



DATE OF MEETING: February 23, 2017
TO: North Pender Island Local Trust Committee
FROM: Justine Starke, Island Planner, Local Planning Services
SUBJECT: **Preliminary Report**
LTC Top Priority Housing – Secondary Suites

RECOMMENDATION

- 1. That the North Pender Island Local Trust Committee endorse the Project Charter, dated February 14, 2017 for the secondary suites housing project.**

REPORT SUMMARY

The purpose of this report is to introduce secondary suites as the next phase of consideration by the North Pender Island Local Trust Committee of its housing top priority.

BACKGROUND

The North Pender Island made housing a top priority in 2015 and focussed on regulations to control the use of residential properties for Short Term Vacation Rentals. The NPI LTC has proposed bylaws 203 and 204 which are in their final stages of consideration; bylaw 203 is with the Minister of Community Sport and Cultural Development for consideration.

The North Pender Island Local Trust Committee has given previous direction to conduct a housing needs assessment for North Pender Island. The housing needs assessment is being led by the Capital Regional District Capital Region Housing Corporation and has been expanded to include the other Southern Gulf Islands.

On November 24, 2016 the North Pender Island Local Trust Committee passed a resolution to add Secondary Suites as a focus under its Top Priority work program.

North Pender Island Affordable Housing Task Force

In January 2008, the North Pender Island Local Trust Committee established an Affordable Housing Task Force (made up of Pender Island residents) to look at housing need. The Task Force conducted a survey of housing needs as part of its report and concluded that “affordable housing is important for the Island if it is to be a place that attracts all ages and income groups as well as ongoing economic investment interest (i.e. services, programs, infrastructure improvements, etc.). However, there are concerns about existing rental rates, lack of affordable housing for service providers, employees in the business sectors, and for the aging community members.”

The report identified several housing issues:

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- home ownership costs exceed the income of young families;
- limited options for downsizing seniors;
- limited supply of rental housing;
- poor quality of rental housing;
- lack of income limits options for renters;

The Task Force identified a number of alternatives to the status quo that could be considered in addressing affordability issues, these include:

- Density bonus
- Higher density housing at select locations
- Infill housing
- Housing fund, Home trust, and housing registry
- Land acquisition
- **Secondary suites**
- Seasonal rental of tourist accommodation by Pender residents in need
- Upgrading programs
- Education and awareness

ANALYSIS

Policy/Regulatory

Islands Trust Policy Statement:

Support for housing in the Islands Trust Policy Statement can be found in *Part V: Sustainable Communities*.

The goal of this part is “to sustain island character and healthy communities.”

The Policy Statement defines sustainable communities as “human communities that have achieved a balance between environmental, economic and social systems and which respect the carrying capacity of the supporting environment.” Other relevant policies include:

5.2.3 Local trust committees and island municipalities shall, in their official community plans and regulatory bylaws, address policies related to the aesthetic, environmental and social impacts of development.

5.2.4 Local trust committees and island municipalities shall, in their official community plans and regulatory bylaws, address any potential growth rate and strategies for growth management that ensure that land use is compatible with preservation and protection of the environment, natural amenities, resources and community character.

5.2.5 Local trust committees and island municipalities shall, in their official community plans and regulatory bylaws, address means for achieving efficient use of the land base without exceeding any density limits defined in their official community plans.

5.7.2 Local trust committees and island municipalities shall, in their official community plans and regulatory bylaws, address economic opportunities that are compatible with conservation of resources and protection of community character.

Official Community Plan:

Pender Island Official Community Plan

Rural Residential Policies

2.1.1.1 The principal use shall be residential. Accessory uses shall not detract from the rural character of the island.

Rural Policies

2.1.2.1 The principal uses on lands in the Rural land use designation shall be residential and agricultural.

Affordable Housing Policies

2.3.21 Any additional density greater than that permitted by current zoning shall be in the form of units reserved exclusively for occupancy as affordable housing.

2.3.23 Zoning should regulate the density, size and siting of units in order to maintain rural residential character.

2.3.25 Developments shall be encouraged to incorporate water conservation measures and energy efficient building design elements.

Land Use Bylaw:

The LUB does not define affordable housing or permit secondary suites.

Issues and Opportunities

Secondary Suites

A secondary suite is an accessory dwelling unit usually located within the principal residential building. The BC Building Code limits the maximum size of a secondary suite to 40% of the floor area of the principal dwelling unit - to a maximum floor area of 90 m² (969 sq ft). Secondary suites are typically affordable, ground oriented and market based. Given the number of single family residences on North Pender Island, and its aging and growing population, the ability to provide legalized secondary suites could assist the community in addressing its perceived housing diversity and affordability issues.

Affordable Housing

The affordability of suites is not something that can be mandated effectively through tools such as housing agreements and will be primarily market driven. Affordability is not guaranteed. However, compared with other initiatives to provide affordable housing opportunities, secondary suites can be more readily available as they involve utilizing existing residences. They can be created without public expenditures or the involvement of community organizations.

Rental Housing

Normalizing secondary suites provides tenants with rental housing that is safe, legal, and affordable. This means security and stability for many North Pender renters, as well as an opportunity to move out of what may be inadequate living situations. Suites also offer the potential for car sharing and neighbourly living.

Homeowners

Secondary suites offer mortgage helpers to make home ownership more attainable. They also offer options

for people to age in place, security for those with a disability, and offer family support to adult children or elderly relatives.

Community

Secondary suites maintain community character while enabling families and individuals from diverse economic backgrounds to live in the same area. They provide a stock of low-cost housing without government subsidies and without added density. Secondary suites are also important for business owners by providing accommodation for employees; for agriculture by offering a place to house farm workers; and for non-resident property owners by offering security and caretaking of a property.

Servicing

Legalized secondary suites require water and septic issues to be addressed in the building permit process. This means that each septic field is evaluated on a case by case basis and upgrades are required where needed. Improved septic fields reduce pollution and protect the water quality of drinking watersheds. Proof of available water supply is also confirmed at the time of application for building permits. Within water and service areas, the service providers must confirm there is capacity for the secondary suite. Once legalized, the water service cannot be revoked.

Agricultural Land Reserve

The *Agricultural Land Reserve Use, Subdivision and Procedures Regulation*, (BC Regulation 171/2002) Sections 3(1)(b) and 1(1) allows one secondary suite in a single family dwelling. Currently, the North Pender Agriculture Zone does not consider this a permitted use, even within the ALR. The NPI LTC may consider secondary suites within the ALR without additional approvals from the Agricultural Land Commission.

How do other islands deal with Secondary Suites?

Many communities throughout BC have made – or are in the process of making – provision for secondary suites. The experience of other communities offers numerous lessons:

- Simple, basic bylaws tend to be the most successful
- Encouragement is more effective than approaches that rely on penalties
- It is important to address the need for parking on-site.
- Successful secondary suite regulations draw on broad community participation in the process.

Within the Islands Trust Area, the following islands permit secondary suites:

- Hornby Island
- Denman Island
- Gabriola Island (within the Agricultural Land Reserve Only),
- Bowen Island
- Salt Spring Island
- Mayne Island
- Galiano Island

Regulations

Below are summaries of secondary suite regulations on other islands within the Trust Area:

Hornby Island:

- The secondary suite must be wholly within the principal residential dwelling;
- Must contain at least one bedroom and bathroom, a separate kitchen and living area
- Must be occupied by the owner or residential tenant
- Must be limited in size to 40% of the floor area of the principal dwelling unit to a maximum floor area of 90 m².
- Is not permitted in areas of the island designated as having high aquifer vulnerability.

Salt Spring Island

Secondary suites are allowed in “pilot areas,” which are along the public transit routes and which avoid water sensitive areas and lands serviced by small scale water districts.

- The secondary suite must be occupied by the owner of the dwelling or by a person other than the owner who has responsibility for managing the property, including dealing with complaints of neighbours arising from the occupancy of the property.
- There is a maximum of one secondary suite permitted per lot.
- A secondary suite must be contained within the walls of the building that contains the principal dwelling unit.
- The entrance to a secondary suite from the exterior of the building must be separate from the entrance to the principal dwelling unit.
- The maximum floor area for a secondary suite is 90m² (968 ft²).
- A secondary suite must not be subdivided from the principal dwelling unit under the Land Title Act or the Strata Property Act.
- Where a lot is supplied by groundwater, a building containing a secondary suite must have sufficient available groundwater.
- Where a secondary suite is supplied by rainwater collection, the rainwater system must be capable of supplying the suite with a sufficient quantity of potable water.
- Where water is to be supplied to a secondary suite by a combination of sources, a written plan for the supply of water is to be provided that demonstrates an adequate supply of potable water.
- Where water is supplied to a secondary suite by a community water system, the operator of the community water system must provide written confirmation that it has sufficient capacity to supply the secondary suite.
- Where water is to be supplied from a surface water body, a water license, issued or amended after November 30, 1994, must permit the withdrawal of the required amount of water.

Mayne Island:

Secondary suites are permitted on lots that are not within the water service areas.

- There is a maximum of one secondary suite per lot.
- On parcels less than 4 hectares; a secondary suite shall not be permitted on the parcel if a cottage has been constructed; and a cottage shall not be permitted on the parcel if a secondary suite has been constructed.
- The secondary suite must be contained within the walls of the building that contains the principal dwelling unit.
- Home occupations cannot be carried out in a secondary suite.

- The entrance to the secondary suite from the exterior of the building must be separate from the entrance to the principal dwelling unit.
- A building permit shall not be issued for a secondary suite until the building that is to contain the secondary suite is equipped with a water catchment and storage system for the storage of rainwater. Minimum cistern capacity required for a building containing a secondary suite is 13640 litres (3000 gallons).
- The floor area of the secondary suite shall not exceed 60m² (646 ft²) nor shall it exceed 40 percent of the floor area of the principal dwelling unit.
- A secondary suite must not be subdivided from the principal dwelling unit under the *Land Title Act* or the *Strata Property Act*.

Considerations for North Pender Island

Considerations that the LTC should take in to account in deciding whether to proceed with the development of a secondary suite bylaw:

- Is there sufficient demand for secondary suite accommodation to warrant amending the Land Use Bylaw? Without the completion of the housing needs assessment, the level of demand for secondary suites is not well understood.
- Should this type of housing only be permitted near (within a specific radius) higher density, developed areas (e.g. Magic Lake) or services (e.g. Driftwood Centre)?
- Do the Island's water service areas classify secondary suites as additional units, increasing water demand? Is there support for allowing secondary suites in water service areas? Staff are recommending specific consultation with the water and sewer service commissions.
- Should the secondary suite be within a principal dwelling or could it be in a detached garage (i.e. carriage house).
- Should there be owner occupancy of the principal dwelling as a restriction of secondary suite occupancy? Although this is a common requirement in secondary suite bylaws, it may not be enforceable.
- How will existing suite owners be encouraged to come forward and apply for a building permit for compliance? The experience with other Local Trust Areas has found this to be a difficult problem and not easily resolved without cooperation or incentives from the Capital Regional District.
- Should a secondary suite restrict other uses (e.g. bed and breakfast, boarders) from occurring in the same building or in cottages on larger properties (over 1 .2 ha)?
- Can agreement be reached with the Capital Regional District (CRD) building inspection to phase in the legalization of suites?

Rationale for Recommendation

Staff have prepared a project charter for consideration by the LTC. The Project Charter suggests an approach to consulting the community and considering amendments that would allow secondary suites on North Pender Island. The staff recommendation is to endorse the project charter for this policy program.

Alternatives

1. Defer until completion of the Housing Needs Assessment

The LTC may consider deferring this policy program until the CRD has completed the housing needs assessment for the Southern Gulf Islands. The housing needs assessment will provide detailed data and information on the available stock and demand for rental housing and the affordability of ownership housing on North Pender. The NPI LTC is unlikely to complete this project within the current political term if the project is deferred at this time.

2. Decide to not pursue secondary suites and take it off the top priority list.

The LTC may consider other more pressing priorities in the project list to address at this time.

NEXT STEPS

The next steps include:

- 1) Specific Consultation with Stakeholders (water service areas, CRD)
- 2) Initial Community Information Meeting
- 3) Draft bylaws for consideration of further consultation
- 4) Community Information Meeting(s)
- 5) Formal Bylaw process begins
- 6) Public Hearing
- 7) Consideration of Adoption

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Concurrence:	Robert Kojima	February 15, 2017

Attachments:

1. Project Charter Dated February 14, 2017