



ADMINISTRATIVE REPORT

Report Date: March 15, 2013
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Meeting Date: May 15, 2013

TO: Vancouver City Council
FROM: Subdivision Approving Officer
SUBJECT: Amendments to Subdivision By-law No. 5208 - Freehold Rowhouses

RECOMMENDATION

- A. THAT the Subdivision By-law be amended by adding provisions to permit minimum width, area and street frontages required for parcels intended to accommodate freehold rowhouses, and by adding a new fee category and fee for freehold rowhouse subdivision applications, generally in accordance with Appendix A.
- B. THAT the Director of Legal Services be authorized to prepare the necessary by-law implementing these changes for enactment, following enactment of the new RM-7 and RM-7N District Schedules.

REPORT SUMMARY

Further to the recommendations in the referral report for "Norquay Village Neighbourhood Centre Plan Implementation - New Zoning District Schedules", considered by Council on March 12, 2013, and scheduled for Public Hearing on April 9, 2013, this report provides additional details on required Subdivision By-law amendments to accommodate freehold rowhouses.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

There is no Council policy directly applicable to the proposed amendments.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Planning and Development Services RECOMMENDS approval of the recommendations of this report. Providing the opportunity for fee simple ownership enhances

citizen's housing choices and fulfills a key recommendation of the Mayor's Affordable Housing Task Force.

REPORT

Background/Context

In June 2012, the Province enacted amendments to the Land Title Act to enable party wall agreements to be registered against the title of a property. This legislative change helps to provide a new opportunity for ownership in the form of a freehold rowhouse.

On April 9, 2013, Council approved the Norquay Village Neighbourhood Centre Plan Implementation - New Zoning District Schedules". Freehold rowhouses are a new use term in the RM-7/RM-7N Districts Schedule, the first district schedule to provide such use. These rowhouses are intended to be situated on separate legal parcels as narrow as 16.4 ft. (5.0 m) in width, with parcel areas as small as 1,400 to 1,500 sq. ft. (130 m² to 140 m²).

The Subdivision By-law does not currently provide for parcel widths and areas of this size, and the proposed changes to Section 9 would allow the Approving Officer to permit minimum width, area and street frontage requirements that are specific to this new use term. In addition, a new fee category will be required for freehold rowhouse subdivision applications, to capture some of the additional costs required to review party wall agreements and any other applicable agreements. The proposed amendments are detailed in Appendix A.

Strategic Analysis

The Provincial amendments to the Land Title Act enacted in 2012 pave the way for a new form of property ownership - freehold versus strata - applicable to rowhouse forms of development.

Freehold rowhouses will provide an attractive ownership option for those having reservations about strata ownership and the related rules and obligations of being part of a strata corporation. Owners will have title to their land, including ownership of their front and rear yards. In a strata rowhouse development, owners have title to their unit (strata lot), and yard areas are typically defined as limited common property for exclusive use of that particular strata lot.

Each form of ownership has its own advantages and disadvantages to developers and ultimately the homeowner:

- **Party Wall Agreements:** As a condition of approving subdivisions for freehold rowhouses, the Approving Officer will require party wall agreements for each shared supporting wall between adjoining rowhouses, to address shared responsibilities between adjacent owners to cover alterations, maintenance and repairs of the party wall, and provide procedures for ascertaining the location of any cables, drains, pipes, sewers, wires or other conduits in or near the party wall, as well as procedures for clearing, replacing or repairing them. Strata rowhouse developments do not require party wall agreements, as the *Strata Property Act* deals with the relationships between strata lot owners. The *Act* also provides a regulatory scheme which applies to standards of maintenance for strata properties.
- **Site Servicing:** In terms of site servicing (sewers, water, gas, electricity, telephone, cable), strata developments will offer some cost advantages over freehold

developments. Strata development site services can be interconnected, with only single service connections required for each type of service or utility for an entire rowhouse development. Separate easements for interconnected services or utilities are also not required as again they are dealt with through provisions in the *Strata Property Act*. In general, fee simple parcels require independent connections for City services (sewer and water), as well as third-party utilities (gas, electricity, telephone and cable). In cases where services or utilities cross property lines, such as drainage or electrical conduits, various easements or right-of-way agreements will also be required.

Following extensive consultation with Engineering staff, who also consulted with third party utility providers, it has been determined that a minimum parcel width of 5.0 m (16.4 ft.) will be required for freehold rowhouses, to accommodate servicing, street trees and third party utilities. Servicing for a freehold rowhouse parcel will be constrained by the narrow lot width and may impact the development layout, and all freehold rowhouse applications will require careful coordination with the City Engineering Department and third-party utilities.

To enable approval of narrow fee-simple parcels to accommodate freehold rowhouses, a number of new provisions are required in Section 9 to allow the Approving Officer to permit minimum width, area and street frontages that are specific to this new use term. In addition, a new fee category will be required for freehold rowhouse subdivision applications, to capture some of the additional costs required to review party wall agreements and any other applicable agreements. The proposed amendments are detailed in Appendix A.

FINANCIAL IMPLICATIONS

The proposed fee of \$7,600 per application plus \$1,000 per freehold rowhouse parcel will cover incremental staff time required for review of contemplated servicing requirements and legal agreements.

CONCLUSION

This report recommends Subdivision By-law amendments to enable the Approving Officer to permit minimum width, area and street frontages required for parcels intended to accommodate freehold rowhouses, and to add a new fee category and fee for freehold rowhouse subdivision applications. Staff recommend approval of all amendments contained in Appendix A.

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Proposed Amendments to the Subdivision By-law

1. In Section 9 - "Minimum Standards":
 - (a) renumber sections 9.5, 9.6, 9.7, 9.8, 9.9, and 9.10 as 9.6, 9.7, 9.8, 9.9, 9.10, and 9.11;
 - (b) insert after section 9.4, the following:

"9.5 Notwithstanding Sections 9.3 and 9.4, the Approving Officer may approve a subdivision, which creates parcels having a lesser width or area than the minimums prescribed in Table 2 of Schedule A, if the proposed development consists of freehold rowhouses with shared party walls located on proposed common boundaries, provided that:

 - (a) the proposed development complies with the Zoning and Development By-law, the Parking By-law, and any applicable official development plan;
 - (b) the proposed development complies with the Building By-law to the satisfaction of the City Building Inspector;
 - (c) the parcel width of the proposed development is sufficient to accommodate all city works and services, existing street trees, and third party utilities, to the satisfaction of the General Manager of Engineering, except that no parcel shall have a width less than 16.4 feet (5.0 m) as measured at the required building line, and
 - (d) party wall agreements, in a form and on terms satisfactory to the Director of Legal Services, must be registered on title."
 - (c) in renumbered section 9.6, at the end of subsection (e), strike out "." and substitute "; and", and add:

"(f) land on which the proposed development consists of freehold rowhouses with shared party walls located on proposed common boundaries, except that such parcels must have a minimum of 16.4 feet (5.0 m) abutting on a street not being a lane."
2. In Schedule F - "Fees", renumber clauses "6." and "7." as "7." and "8." respectively; and add, in numerical order:

"6. CLASS VI (Freehold Rowhouses) - For an application to subdivide pursuant to Section 223.2 of the Land Title Act \$7,600.00, plus \$ 1,000.00 per freehold lot."