

COUNCIL REPORT

Report Date: July 12, 2023
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Meeting Date: July 12, 2023
Submit comments to Council

TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability

SUBJECT: Progress Report: Adding Missing Middle Housing and Simplifying Regulations in

Low Density Neighbourhoods

Recommendation

THAT Council receive the Adding Missing Middle Housing and Simplifying Regulations in Low Density Neighbourhoods update presentation for information.

Purpose and Executive Summary

This report provides a timely update to the Missing Middle Housing initiative since the last presentation to Council in January and raises public awareness of the report content ahead of the anticipated Referral Report currently scheduled for July 25, 2023.

Council Authority/Previous Decisions

- February 2021: Council approved <u>Turning the Key: Encouraging Affordable Home</u>
 Ownership in the City of Vancouver (Member's Motion B.2)
- January 2022: Council approved <u>Making Home: Housing For All Of Us (Member's Motion B.3) (2022)</u>
- July 2022: Council approved the Vancouver Plan (2022)
- January 18, 2023: <u>Reference Report Adding Missing Middle Housing and Simplifying Regulations in Low Density Neighbourhoods</u>
- June 2023: Council approved 3-3-3-1 Permit Approval Framework

City Manager's Comments

The City Manager concurs with the foregoing recommendations. This initiative is a key component of the 2023 Planning, Urban Design, and Sustainability Department's work program and addresses a number of Council priorities for housing and permit processing.

Context and Background

Adding Missing Middle Housing

Through public engagement during the Vancouver Plan and Housing Vancouver Strategy, many residents of Vancouver have indicated a desire for more housing choice, including strong support for missing middle housing types.

On January 26, 2022, Council passed motion B.3 (Making Home: Housing for All of Us) asking staff to investigate allowing up to six units on a lot in lower density areas.

Simplifying Regulations in Low Density (RS) Zones

The current low-density (RS) regulations have increased in complexity and requirements over many decades and has resulted in a regulatory framework that is difficult to understand, thorny to navigate, and slow to administer for homeowners, builders and staff. In tandem with the concept development for missing middle housing options, staff have worked to simplify and align the RS zoning regulations to facilitate a simplified, streamlined and efficient permitting system and advance the permitting timeline improvements identified in Council's approved 3-3-3-1 Framework.

Discussion

On January 18, 2023, staff provided a presentation to Council on the emerging concepts for new missing middle housing options and efforts to simplify regulations across the RS zones. Council received that reference report for information and directed staff bring forward recommendations for Council consideration as soon as possible.

Since the January 18, 2023, presentation to Council the following progress has been made:

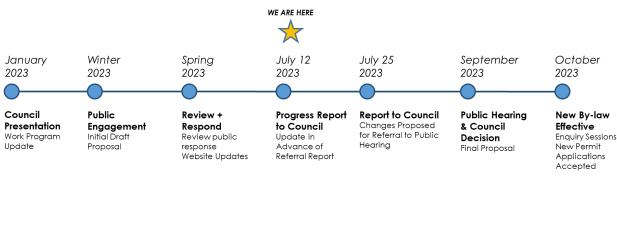
- Public Engagement Engagement was initiated in February through in-person and online sessions, Shape Your City (SYC) page and survey.
- Industry Engagement In person and online workshops and information sessions shared concept refinements along with financial testing and proposed density bonus rates.
- Refined Proposal Based on the public and industry engagement, an updated proposal
 was shared with the public on the project's SYC web page in May 2023 (multiplex and
 changes to RS regulations) and includes a video on Missing Middle housing that has
 been viewed more than 45,000 times to date.
- Financial Testing This work has recently been completed, shared with industry and is available on the SYC page. To limit land value escalation, staff are recommending that multiplex be added as an option with density bonus provisions.

- RS Simplification Work to simplify the regulations in the RS zones has been completed
 to provide consistent and simple regulations and reduce the number of discretionary
 design reviews and decisions. As a result, the 9 RS zones are proposed to be
 consolidated into a single updated residential zone.
- Timing and Permits Planning staff have collaborated with Development, Buildings and Licensing staff throughout this effort to create staff supports, staff and applicant training, and a program rollout strategy that includes sequencing for accepting permits under the new regulations for multiplex projects, pending enactment in the fall.

Further details on the refined Missing Middle multiplex concepts along with changes recommended to RS district schedules will be included in the presentation to Council in conjunction with this report.

<u>Timeline</u>

A Referral Report with recommendations on changes to the Zoning and Development By-law is on-track to come forward to Council on the July 25, 2023 agenda with a Public Hearing tentatively scheduled in mid-September. Should Council refer this item to Public Hearing and approve staff recommendations, staff anticipate that new permit applications could begin to be accepted by late 2023.



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