Memo

Date:

May 20, 2010

To:

City Manager

From:

Community Sustainability Division

File No:

TA10-0006

Applicant:

No. 21 Great Projects Ltd.

Kelowr

Purpose:

Amendments to Zoning Bylaw No. 8000

RU3 - Small Lot Housing

RU3hs - Small Lot Housing (Hillside Area) with Secondary Suite

Report Prepared by: Greg Sauer

1.0 RECOMMENDATION

THAT Text Amendment No. TA10-0006 to amend City of Kelowna Zoning Bylaw No. 8000 as outlined in Schedule "A" of the report of the Land Use Management Department dated May 20, 2010 be considered by Council;

AND THAT Text Amendment No. TA10-0006 be forwarded to a Public Hearing for further consideration.

2.0 SUMMARY:

Amendments to Zoning Bylaw No. 8000 are proposed and which would alter the RU3 - Small Lot Housing Zone to make it more flexible and would allow for smaller fee simple lot sizes in Kelowna.

3.0 BACKGROUND

In its present form the zoning bylaw provides a zone for single detached housing, and compatible secondary uses, on smaller serviced urban lots through the "Small Lot Housing Zone (RU3)" and "Small Lot Housing (Hillside Area) with Secondary Suite (RU3hs)". To date 49 lots are zoned Small Lot Housing Zone (RU3) or Small Lot Housing (Hillside Area) with Secondary Suite (RU3hs).

The applicant has come forward with an application to amend Zoning Bylaw 8000 to increase the flexibility of the RU3 zone and thereby provide a residential single detached housing zone that meets the goal of their proposed development in south Kelowna, The Ponds - Phase 2. Please note however that this text amendment is meant to stand alone separate from the proposed development.

Specifically, the applicant has proposed the following amendments to Section 13.3:

- 1. Minimum lot width is reduced from 10.5 metres to 8.5 metres, except on corner lots which would be reduced from 12.0 metres to 10 metres.
- 2. Minimum lot area is reduced from 325 square metres to 290 square metres.
- 3. No maximum floor area ratio.



4. Extension of the 1.2 metre minimum side yard to include up to 2 storey portions of buildings, except that it is reduced from 4.5 metres to 2.5 metres from a flanking street.

4.0 ADVISORY PLANNING COMMISSION

At a meeting held on April 27, 2010, the Advisory Planning Commission passed the following recommendation:

THAT the Advisory Planning Commission support Text Amendment Application No. TA10-0006 including reductions to the minimum site width, lot area and side yard setback and removal of the maximum floor area ratio.

One anecdotal comment was recorded with respect to moving towards smaller lots as a positive move in terms of affordability.

5.0 TECHNICAL COMMENTS

Building & Permitting

- 1. For any allowable projection into the 1.2 meter side yard setback, no unprotected opening(s) are permitted in the projection and the projection must be constructed with a minimum 45 minute fire resistance rating.
- 2. The maximum projection is limited to 0.6 meters including the roof of the projection, other aspects of the projections must meet the requirements of Section 6.4.1 of the Zoning Bylaw.

Interior Health has noted support for the text amendment as follows:

Interior Health supports the creation of realistic affordable housing that could accommodate a low-income family with children. Typically affordable market housing as defined by the development community is in terms of the cost of construction per unit to ensure a profit and is an unrealistic housing size for a low income family with young children. This definition excludes the social, physical and mental health aspect of housing. The stigma that surrounds 'government subsidized housing' or social housing should not be confused with affordable housing that includes home ownership at a price that is affordable to low and middle income earners. Including different housing choices allows people from all walks of life students, seniors, families with young children to find housing that suits them and allows them to remain in the community through different stages of their life.

A shift in societal thinking on affordable housing has to occur as rising house prices in BC has put low and middle income earners in a core housing need. These people represent the core foundation of workers in any community.

6.0 CURRENT DEVELOPMENT POLICY

6.1 Official Community Plan

Chapter 5 - Growth Management¹

<u>5.1.10 Develop a Compact Urban Form.</u> Develop a more compact urban form that maximizes the use of existing infrastructure, by increasing densities through development, conversion, and re-

¹ City of Kelowna Official Community Plan (p. 5-2)

development within existing areas, particularly in designated Urban Centres, and by providing for higher densities within future urban areas. Encourage development to proceed in a logical, sequential order, concurrently with availability of required urban services.

Chapter 8 - Housing²

- <u>8.1.15 Zoning Bylaw.</u> Continue to monitor the effectiveness of regulations, processes and fees in the Zoning Bylaw that affect housing and update the Zoning Bylaw to improve effectiveness whenever the need arises.
- <u>8.1.40 Housing Variety.</u> Encourage the development of a variety of housing forms to ensure that the housing supply meets the needs of Kelowna's diverse population and satisfies a range of lifestyle choices.
- <u>8.1.41 Affordable and Special Needs Housing.</u> Encourage the private sector to provide housing that is innovative and affordable and that is targeted to groups identified in the Housing Study, a Housing Reserve Fund Bylaw, or in a list published by the City.
- <u>8.1.44 Integration.</u> Encourage the sensitive integration of different housing forms in the various sectors of the City, in support of neighbourhood diversity and healthy communities.
- <u>8.1.49 Housing for Lower Income Singles.</u> Actively encourage affordable housing in accordance with the City's definitions, for lower income singles, in response to the documented shortage of housing for this particular group and focus on locating housing for this population both within and in proximity to Urban Town Centres.

Chapter 17 - Community Development Policies³

<u>17.3.23 Sustainable Development.</u> Continue to promote social well being and quality of life by including and implementing policies and actions that are environmentally sound and sustainable for development and re-development within the City.

7.0 LAND USE MANAGEMENT DEPARTMENT COMMENTS:

The fact that only 49 RU3 lots exist in Kelowna at present is telling and suggests that the zone in its present form has not provided a great deal of value. Alternatively, it could also suggest that developers and homeowners, through their purchasing preferences, have simply not demanded small lots in Kelowna in the past.

While the demand for small lots has not been apparent in Kelowna, the demand has existed elsewhere for some time. The demand for small lots is largely driven by the need to provide affordable, entry level, fee simple homes in markets where the cost of land and housing is high and/or wages low. The City of Calgary, Alberta is well known as a boom City which priced many out of the market and especially for the average sized lots typically developed. Among a number of responses, Calgary developed the "Residential - Contextual Narrow Parcel One Dwelling (R-C1N) District" where the minimum lot width is 7.5m and the minimum depth is 22.0m. The minimum area is 233.0 square metres meaning that one cannot develop to both the minimum width and depth. The minimum allowable side yard setback for any building is 1.2 m.

British Columbia examples include the Cities of Surrey, Victoria and Coquitlam to name a few. The City of Surrey has the "Special Single Family Residential (9) Zone" which is intended to "accommodate and regulate low impact retail, office, eating establishments or service uses, as

² City of Kelowna Official Community Plan (pp. 8-1, 8-2, 8-6, 8-7).

³ City of Kelowna Official Community Plan (p. 17-5).

an optional use, within single family dwellings on small urban lots". The zone permits interior lots 250 square metres in area with minimum dimensions of 9 m wide and 28 m deep, while corner lots are limited to 275 square metres and dimensions of 10.5 m by 28 m. The minimum allowable side yard setback for principal dwellings is 1.2 m.

The City of Victoria has the "Restricted Small Lot (Two Storey)" zone. While Victoria does not set minimum requirements for the width and depth of lots, the minimum area permitted is 260 square metres. The side yard minimum is 1.5 metres.

Finally, the City of Coquitlam has a zone referred to as "RTM-1 Street-Oriented Village Home Residential" zone. Like Victoria, Coquitlam does not set minimum requirements for the width and depth of lots, however the minimum area permitted is 210 square metres. The side yard minimum is 1.4 metres.

North Americans including Kelownians have long enjoyed large homes and lot sizes which are typical in Greenfield suburban developments. Now with a more turbulent economy and housing costs that are unaffordable, and out of reach for many at the lower income levels, the need to consider alternatives is apparent.

The text amendment proposed targets an emerging niche in the market, which is one that provides for more affordable consumer product. Given that land costs are a significant factor in the cost of housing, smaller lots is among the easiest areas to target. While staff agree with a number of sentiments expressed by Interior Health (see above), staff also caution against expecting too much from a relatively small change to the Zoning Bylaw. The amendment will reduce land costs for developers and builders. The cost to homeowners should therefore be reflected in a positive way. The amendment does not however guarantee affordable housing and certainly not low-income housing which is beyond what can be reasonably expected from this change.

In relative terms, even with a reduced site area for RU3, the area of land per household is still quite significant in terms of livability. As such Land Use Management staff does not have concerns with the amendments proposed. The amendments should allow proponents to provide fee simple housing at a lower price point which should result in improved housing affordability.

A summary of the proposed amendments is provided in attached Schedule "A".

Danielle Noble

Manager, Urban Land Use

Approved for inclusion:

Shelley Gambacort

Director, Land Use Management

Jup P

Attachments
Schedule "A" - Proposed Text Amendments

Date Application Accepted April 6, 2010

Schedule "A" Text Amendment No. TA10-0006 - Proposed Text Amendments

		Zoning Bylaw No. 8000	
No	Section	Existing To	Proposed Text
	\$13.3 - Small Lot Housing	RU3 - Small Lot Housing RU3hs - Small Lot Housing (Hillside Area) with Secondary Suite	RU3 - Small Lot Housing RU3s - Small Lot Housing with Secondary Suite RU3h - Small Lot Housing (Hillside Area) RU3hs - Small Lot Housing (Hillside Area)
2.	\$13.3.5 Subdivision Regulations	(a) The minimum lot width is 10.5 m, except it is 12.0 m for a corner lot. (b) The minimum lot depth is 30.0 m. (c) The minimum lot area is 325 m².	(a) The minimum lot width is 8.5 m, except it is 10.0 m for a corner lot. (b) The minimum lot depth is 30.0 m. (c) The minimum lot area is 290 m2.
m'	S13.3.6 Development Regulations	 (a) The maximum site coverage is 40% and together with driveways and parking areas, shall not exceed 50%. (b) The maximum floor area ratio is 0.55. (c) The maximum height is the lesser of 9.5 m or 2 ½ storeys, except it is 4.5 m for accessory buildings and for accessory structures. For the RU3hs zone the maximum height of any vertical wall element facing a front, side or rear yard (including walkout basements) is the lesser of 6.5 m or 2 storeys, above which the building must be stepped back at least 1.2 m. (d) The minimum front yard is 3.5 m. (e) The minimum side yard is 1.2 m for a 1 or 1½ storey portion of a building and 1.5 m for a 2 or 2½ storey portion of a building, except it is 4.5 m from a flanking street or when required by Section 13.3.5(g). (f) Notwithstanding Section 13.3.5(e), one side yard, not flanking a street, may be reduced to 0.0 m provided there is a 2.4 m clear easement registered against the abutting lot (except for permitted overhanging eaves and accessory buildings located at least 4.5 m from the rear of the principal building. There shall be no windows or doors on the side of the dwelling without the side yard. (g) The minimum rear yard is 6.0 m for a 1 or 1½ storey portion of a building and 7.5 m for a 2 or 2½ storey portion of a building, but it is 1.5 m for a 2 or 2½ storey portion of a building but it is 1.5 m for a 2 or 2½ storey portion of a building. Where the lot width exceeds the lot depth, the minimum near yard is 4.5 m provided that one side yard shall have a minimum width of 4.5 m. (h) For the RU3hs zone, all decks, supporting posts or columns shall nave a minimum wall. (h) For the RU3hs zone, all decks, supporting posts or columns shall nave a minimum wall. (n) For the RU3hs zone, all decks, supporting posts or columns shall not exceed the lesser of 4.5 m or 1 storey in height, such measurements to include the height of any support structure or retaining wall. 	
			of Featilling Wall.