on 2023-JUN-19, Council directed Staff to proceed with community consultation on the following two projects as part of an effort to promote affordable housing in Nanaimo: expand secondary suite and coach house regulations; and support infill and intensification in existing neighbourhoods.
- Staff are seeking input on the proposed changes to the Zoning Bylaw from the DAP.

ATTACHMENTS:

ATTACHMENT A: Link to "Increasing Housing Options for Nanaimo" website and survey

Submitted by:

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Manager, Community Planning

Concurrence by:

Dale Lindsay
General Manager, Development Services /
Deputy CAO

ATTACHMENT A

Link to “Increasing Housing Options for Nanaimo” website and survey:
<https://www.getinvolvednanaimo.ca/housing-initiatives>

Design Advisory Panel Infill Housing and Secondary Suite Regulations

2023-SEP-14

Suite & Infill Housing Regulations

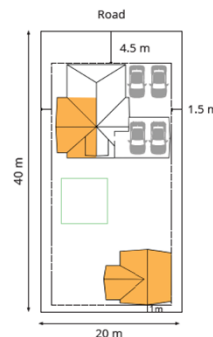


INCREASING HOUSING OPTIONS

Proposed Changes – Number & Size of Suites

The City is proposing that up to two suites (one attached and one detached) could be permitted on a lot, provided:

- The lot is 800 m² or larger;
- The lot has a minimum street frontage of 15 metres;
- The suite is no larger than 100 m²; and,
- A maximum of 3 bedrooms.



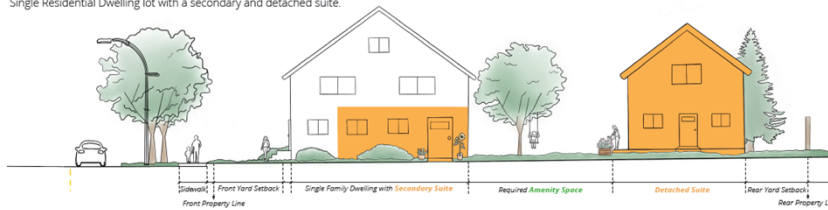
Suite & Infill Housing Regulations



INCREASING HOUSING OPTIONS

Proposed Changes – Number & Size of Suites

Single Residential Dwelling lot with a secondary and detached suite.



Legend

- Lot Boundary
- Building Placement Area
- Primary Dwelling
- Suite
- Amenity Area
- Required Setback

Plan view scale: 1 cm = 1 m



Suite & Infill Housing Regulations



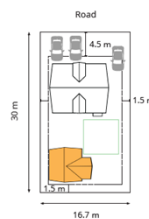
INCREASING HOUSING OPTIONS

Proposed Changes – Detached Suite Eligibility

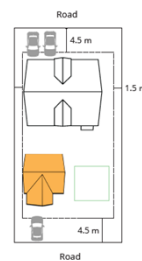
Expand the eligibility of detached suites to:

- Corner lots;
- Lots next to a lane;
- **Lots with an area of at least 500 m²; and**
- **Through-lots (lots with two front yards)**

Lots 500m² or greater



Through-Lots



Suite & Infill Housing Regulations



INCREASING HOUSING OPTIONS

Proposed Changes – Detached Suite Eligibility



500 m² lot with a detached suite



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THE HARBOUR CITY

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Proposed Changes – Duplexes & Townhouses

Proposed Changes - Duplexes

Allow **one secondary suite** in a side-by-side or detached duplex, as permitted by the BC Building Code.



Proposed Changes - Townhouses

Allow **one secondary suite** per side-by-side townhouse.



For illustrative purposes only.

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Suite & Infill Housing Regulations



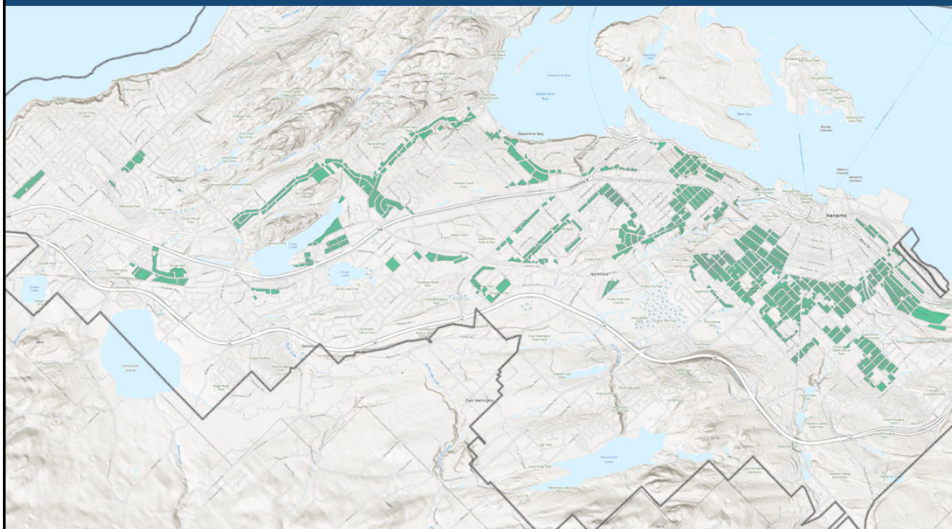
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Proposed Changes – Triplexes & Fourplexes

To increase the supply of triplexes and fourplexes, the proposal is to prezone existing single family (R1/R1b) and duplex (R4) lots within a 1km buffer from the downtown, and within the 'Neighbourhood' designation in City Plan.

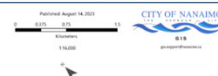


Lots Proposed to be Rezoned to R5



City of Nanaimo
Lots under consideration for rezoning to the R5 (Three and Four Unit Residential) zone.

Legend
■ Infill Lot □ City Boundary



Suite & Infill Housing Regulations

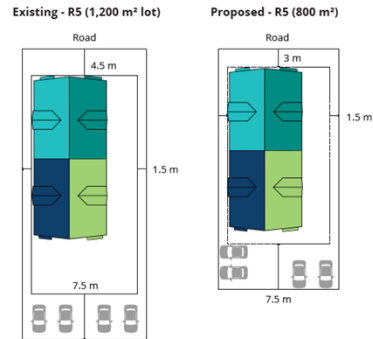


INCREASING HOUSING OPTIONS

Proposed Changes – Triplexes & Fourplexes

To expand the eligibility of lots that can build a fourth unit, the following criteria is proposed:

- The lot is a corner lot;
- The lot is next to a lane; or
- The lot is a minimum of **800 m²**



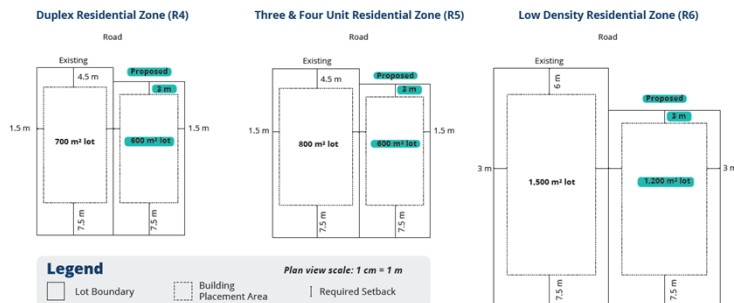
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Proposed Changes – Reducing Lot Sizes & Setbacks



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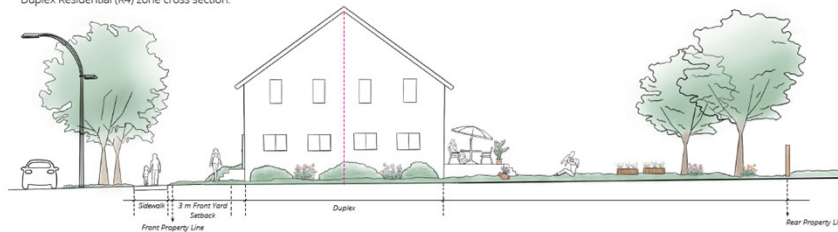
Proposed Changes – Reducing Lot Sizes & Setbacks

Legend

- Lot Boundary
- Building Placement Area
- Required Setback

Plan view scale: 1 cm = 1 m

Duplex Residential (R4) zone cross section.



Suite & Infill Housing Regulations



INCREASING HOUSING OPTIONS

Proposed Changes – Conversion of Older Homes

Propose to amend the R13, R14, & R15 zones to permit additional units and floor area, on a lot where a house built before 1975 is preserved, as outlined in the table below:



Zone	R13	R14	R15
Proposed Density	One additional dwelling unit	One additional dwelling unit and an additional 0.15 of Floor Area Ratio (FAR)	An additional 0.15 of Floor Area Ratio



Suite & Infill Housing Regulations



INCREASING HOUSING OPTIONS

Proposed Changes – Amending the R7 Zone

- Currently in the R7 zone, only fee simple rowhouse lots are permitted.
- Townhouse zones in contrast, units can be fee simple or strata units
- The proposal is to allow multiple types of residential tenure (e.g. both fee-simple and strata units) to provide flexibility to accommodate different housing tenures.



Image [above]: Completed rowhouse development in Nanaimo.