## Adding Missing Middle Housing + Simplifying Regulations In Low Density Neighbourhoods



## **Council Presentation**

January 18, 2023

## Outline

Background & Context

Adding Missing Middle Housing Options

-- Aligning Existing Housing Options

G→ Simplifying Regulations



Adding Missing Middle Housing + Simplifying Regulations

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## Outline

**Background & Context** 

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#### What housing options are part of Missing Middle:

- Ground-oriented housing types including duplexes, multiplexes and townhouses (1-3 storeys)
- Low-rise apartment buildings (4-6 storeys)







# What Other Cities Are Doing Background + Context







# Background + Context

### **4** Core Principles

Create the Right Supply of Housing Address Speculation Protect & Grow the Rental Stock 10,000 12,000 20.000 Ground-oriented ownership Social, supportive Market & below-market Support Marginalized and rental units & co-op units secured rental units Residents





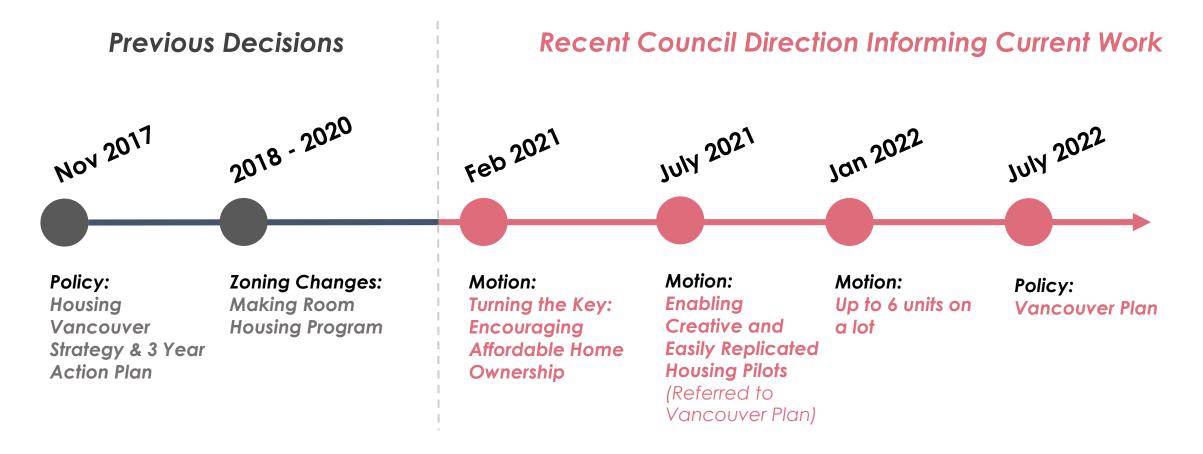
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## **January 2022 Motion**

**Key Drivers:** 

Housing Affordability

**Need for Missing Middle Housing** 

**Climate Emergency** 

### 20 Considerations For Exploration, including:

- Up to 6 units on a lot
- More height & density
- Financial testing (density bonus charges & affordability)
- Livability & accessibility
- Family-size units
- Reduced size for new single-detached homes
- Monitoring & reporting



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# Solution Context Context Context

52% of the land in the city supports only 15% of the dwelling units

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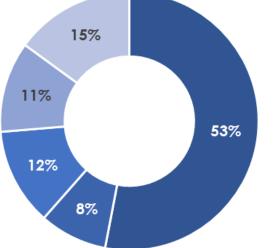
RS Zones



Adding Missing + Simplifying R

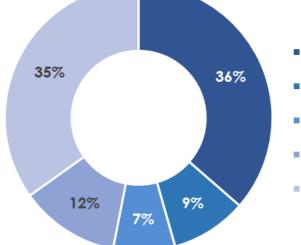
## What Gets Built in Low Density Areas Background + Context

### All Existing Residential Floor Area, 2020



#### House

- Duplex, Townhouse, Rowhouse, MCD
- Low-rise Apartment (≤4 storeys)
- High-rise Apartment (>4 storeys)
- Mixed Use Apartment



#### Residential Floor Area Built 2016-2020

#### House

- Duplex, Townhouse, Rowhouse, MCD
- Low-rise Apartment (≤4 storeys)
- High-rise Apartment (>4 storeys)
- Mixed Use Apartment





## What Gets Built in Low Density Areas Background + Context

- 1-for-1 replacement of houses continues at a high rate
- New detached houses are beyond the reach of most households
- Outcomes are not aligned with our stated objectives: affordability, diversity, sustainability, equity







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Create more **complete neighbourhoods** with more **missing middle housing** 

Provide new **housing options that cost less** so more people can build a future here

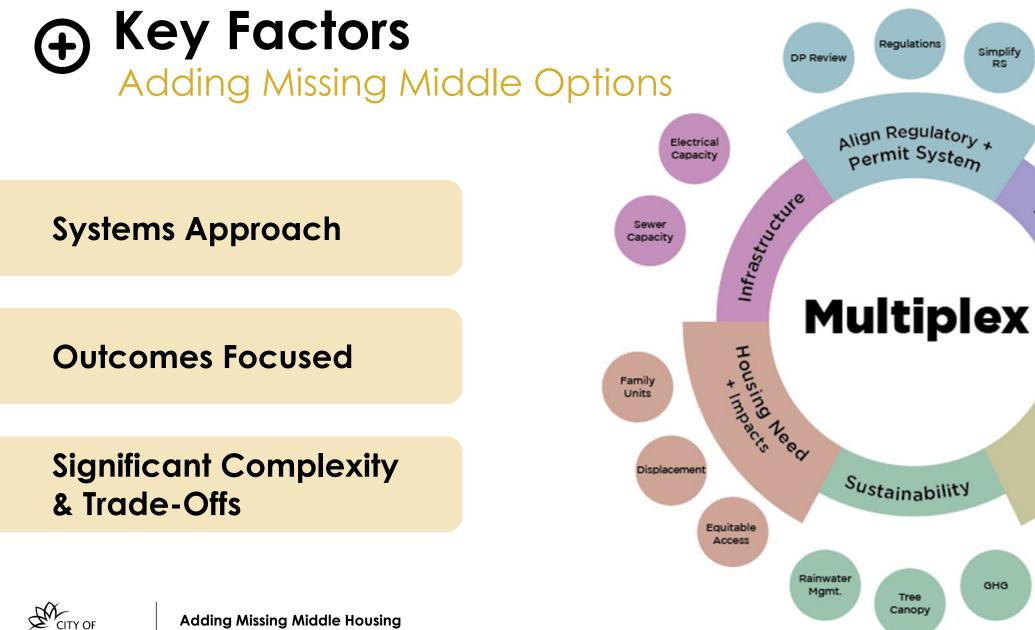
Support **diverse household sizes and types**, including families with children

Improve livability, accessibility and sustainability

Make it easier to build new housing with **simple rules and processes** 









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Rental +

AHO

Costing

Site

Servicing

Accessibility

Livability

Density

Bonus

Financials

Objectives

# Industry Engagement Adding Missing Middle Options

- Four workshops with small home builders, designers & architects held in 2022
- Areas of Investigation:
  - Learning from duplex & character retention project experience
  - Customer wants & needs
  - Infrastructure issues & costs
  - Permit process challenges
  - Drivers of complexity & uncertainty
  - Ideas for improvement
- Support for adding multiplex options, aligning existing options and simplifying regulations





# Multiplex Options Adding Missing Middle Options

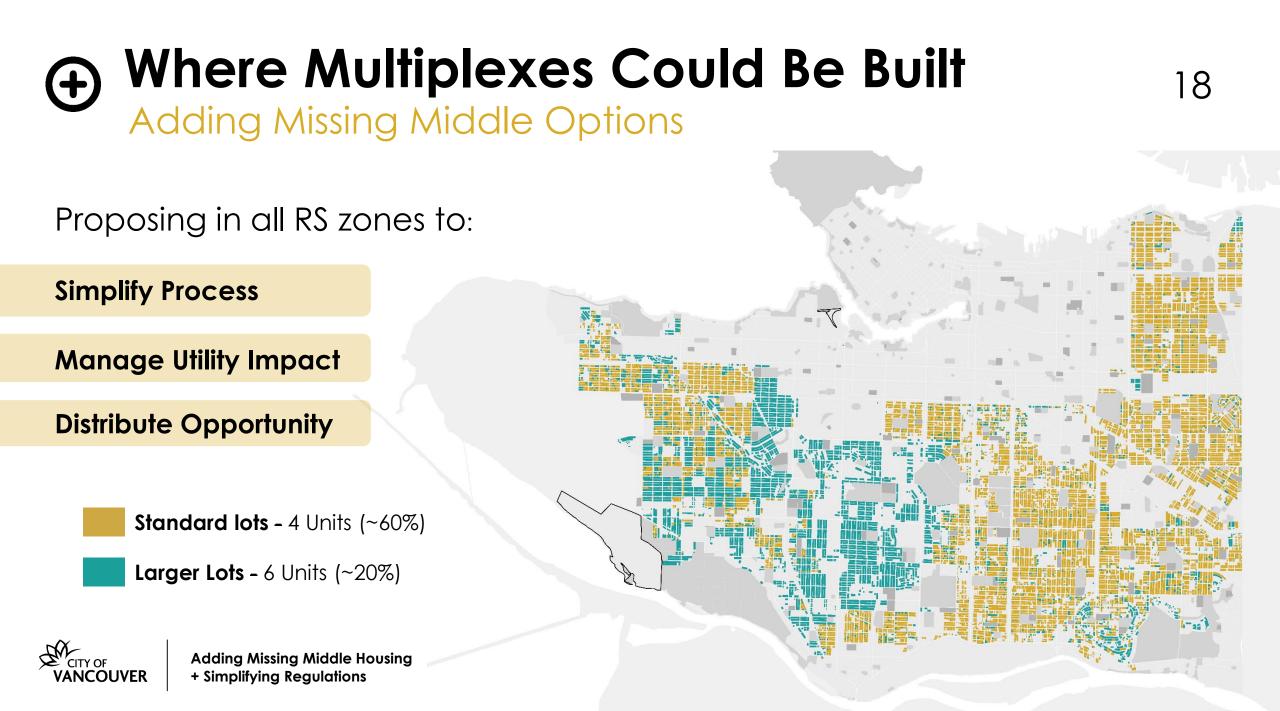
## **Existing Options**



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New Multiplex Options (Illustrative Examples)







Illustrative Comparison of Newly Constructed Housing Options – East Side Standard Lot







	House	Duplex Unit	Fourplex Unit
Est. Purchase Price*	\$2,818,200	\$1,550,010	\$1,107,150
% of House Cost	100%	55%	39%
20% Down Payment	\$563,640	\$310,002	\$221,430
Income Required**	\$586,000	\$326,000	\$235,000

\*Based on average unit size for a 4,026 sq. ft. lot and total floor area of 0.7 FSR for house & duplex, 1.0 FSR for fourplex \*\*assumes 20% down, 25 yr amortization, 5.5% interest rate, property taxes and \$200 monthly maintenance costs, HH spending 30% of income





## Exploring Below-Market Homeownership Adding Missing Middle Options

### What is Below-Market Homeownership (BMHO)?

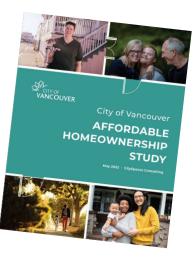
Units created & sold at a below-market price to eligible buyers

Buyer eligibility requirements typically apply (e.g. max. income, first-time buyers only, etc.)

**Approaches to affordability vary** (permanent vs one-time) amongst other cities' programs

Not a substitute for other types of lower-cost housing (e.g. rental & social housing)



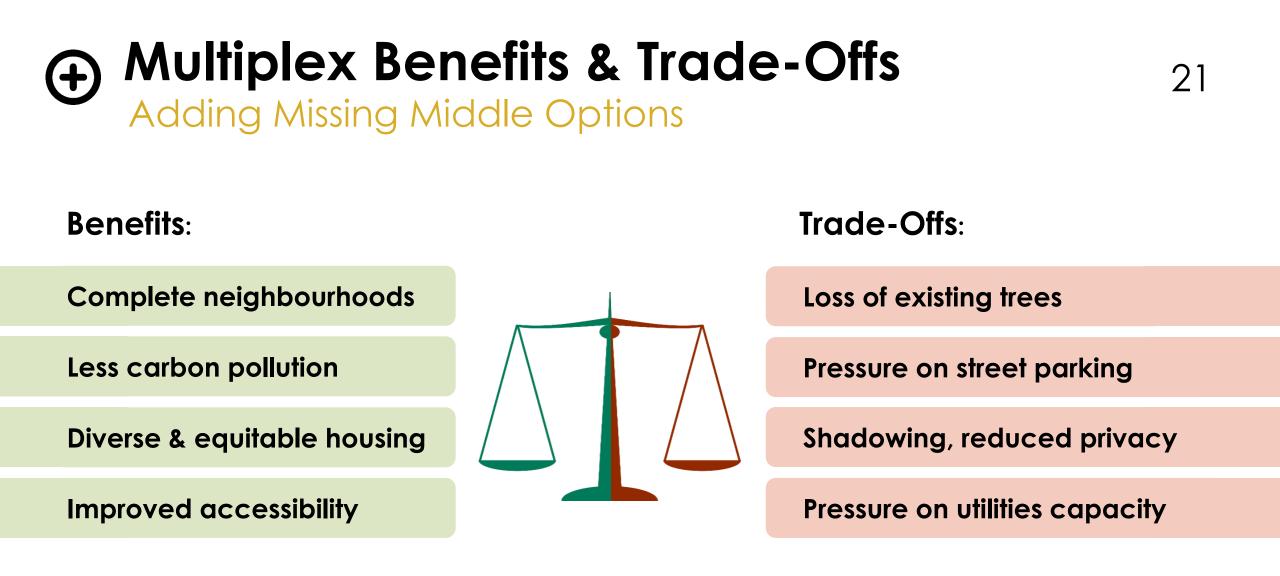


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### **Exploring Potential Opportunities in Multiplexes**

- Option for BMHO unit in lieu of density bonus charge
- Depth of affordability feasible
- Program goals & parameters, administration, partnerships with BC Housing & non-profits









## Outline

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# -- Encourage Shift to Missing Middle Aligning Existing Housing Options

Encourage shift to more missing middle housing by providing more FSR with more units:

	Но	use	Duplex	Character	Multiplex
FSR	0.6	0.7	0.7	0.85	1.0
Infill/LWH FSR	<b>0.25</b> (rental bonus)	<b>0.16</b> (rental bonus)	-	<b>0.25</b> (incl. in total)	<b>0.25</b> (incl. in total)
Units (Lot size dependent)	1x owr	<b>- 3</b> hership lary rental	<b>2 - 4</b> 2x ownership 2x secondary rental	<b>2 - 6</b> all ownership	<b>3 - 6</b> all ownership
	Missing Middle H				



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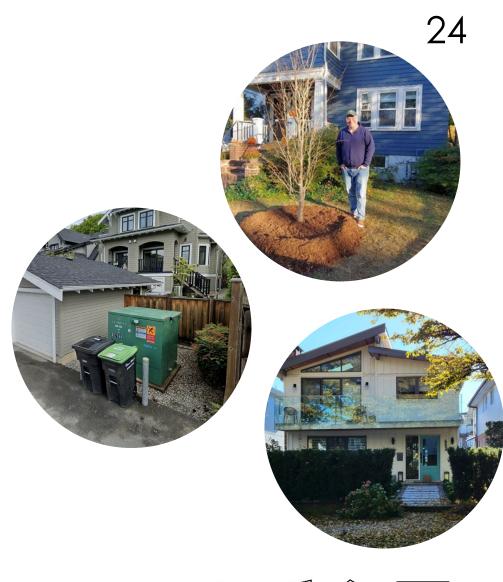
**Restore no basement option for new houses** Improve accessibility, reduce carbon pollution

**Reduce size of new houses** Incentivize less expensive options with more units

Add option for larger laneway house Aligned with scale of infill (coach houses)

Apply new requirements to all options Rainwater tank, tree planting, transformer space

Reduce basement depth from 5' to 4' Allows for gravity flow sewer connection







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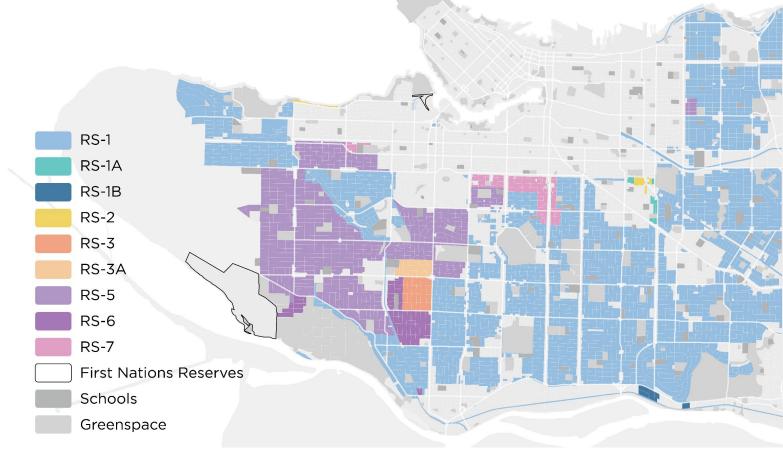


## **∂** RS Zones and Regulations Simplifying Regulations

Low density areas divided into 9 low-density (RS) zones

Duplex, laneway house & secondary suite regulations are generally the same everywhere

Regulations & design requirements for houses are different across the RS zones







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# Objectives for Simplifying Regulations Simplifying Regulations

To add new options we need to simplify existing RS zones and processes to create capacity, through:

**Standardization & Consistency** 

**Reduced Complexity** 

**Development Application &** Regulation Permitting **Redesign Project Modernization Task** Force Pilot Vancouver Plan **Early Actions** 

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# Potential Changes Simplifying Regulations

### Standardize Requirements

- Setbacks, uses, height, etc.
- Remove complex calculations

### **Remove Design Guidelines & Notification**

- Allow greater design freedom
- Reduce & simplify staff review
- Eliminate neighbourhood notification
- Remove discretion and uncertainty from the process

## Reduce Number of RS zones (result of items #1 and #2)



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## How Multiplexes Could be Processed 29 Simplifying Regulations

## Simple Approach to Make the Permit Process as Efficient as Possible

Multiplex Would be Added as an "Outright" Use (Like Houses, Laneway Houses and Duplexes)

- No discretionary design guidelines
- Simple design regulations in the zoning (like duplex)
- No neighbourhood notification
- Requires both a Development Permit (Zoning check) and Building Permit (VBBL review)





## Upcoming Public Engagement Opportunities 30

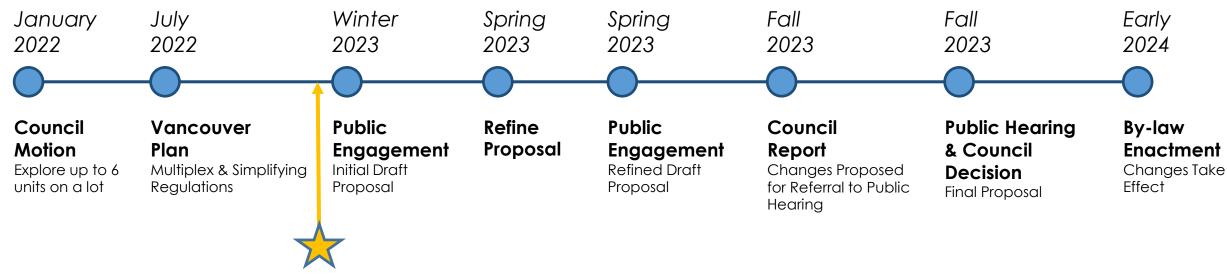
## Phase I (Winter-Spring 2023) Public Engagement Activities

What	When	
Project website launch (Shape Your City)	Early February 2023	
Public survey launch	Early February 2023	
Media launch	Early February 2023	
8 In-person & online information sessions	February 7-27	
Stakeholder & industry meetings	March-April 2023	





# Timeline



WE ARE HERE





# Summary



-- Aligning Existing Housing Options

G→ Simplifying Regulations





# Thank you!



