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COUNCIL REPORT

TO: MAYOR & COUNCIL

FROM: GENERAL MANAGER PLANNING AND DEVELOPMENT

SUBJECT: HOUSING CHOICES - FINAL PROGRAM FOR PHASE 1A AND

SCOPE FOR PHASE 1B

PURPOSE: To obtain Council approval for the final program for Housing Choices

Phase 1a, and the scope and schedule for Phase 1b.

RECOMMENDATIONS

1. THAT the final program for Housing Choices Phase 1a, to permit laneway homes and secondary suites in semi-detached homes on properties with lanes, and on corner lots and through lots, in Burnaby's single and two family neighbourhoods, be approved;

THAT staff is directed to bring forward a report outlining the bylaw amendments required to implement the final program for Housing Choices Phase 1a, concurrently with the necessary amendment bylaw.

2. THAT the proposed scope and schedule for Housing Choices Phase 1b, to permit laneway homes and secondary suites in semi-detached homes on properties without lanes, and additional housing types with three or four units on all properties in single and two family neighbourhoods, be approved; and

THAT staff be authorized to prepare a report outlining tools for retention of heritage resources in single and two family neighbourhoods.

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS

I concur with the recommendation of the General Manager Planning and Development.

EXECUTIVE SUMMARY

This report seeks Council approval for the final program for laneway homes and suites in semi-detached homes on properties with lanes. It also seeks Council approval on the scope and schedule for the next phase of the Housing Choices program, to expand lot eligibility to properties without lanes, as well as introducing other forms of housing to single and two family neighbourhoods.

1.0 POLICY SECTION

The Housing Choices program generally aligns with the following Council adopted plans, reports and policies: *Corporate Strategic Plan* (2022), *Official Community Plan* (1998), *HOME: Burnaby's Housing and Homelessness Strategy* (2021), *Burnaby's*

Housing Needs Report (2021), and the Mayor's Task Force on Community Housing Final Report (2019).

2.0 BACKGROUND

Housing Choices is a City program to introduce more housing variety to Burnaby's single and two-family neighbourhoods. The program was set up to implement one of the actions from Burnaby's 10-year housing action plan (*HOME: Burnaby's Housing and Homelessness Strategy*), adopted by Council on December 6, 2021.

On February 27, 2023, Council approved the draft program for Phase 1a of Housing Choices. Phase 1a focuses on permitting laneway homes and suites in semi-detached homes on single and two-family properties with lanes. In March and April 2023, staff shared the draft program with the public. The feedback received has been considered in preparing the recommended final program for Phase 1a, which is presented in Section 3.1 of this report.

When the Housing Choices program was first launched in February 2022, Council requested that staff expand Phase 1 to include additional small-scale housing types in advance of the Official Community Plan update. These additional housing types will be introduced in Phase 1b. A proposed scope of work and schedule for Phase 1b of Housing Choices is presented in Section 3.2 of this report.

3.0 GENERAL INFORMATION

3.1 Phase 1a: Laneway Homes and Suites in Semi-Detached Homes

Phase 1a: Program Update

The draft program for Phase 1a was approved by Council on February 27, 2023, and presented to the public in open houses in March 2023. Following public consultation, several changes are being recommended to the draft program, to improve livability and make it easier to build these types of housing. These changes are outlined below.

Changes to the draft program:

- Lot Eligibility: reducing the minimum lot width and area required to build a semidetached home or duplex in the R4 and R5 Zoning Districts. This will enable more properties in two-family zones to build semi-detached and duplex homes.
- **Semi-detached Floor Area:** removing the restrictions on floor area that were previously applied to the top storey of a two-storey semi-detached home. This will make it easier to provide upstairs bedrooms in semi-detached homes.
- Semi-detached Ground Level Suites: changing "accessible basement suites" in semi-detached homes to "ground level suites" that meet the SAFERhomes universal design standard. The elevation of these suites to ground level will allow for greater accessibility and livability. Universal design focuses on creating barrier-free living spaces for all ages and abilities.

- Removing Cellars: prohibiting cellars in laneway homes and semi-detached homes. Basements will be permitted (as shown in the draft program) but cellars will not be permitted. The difference between a cellar and a basement is that a basement has more of its height above ground (a basement has more than 50% of its height above ground whereas a cellar has more than 50% of its height below ground). Basements are preferred over cellars as they provide more light and livable space for occupants.
- Laneway Home Minimum Size: increasing the minimum size of a laneway home to 32.52 m² (350 sq. ft.). This change is to increase livability and align with concurrent proposed changes to minimum unit sizes in Burnaby.
- Laneway Home Height: changing the building height calculation method. The height of a laneway home will be measured from *the lowest* point on the perimeter of the laneway home. The lowest point will be the lower of the natural or finished grade. This will reduce the potential height of a laneway home on sloping lots and will help to protect views.
- Laneway Home Fire Access: Adding a maximum distance from a street for siting laneway homes without sprinkler systems. Laneway homes without sprinkler systems must be located within 45 metres of a street. This will better support fire safety and access, as fire hoses have a limited reach from the fire truck.
- Bike Storage: Removing the proposed below-height bike locker floor area exemption. Instead, bike storage sheds may be added under the current regulations as an accessory building. The floor area of an accessory building will not count towards the floor area of the laneway home or the principal home. Bike storage within a carport or a smaller "bikeport" will also be encouraged and will not be counted as floor area.

Phase 1a: Final Program

The final program for Phase 1a is presented in (*Attachment 1*). This includes all of the recommended changes outlined above.

Phase 1a: Next Steps

If the final program for Phase 1a, as presented in (*Attachment 1*), is approved by Council, the bylaw amendments required to support the program will be advanced to Council in July, with the opportunity for final adoption at the subsequent Council meeting in late August. Shortly after final adoption, eligible property owners will be able to apply for a building permit to build laneway homes and suites in semi-detached homes.

3.2 Phase 1b: Additional Housing Types for All Single and Two Family Lots

Phase 1b: Program Update

Phase 1b will expand eligibility for laneway homes and suites in semi-detached homes to properties without lanes, as well as permit additional housing forms with three or four units on single and two family lots.

In April 2023, the BC government announced a "Homes for People (HFP)" plan that includes proposals to loosen zoning restrictions in single and two family lots across the province. This may mean permitting up to three or four dwelling units on all single and two family lots, depending on the lot type, and potentially more units in locations that are close to transit. These proposals have the potential to align well with Phase 1b of the Housing Choices program. Additional details are anticipated from the Province in the fall. At that time, where feasible, provincial legislation will be incorporated into the planning process for Phase 1b.

Phase 1b: Scope

The proposed scope for Phase 1b includes the following items:

- Permitting laneway homes on properties without lanes;
- Permitting suites in semi-detached homes on properties without lanes;
- Permitting additional configurations for three or four units on single and twofamily lots, with or without lanes. These may include permitting:
 - single-family homes with two suites;
 - o duplexes and semi-detached homes in more zone districts and on smaller lots;
 - triplexes;
 - o fourplexes;
 - o cottage courts (3 or 4 detached units on a lot);
 - o duplex and semi-detached laneway homes; and
 - o secondary suites in the above housing forms.
- Considering the appropriate mix of strata and rental housing units;
- Considering new incentives for properties on the heritage inventory to encourage retention of heritage buildings;
- Responding to anticipated provincial legislation which may require permitting additional units on eligible properties near frequent transit; and
- Making minor revisions to Phase 1a regulations, if required. These will respond to feedback from the initial intake of building permits for laneway homes and suites in semi-detached homes.

Phase 1b: Schedule

The proposed schedule for Phase 1b is as follows:

June 2023	Seek Council approval of Phase 1b scope and schedule (this report)
July/Aug 2023	Conduct a public survey on housing types for Phase 1b
Sept 2023	Incorporate provincial housing legislation (if available)
Oct/Nov 2023	Set out the draft program for Phase 1b
Dec/Jan 2023	Consult with the public on the draft program for Phase 1b
Feb 2024	Seek Council approval on the final program for Phase 1b
March 2024	Amend City bylaws to implement the final program for Phase 1b

Phase 1b: Next Steps

If the scope and schedule for Phase 1b are approved by Council as recommended in this report, staff will immediately start this work. The first step will be to launch a public survey on the housing types for Phase 1b. This survey will be made available to the public over the summer.

3.3 Housing Choices: Retention of Heritage Resources

The final program recommended for Phase 1a, and introduction of additional housing options in Phase 1b, has implications for the retention of heritage homes.

Local governments in BC can provide incentives to property owners to protect a heritage resource, including entering into Heritage Revitalization Agreements (HRAs). HRAs provide for variances to the *Zoning Bylaw* in consideration of retention, conservation, and designation of heritage building. The City maintains an inventory of heritage resources considered to have heritage value and potential eligibility for an HRA. This "heritage inventory" is updated as resources are protected or demolished.

Excluding City-owned properties, there are currently 90 heritage resources listed in the inventory. Of those, 61 are buildings located in R Residential zone districts. 25 of those 61 buildings are located in R4 and R5 Districts and do not meet the current Zoning Bylaw requirements for a two-family home. However, with the reduction in minimum lot size for two-family homes, which is recommended for the Phase 1a program, these 25 lots could redevelop with a semi-detached home with two secondary suites.

The proposed change would provide an incentive for the owners of these 25 properties to redevelop their lot to maximize the permitted density. The City is currently losing more homes on the heritage inventory to demolition than are being retained through HRAs. Since January 2021, three privately owned residential heritage resources have received demolition permits. Only two applications for retention of residential heritage resources through an HRA were advanced to Council during the same period.

Staff are currently completing a review of the City's heritage policies and programs, including the City's use of tools available under the *Local Government Act* for retention of heritage resources. The intent of the review is to inform the policy recommendations of the Official Community Plan (OCP) update. However, as housing policy updates are being made in advance of the OCP update, it is recommended that Council authorize staff to prepare a report outlining tools that the City could implement to retain heritage resources in residential neighbourhoods concurrent to advancing the Housing Choices program.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

Community engagement for the Housing Choices program began in spring 2022. A dedicated project webpage was established at that time. As of May 15, 2023, the project webpage has been accessed 27,220 times, by a total of 17,402 users.

Phase 1a included three rounds of community engagement and directly involved over 4,000 people. Events included two public surveys, three virtual workshops, one inperson workshop and three open houses. A summary of what we heard was provided in reports to Council on May 30, 2022 and February 27, 2023. A final round of engagement was held in spring 2023 to present the draft program to the public before finalizing the details. A summary of what we heard is presented in (*Attachment 2*).

Engagement for Phase 1b will begin with a survey on the housing types and forms that are being considered for this phase. Information collected from this survey will be considered in conjunction with the anticipated provincial housing legislation to develop a draft program for Phase 1b.

5.0 FINANCIAL CONSIDERATIONS

As more housing units are introduced to Burnaby's neighbourhoods through the Housing Choices program, there will be costs to upgrade lane infrastructure and provide ongoing servicing. Supplementary annual utility fees will be levied to pay for annual sewer, water and garbage collection services. Additional information on servicing upgrade costs and utility fees is provided in (*Attachment 1*).

Funding for infrastructure and policy development to support new housing units created through the Housing Choices program may be available through the Canada Mortgage and Housing Corporation (CMHC) Housing Accelerator Fund (HAF). CMHC has identified Burnaby as a growth leader within the large/urban stream and the City will be submitting its HAF application in advance of the summer intake.

Respectfully submitted,

E.W. Kozak, General Manager Planning and Development

ATTACHMENTS

Attachment 1 – Housing Choices Phase 1a: Final Program

Attachment 2 – Housing Choices Phase 1a: Summary of Feedback on the Draft Program

REPORT CONTRIBUTORS

This report was prepared by Sarah Crawford, Planner 2, and reviewed by Lily Ford, Planner 3, Carl Isaak, Director Community Planning, and Lee-Ann Garnett, Deputy General Manager Planning and Development.