

What you need to know Small-scale Multi-unit Housing (SSMUH) Legislation

In 2023, the Province introduced legislation aimed at getting more homes built faster, including <u>Bill 44</u>, which in part requires local governments to update their regulations to allow more small-scale multi-unit housing (SSMUH). In 2024, the City of Vancouver amended the <u>Zoning and Development By-law</u> to meet Bill 44 requirements. Here's what you need to know.

What is SSMUH and what changes have been made to the Zoning and Development By-law?

Small-scale multi-unit housing, or SSMUH, describes a range of smaller-format homes, such as:

- Secondary suites in single-family dwellings
- Detached accessory dwelling units (ADUs), like garden suites or laneway homes
- Triplexes
- Townhomes
- Multiplexes

Prior to Bill 44, in October 2023, the City enacted the new R1-1 Residential Inclusive zone, which allowed up to six strata units per standard lot, with additional capacity for rental housing. In May 2024, in alignment with Bill 44, Council amended the by-law for 5 restricted zones to allow similar densities. This means most of Vancouver single-detached housing zones are now eligible for multiplexes, and there will be a wider range of housing options for different income levels and family sizes in our city.

What restricted zones have changed to allow more SSMUH to be built?

Five zones in Vancouver required changes to comply with SSMUH requirements:

- RT-7
- RT-9
- Two CD-1 zones
- First Shaughnessy District (FSD)

Council also directed staff to report back to explore other potential changes to introduce multiplex options into other RT zones, as well as revisit certain aspects of the R1-1 district schedules to align with the Provincial site standards for SSMUH.

What is the maximum number of SSMUH units that can be built on a lot? If I have a larger lot, can I apply for higher density than standard lots?

The maximum number of units allowed on a lot depends on the zone and site conditions. In the R1-1, RT-7, and RT-9 districts, the following criteria apply to both standard and larger lots:

- Maximum 6 strata units allowed
- Maximum 8 secured market rental housing units allowed
- The lot must meet the minimum site area and site standards requirements
- In R1-1, the lot must also meet the minimum frontage requirements

To find out how many units are allowed on different lot sizes, check the <u>Low Density</u> <u>Housing Options How-to Guide</u>.

Is the City changing the new R1-1 multiplex rules to align with the Provincial SSMUH Legislation?

No. The provincial legislation does not require the City to change the R1-1 multiplex rules, as this zone already enabled sufficient housing options. The legislation requires changes in zones classified as 'restricted,' which includes zones that limited housing options to detached houses and duplexes (with or without secondary suites or additional units like a laneway house) as of December 7, 2023. Since the R1-1 zoning allows multiplexes with up to 8 units and was already in place at that time, it is not considered a 'restricted' zone.

How can I find out what zone I'm in and whether the SSMUH regulations apply to me?

You can find your zone and other information on zoning here: <u>https://vancouver.ca/home-property-development/zoning-and-development-bylaw.aspx</u> If you have questions, contact the Rezoning Centre, <u>rezoning@vancouver.ca</u>.

Will heritage and character homes be protected?

Properties with legal heritage protections can't be demolished to make way for new multiplexes. However, these properties can still explore options to create additional housing by converting existing spaces and adding infill buildings.

Unlike heritage houses, character houses without legal protections don't have exemptions under provincial legislation and will now be able to take advantage of new build or renovation and retention options in the RT-7 and RT-9 zones.

Do the Provincial SSMUH requirements include a Floor Space Ratio (FSR)?

The provincial legislation does not require municipalities to include a specific FSR rule in zones where changes are required. In RT-7 and RT-9, the City is proposing a FSR of 1.0 to align with R1-1 regulations. In First Shaughnessy District (FSD), the maximum permitted FSR is 0.5 due to the larger size lots.

Why can't the density allowed for multiplexes be greater than 1.0 FSR? Are there other opportunities for Missing Middle Housing in City that go beyond 1.0 FSR?

Allowing multiplexes at densities above 1.0 FSR would create several issues. It would conflict with R1-1, require longer and uncertain review processes, increase utility risks, and potentially require costly upgrades. Larger buildings can also be more complicated and costly to design under the building code and create the need for expensive underground parking. Currently, the 1.0 FSR limit in R1-1 zones is effective, with several hundred applications received to date.

Other policies such as those included in recent community plans and the Secured Rental Policy support the construction of larger and more dense types of Missing Middle Housing. Additional opportunities for higher-density housing will be introduced through the implementation of the Vancouver Plan.

Will basement options still be available? Do I have to build completely above grade?

Yes. Applicants will continue to have the option of including a basement level if desired. The City is also enabling designs that are entirely above grade.

Will the changes to allow multiplexes impact property taxes? What about property values?

Property taxes are determined by the City's budget and property assessments by BC Assessment. Through economic testing, the multiplex option is not expected to result in any significant increases in land values in low-density areas. The City has also implemented a density bonus requirement for multiplex options to secure funding to support improvements to infrastructure and amenities in these neighborhoods.

Multiplexes are not expected to significantly impact property values with the proposed density bonus framework.

If I build a multiplex on my property, will I have to pay Development Cost Levies (DCL) and Community Amenity Contributions (CAC)?

All development applications in the City are subject to paying a DCL, unless the project is eligible for a DCL waiver or exemption. CACs are only applicable to rezoning applications, and as such, multiplex proposals will not be subject to a CAC. The City has also implemented a density bonus requirement for multiplex options to secure funding to support improvements to infrastructure and amenities in these neighborhoods. Check here more information.