

## MOTION ON NOTICE

### 2. **Increasing Affordable Housing Options through Character House Incentives in RS Zones**

Submitted by: Councillor Hardwick

#### WHEREAS

1. There are 60,000 RS-zoned lots across the city that can help to address the city's housing and affordability crisis, and accommodate growth in part through character house retention options and the adaptive reuse of character homes, while also supporting the City's climate change objectives and Greenest City goals related to waste reduction;
2. Demolition of character housing in Vancouver is a major contributor to our city's affordable housing crisis, whereby properties are redeveloped and liveable homes replaced with homes typically built for a significantly more expensive luxury housing market, the frequent result of which is the elimination of affordable secondary suites and the displacement of renters;
3. The City of Vancouver previously undertook a multi-year Character House Zoning Review, with extensive public consultation, in order to curb the high number of character and heritage house demolitions that take place every year in the city;
4. Many of the publically supported options identified in the City's multi-year Character House Zoning Review have never been implemented and the demolition of sustainably-built, enduring housing stock continues virtually unabated;
5. Making character house retention tools available can help to create the range of affordable housing choices needed in our city and add definition and vibrancy to neighbourhoods while retaining neighbourhood character – for example, conditional zones such as RT7 and RT8 in Kitsilano have led to some of our city's most vibrant, family-friendly neighbourhoods and hitherto resulted in few demolitions;
6. Many houses in the city have been converted to have two secondary suites, with three rental suites in total (i.e., top floor, main floor, and basement), although one of these units is usually unauthorized unless changes can be made to allow all three units through the Secondary Suite Program provides alternatives to the Building By-law to make them legal and safe, for affordable rentals and owners' mortgage helpers;
7. The City's current Secondary Suite Program already allows relaxations to the Building Bylaws and Zoning and Development Bylaws, such as waiving sprinkler requirements, allowing lower ceiling heights, requiring only one exit, removal of interior stairs, etc., for one secondary suite; that could be amended to allow for two secondary suites;

8. The Character House Zoning Review included years of consultation, and if character and heritage houses are to be meaningfully retained and adaptively reused as intended by the review and City policy, further changes are required to the City's RS zoning, By-laws, and Secondary Suite Program, otherwise an increasing amount of our city's heritage and character house stock will be lost along with the opportunities they represent for creating affordable rental housing.

THEREFORE BE IT RESOLVED

- A. THAT Council direct Staff to report back to Council, on a priority basis in Q1 of 2020, to further incentivize the retention of character houses as a means to facilitate the rapid creation of a diverse supply of affordable rental housing as outlined in Appendix A below, including the following:
  - a) Adding conditional zoning mechanisms, similar to Kitsilano RT7 & RT8 zones, for all RS zones in the city, with an outright 0.5 FSR and conditionally increased to full FSR in two distinct housing approval streams, including one fast track stream that offers enhanced incentives and rapid approval for character house renovation/adaptation/retention, and a separate approval stream for non-character houses with new construction;
  - b) As a further option for character house retention, allow two secondary suites through the Secondary Suite Program provides alternatives to the Building By-law to make them legal and safe, for affordable rentals and owners' mortgage helpers, with any required related changes to the Vancouver Building Bylaw, the Secondary Suite Program, and other bylaws and policies;
  - c) Provide strategic options, exemptions, and changes to the 2019 Vancouver Building By-law, and other City policies and guidelines, to allow greater flexibility for character and heritage house retention, for example, by exploring alternative options to fire sprinkler requirements for a character house with up to one secondary suite;
  - d) Explore other options as incentives for character house retention as outlined in Appendix A below, including potential tax incentives and local area heritage density transfers for Heritage A listed properties.
- B. THAT increased resources be allocated in the City's 2020 Budget, preferably through a reassignment of staff resources, to support the actions under this motion and an enhanced recently established Renovation Centre, specifically specialized staff and new processes that would significantly speed up and simplify the approval process for character and heritage house renovations and the implementation of retention incentive programs.
- C. THAT Council direct Staff to report back on character house demolition rates one year after the implementation of any and all of the enhanced character house retention policy measures as outlined above.

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## **APPENDIX A – Enhanced Character and Heritage House Retention Strategies and Incentives**

The following are clarifications regarding the above resolutions and Council directions to staff:

- Adding conditional zoning mechanisms, similar to Kitsilano RT7 & RT8 zones, with a low outright floor space ratio of 0.50 floor space ratio (FSR) in all RS zones, (except for RS3 & RS3A) where further increases in density, and development for a laneway house, secondary suite or duplex, are subject to two distinct approval streams, with one stream which would offer enhanced incentives for character house retention and a second stream for non-character house lots intended for full demolition followed by new construction (Note: RS3 and RS3A would have an equivalent but different low outright calculation method based on an adjustment to their current FSR formula).
  1. STREAM ONE: To increase conditional options beyond current incentives to retain character houses (incentives which already include: 0.75 FSR + 0.16 Laneway House; 0.75 FSR Multiple Conversion Dwelling, “MCD”; 0.85 FSR with Infill; 0.85 FSR MCD with Infill), by providing an additional incentive to allow two secondary suites (for rental only, not for strata MCD) in the main house, with conversion under the Secondary Suite Program to ensure acceptable safety and liveability standards, and any related changes to the Secondary Suite Program and Vancouver Building By-law that may be required to allow this;
  2. STREAM TWO: Allowing density above outright 0.50 FSR for non-character house lots, to the full conditional 0.70 FSR (along with development options as per current zoning) provided that specific design guidelines are followed, and that at least one secondary suite is provided, or – on lots with over 49 ft. frontage – that a duplex is provided in the main dwelling when the existing house is demolished (except where duplexes are not currently allowed as in RS3 & RS3A zones), with an option included for the duplex to have an internal connection if one owner has both units, or the owners agree in writing, that could be easily closed off as would be required if the units are to be separated for strata for future downsizing or for the next owner;
- Incentivizing design guidelines for character house retention and non-character house lots to ensure quality of design and materials and an appropriate fit into a neighbourhood character streetscape.
- Expanding the Alternate Requirements under Section 11, while addressing life safety issues, as may be approved by the Chief Building Official from time to time, with the aim to provide flexibility and alternatives to current building code requirements where a character house or heritage building was built under building code requirements of an older construction era, including clear explanatory guidelines for the public.
- Exploring alternative options to fire sprinkler requirements for a character house with up to one secondary suite, while addressing life safety issues, when the main house is not being substantially renovated and only minor renovations are proposed, or when a strata infill is added in rear yard, limit sprinklers on the main existing house so that sprinklers are only required to protect the side yard means of egress.
- Exploring alternative options for laneway house sewer services for an existing character house by allowing appropriate discretion to the Director of Planning and Chief Building

Official in order to retain existing mature trees landscape on a private property through amendments to the Sewer Bylaw 8093.

- Exploring alternatives to basements in a character house being counted as a storey under the Fire Code when the main floor is more than 6 feet above grade, which many character houses are, especially if it is raised to create a liveable basement. If a basement is counted as a storey, it causes a typical 2-½ storey house to be counted as 4 storeys which means Part 3 of the VBBL (for multifamily construction) would apply and detrimentally so.
- Amending the Secondary Suite Program, and VBBL 2019 update as may be required, to allow two secondary suites to be converted through the Secondary Suite Program as an incentive exclusively for character house retention.
- Providing the recently established Renovation Centre with specialized staff, processes and resources, to be included in the 2020 budget, to improve the approval of renovations and character/heritage retention incentive programs.
- Seeking potential tax incentives and options in RS zones for the retention of heritage houses listed on the City of Vancouver heritage register, such as for property tax waivers as part of a Heritage Revitalization Agreement (HRA), as allowed in other areas of the city, and/or by requesting that the province waive the Additional School Tax.
- Exploring local heritage density transfers, as part of a Heritage Revitalization Agreement (HRA), for exceptional heritage listed "A" properties in RS zones that are vulnerable to demolition (but where part or all of the increased density could not be accommodated onsite without ruining the heritage values), with the density transfer to be landed consistent with a community supported scale and location and within the same neighbourhood, but not for addition to the Density Bank.

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