From: "Mochrie, Paul" < Paul. Mochrie@vancouver.ca>

To: "Direct to Mayor and Council

Date: 5/29/2025 9:00:19 AM

Subject: Memo to Mayor & Council - Update - R1-1 Residential Inclusive Zone and Multiplex

Attachments: Memo to Mayor & Council - Update - R1-1 Residential Inclusive Zo ne and Multiplex

(RTS #16207).pdf

Dear Mayor and council,

Please see the attached memo from Josh White, General Manager of Planning, Urban Design and Sustainability and Corrie Okell, General Manager of Development, Buildings and Licensing providing Council with an update on the implementation of the R1-1 Residential Inclusive Zone adopted by Council following a public hearing in September 2023.

- The R1-1 zoning resulted from the consolidation and simplification of 9 low-density RS zones into one zone and introduced "multiplex", a new missing middle housing option which enables 3 to 6 ownership units (strata tenure), or up to 8 secured rental units, on a single lot.
- As of the end of March 2025, approximately 370 multiplex applications have been accepted, representing a total of approximately 1,500 dwelling units.
- In 2024 multiplex became the predominant application type in the R1-1 zone, representing ~50% of the total application volume, compared to ~30% for duplexes and ~20% for detached houses. This indicates strong market interest and that the simplified regulations support the development of the multiplex option.
- DBL staff have been reviewing processing streams for multiplex to improve efficiencies where
 possible. A new concurrent development and building permit process for multiplex projects with up to 4
 units (up to 2 per building) is anticipated to launch in the second half of 2025 and will save processing
 time for applicants.

Should you have any questions please contact Josh White (josh.white@vancouver.ca) or Corrie Okell (corrie.okell@vancouver.ca).

Paul Mochrie (he/him)
City Manager

City of Vancouver

Best,

paul.mochrie@vancouver.ca



| e City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x m k lusqueam), S wxwú7mesh (Squamish), and s lilw ta (Tsleil-Waututh) Nations. | y m |
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MEMORANDUM

May 29, 2025

TO: Mayor and Council

CC: Paul Mochrie, City Manager

Armin Amrolia, Deputy City Manager Karen Levitt, Deputy City Manager Sandra Singh, Deputy City Manager

Katrina Leckovic, City Clerk

Maria Pontikis, Chief Communications Officer, CEC

Teresa Jong, Administration Services Manager, City Manager's Office

Mellisa Morphy, Director of Policy, Mayor's Office

Trevor Ford, Chief of Staff, Mayor's Office

Michelle Au, Director, Permitting Services, Development, Buildings and

Licensing

Neil Hrushowy, Director, Community Planning, Planning, Urban Design and

Sustainability

Dan Garrison, Director, Housing Policy and Regulation, Planning, Urban

Design and Sustainability

Jason Olinek, Director, Development Planning, Planning, Urban Design and

Sustainability

Chris Robertson, Director, City-Wide and Regional Planning, Planning, Urban

Design and Sustainability

FROM: Josh White, General Manager, Planning, Urban Design and Sustainability

Corrie Okell, General Manager, Development, Building and Licensing

SUBJECT: Update – R1-1 Residential Inclusive Zone and Multiplex

RTS #: 16207 - Adding Missing Middle Housing and Simplifying Regulations

This memo provides an update on the implementation of the R1-1 Residential Inclusive zone adopted by Council following a Public Hearing in September 2023. The R1-1 zoning resulted from the consolidation and simplification of nine low-density RS zones into one citywide zone covering approximately 65,000 lots, which amounts to over 50% of the City's land area. The R1-1 zone also introduced "multiplex", a new missing middle housing option which enables three to six ownership units (strata tenure) or up to eight secured rental units, on a single lot. Other low-density options such as single detached houses, duplexes, laneway houses, and character retention projects continue to be available in the R1-1 zone.

The first multiplex applications were accepted November 2023, and approximately 370 applications have been accepted up to March 31, 2025. This represents approximately 1,500 dwelling units across the applications.



Applications have been received in low-density neighbourhoods throughout the city with a slight majority of \sim 52% on east-side sites, and \sim 48% on west-side and central sites. The map below illustrates the distribution of applications across the city. Larger multiplexes (6 units) are primarily located on the west-side due to the larger lot sizes (50+ foot lots) which can accommodate more units.

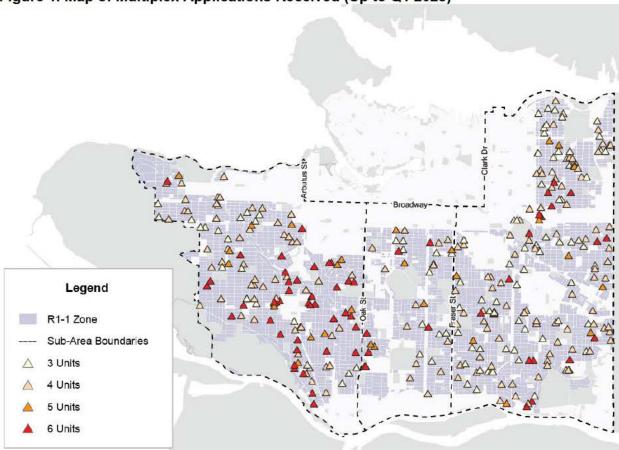


Figure 1. Map of Multiplex Applications Received (Up to Q1 2025)

Figure 2: Table of Multiplex Applications by Location (Up to Q1 2025)

| Multiplex Projects by Location in City (Percentage) | | | | |
|---|-------|---------|-------|--|
| Options | West | Central | East | |
| 3 Unit Multiplex | 7.0% | 3.0% | 18.6% | |
| 4 Unit Multiplex | 15.4% | 3.5% | 25.7% | |
| 5 Unit Multiplex | 3.5% | 1.9% | 3.5% | |
| 3 Unit Multiplex | 12.2% | 1.6% | 4.1% | |
| Percentage | 38.1% | 10.0% | 51.9% | |
| Total Projects | 141 | 37 | 192 | |

The proposals span a range of lot sizes and include the full range of units (3-6) for strata ownership tenure¹. Units are primarily family-size units with 2 or more bedrooms. Both single building and courtyard designs have been proposed, with about ~70% opting for a courtyard design with a front and rear building separated by a central courtyard in a similar configuration to character infill projects. The graph and table below illustrate the breakdown of projects by unit type and key characteristics.

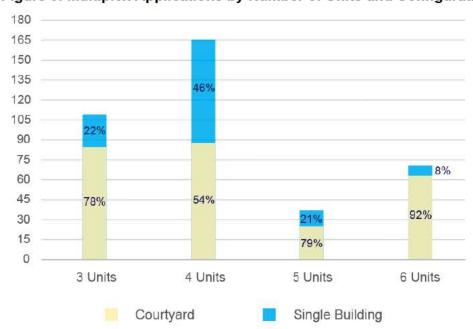


Figure 3: Multiplex Applications by Number of Units and Configuration (Up to Q1 2025)

Figure 4: Key Characteristics of Multiplex Applications Received (Up to Q1 2025)

| Characteristics | # of Applications | % of Applications | | | |
|--------------------------------------|-------------------|-------------------|--|--|--|
| Number of Units | | | | | |
| 3 Units | 106 | 28.6% | | | |
| 4 Units | 165 | 44.6% | | | |
| 5 Units | 33 | 8.9% | | | |
| 6 Units | 66 | 17.8% | | | |
| Configuration | | | | | |
| Courtyard (Front and Rear Buildings) | 259 | 70.0% | | | |
| Single-Building | 111 | 30.0% | | | |
| Basement | • | | | | |
| Basement | 39 | 10.5% | | | |
| No Basement (Above Grade) | 331 | 89.5% | | | |

¹ Strata tenure multiplexes with up to six units per site are permitted depending on the site size and are subject to a bonus density charge. Secured market rental tenure multiplexes are also an option, with up to eight units per site and no bonus density charge.

As noted above:

- A significant majority (~90%) of applicants have opted to design without a basement.
 Updates to the height and FSR regulations enabled multiplexes to be developed at 3-storeys above grade (no basement required) to reduce the cost and site disruption associated with basement excavation. Limiting the need for basements also addresses City objectives around resilience and sustainability. Fewer projects will require pumping to the sewer connection and projects will utilize less concrete which is a greenhouse gas-intensive material.
- Amendments to the Parking By-law adopted in June 2024 eliminated minimum vehicle
 parking requirements for all land uses citywide in response to provincial legislation (Bill
 44 and Bill 47). Multiplex applications to date have provided an average 0.83 parking
 spaces per unit. While there is insufficient space for one parking space per unit,
 applications have generally maximized the number of parking spaces that can fit on a
 site (e.g., two spaces per 33' lot with four units; four spaces per 50' lot with six units,
 etc.).

There has been a clear shift in R1-1 from houses or duplexes to multiplexes since inception of the program. This indicates that there is market interest and that the simplified regulations support the development of this option. The volume and range of multiplex applications by unit count and configuration demonstrate that the regulations are working well and achieving objectives around clarity, simplicity and flexibility on a wide range of lots.

Feedback from local small home builders, designers and architects has been very positive overall, confirming that the regulations and supporting resources have been well received. A multiplex industry workshop was held on March 13, 2025, with 18 local builders, designers and architects in attendance as well staff from Planning, Urban Design and Sustainability (PDS) and Development, Buildings and Licensing (DBL). It was a productive session with constructive feedback which will inform ongoing improvements to the program.

Development Trends in R1-1 and Low-density Neighbourhoods

Since the introduction of duplexes in low-density RS neighbourhoods citywide in 2018, the number of duplex applications, as compared to single-detached house applications, has steadily increased as noted in the graph below. In 2024, with the introduction of multiplex, there has been a further shift towards multiplex as the predominant application type, with data confirming that the zoning changes have successfully shifted low-density development towards projects with more units to improve housing options in neighbourhoods.

On June 18, 2024, Council also approved updates to RT-7 and RT-9 in Kitsilano and the First Shaughnessy District (FSD) to expand the multiplex option to these neighbourhoods in response to provincial legislation (Bill 44).

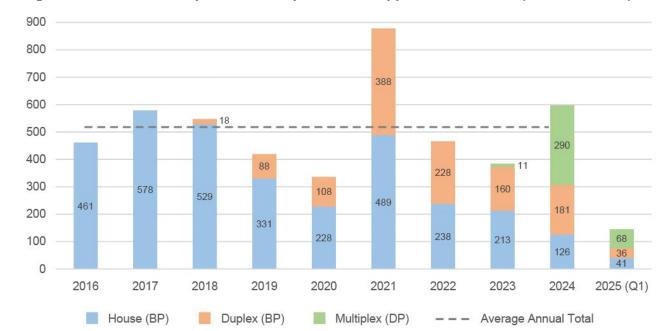


Figure 5: New House, Duplex and Multiplex Permit Applications in R1-1 (2016 - Q1 2025)

Character Houses

Optional zoning incentives were introduced in 2016 for projects which choose to retain a character house, including additional strata units and floor area. These projects include renovations to existing pre-1940s character homes to contain multiple units and/or new infill buildings located at the rear of the site. The character projects represented a 'pilot' for multiplexes because they demonstrated how small-scale multi-unit projects could fit in low-density neighbourhoods. Since character retention incentives were updated in 2018, on average 30 character retention applications in R1-1 have been received per year, and this generally continued in 2024 with 25 applications. The modest amount of character retention projects as compared to new construction is largely due to the complexities associated with retaining and converting pre-1940s homes to multi-unit housing and bringing homes up to code for life safety².

Despite these challenges, some builders and designers continue to be specialists in this type of project and have an interest in pursuing retention projects. There is a waiver of the bonus density charge applicable to multiplexes in R1-1 for character retention projects as an incentive to offset costs associated with retaining and upgrading pre-1940s houses. In response to the Council Motion dated September 2023, staff will bring forward amendments to R1-1 to better align the character retention options with the new multiplex option, including the maximum FSR of 1.0. This will be included in comprehensive updates to align options in R1-1, RT and RM districts scheduled to begin Q4 2025.

² The provincial Strata Act requires that houses with additional strata tenure units be upgraded to meet current building code requirements, including requirements for life safety for fire and seismic events.

Laneway Houses

Laneway houses have been an option in low-density neighbourhoods since 2009. Laneway houses are permitted in conjunction with new or existing single detached houses, which may also have a secondary suite. Laneway houses cannot be strata-titled or owned separately from the main house and are intended to create additional rental options. From 2009 until 2018, there were an average of approximately 500 permit applications to build laneway houses each year. With the introduction of duplexes there was a drop in the number of laneway houses as applications shifted from single detached houses to duplexes. Since 2018, on average, there have been 340 laneway house applications per year. It is noted that rental tenure laneway houses do not trigger the same extent of code upgrades to the main house as would the introduction of a strata tenure infill building. Staff therefore anticipate that laneway houses will continue to be a desirable and practical option for homeowners who would like to retain the existing main house.

With the adoption of R1-1, the permitted FSR for laneway houses was increased from 0.16 to 0.25 to encourage more family-size units with 2 or more bedrooms. In recent years, approximately 62% of laneway house applications have been to add a laneway house to a lot with an existing main house. A total of 445 laneway house applications were received in 2024, with 79% on sites with an existing house, which further highlights the shift away from new single-detached house construction.

Detention Tanks

Upcoming changes for low-density applications include the introduction of a detention tank requirement in the Vancouver Building By-law to address stormwater impacts on the sewer system. Detention tanks will be installed underground in yard space (like sumps) to delay the release of stormwater to the sewer system. Detention tank requirements will apply to new single detached houses, duplexes, and multiplexes as of July 1, 2025.

A "small site pathway" has been developed to ensure simple and efficient review of detention tank requirements for sites up to 1.0 FSR and 1000 m², which includes all R1-1 projects. Detention tank requirements are based on site size and can in many cases be met with 'off-the-shelf' modular tank systems available locally. Engineered drawings are not required for small site pathway projects. The detention tanks are part of the storm drainage system, and their installation will be incorporated into the existing inspection process during construction. Staff have consulted with the local industry to build awareness of the tank requirement and to help ensure product availability.

BC Hydro and Electrical Transformation Requirements

For some multiplexes, on-site electrical transformation via a ground-mounted transformer unit may be required depending on the service. Ground-mounted transformers take up space which could otherwise be used for parking and are typically more expensive and take BC Hydro longer to review than overhead pole-mounted transformers. Initial multiplex projects were mostly required to provide on-site transformation. City and BC Hydro staff are now prioritizing overhead services wherever possible, and as a result, lower cost overhead electrical service is becoming increasingly common. These improvements to BC Hydro electrical servicing have been supported by a PDS staff resource temporarily seconded to work directly with BC Hydro.

Processing Stream

Currently, development and building permit applications are reviewed sequentially, with the development permit review for zoning regulations occurring in advance of the building permit review for the building/construction code. For smaller-scale multiplexes comprised of two buildings with up to two units per building, applications will soon be accepted for processing concurrently, as these generally utilize the same regulatory checks already in use for single detached houses, duplexes and laneways. A key feature of this new concurrent process will be the ability to apply through the Development and Business Services Portal. This digital tool allows applicants to determine project requirements and feasibility, estimate fees, identify required permits and documents, and submit complete applications online. This functionality is already available for duplexes, single detached houses, and laneway houses, and is anticipated to launch for multiplexes in the second half of 2025. Learnings from the smaller-scale multiplex concurrent process will be applied to more complex designs with up to six or eight units in future.

In parallel, staff are also incorporating key R1-1 multiplex rules into Archistar eCheck, a digital pre-screening tool that will allow designers and applicants to assess their designs for zoning compliance before submitting an application. This is anticipated to help reduce avoidable errors and resubmissions, with aims to further streamlining the permitting process. The City's eCheck pilot already supports laneway house (in all zones where they are permitted) and single detached house and duplex designs in R1-1. Staff have also piloted an Al-guided digital plan review tool called CivCheck for use in supporting building plan checks for multiplexes. The pilot findings will inform further process improvements, support broader conversations around the evolution of review practices and policy life-cycle management.

Conclusion

The new R1-1 Residential Inclusive district has been successful in addressing goals around standardisation and simplification of regulations to support the introduction of more housing options in low-density neighbourhoods. Staff continue to monitor the progress of multiplex applications and will report out with more information as projects are completed. As a next step, a work program to update low- to medium-density R1-1, RT and RM (townhouse) zones is planned to begin Q4 2025. This work program is intended to further simplify and consolidate zones, including expanding the multiplex option for single lots in more neighbourhoods, and review other ways to support the creation of multiplexes.

Please do not hesitate to contact either of us directly if you have any questions or concerns.

Regards,

Josh White

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