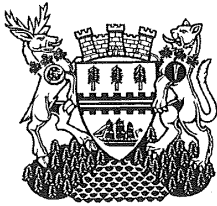


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Council Agenda Information
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City of Port Moody Report/Recommendation to Council

Date: January 23, 2017

File No. 01-0370-20-22/2001

Submitted by: Councillor Diana Dilworth, Chair, Secondary Suite Task Force

Subject: Secondary Suite Task Force Final Report

Introduction

The City formalized a Secondary Suite Program in 2004 in response to resident concerns about the impact of unregulated secondary suites in their neighbourhoods and the City's desire to legalize such suites to ensure adherence to BC Building Code standards that meet fire and safety requirements. The program also addressed enforcement mechanisms and a fee structure to cover administrative costs of program implementation.

In 2015, Council supported a review of the existing Secondary Suite program by forming a Secondary Suite Task Force, with a focus on the currency of bylaws, equitability of associated fees and potential alternative fee structures, success of secondary suites as a form of affordable housing, and consistency with programs in other municipalities.

The Secondary Suite Task Force is pleased to present its findings and recommendations for Council's consideration in this report.

Recommended Resolution

THAT Secondary Suite Task Force Recommendations 1 to 12 presented in the report dated January 23, 2017 from Councillor Diana Dilworth, Chair, Secondary Suite Task Force regarding Secondary Suite Task Force Final Report be endorsed and referred to staff for action.

Background

It has been 13 years since the City implemented the Secondary Suite Program. On April 28, 2015, Council established the Secondary Suite Task Force and tasked the members with reviewing the relevant bylaws that regulate secondary suites in Port Moody and considering approaches for updating it. The Terms of Reference for the Task Force are attached as **Attachment 1**. The Task Force members met on four occasions and reviewed best management practices and fee programs being used in other communities.

The resulting recommendations focus on recognizing the value of secondary suites in contributing to the rental housing stock in the community, on providing incentives to support the retention and creation of new suites, and on reviewing the existing fee structure.

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Discussion

Task Force Findings

The Secondary Suite Task Force referenced the following key documents in their discussions:

- City of Port Moody Affordable Housing Strategy (2009);
- City of Port Moody Official Community Plan (2014);
- City of Port Moody Zoning Bylaw (1988);
- City of Port Moody Fees Bylaw (2015);
- City of Port Moody Business Licensing and Regulation Bylaw (2015);
- Metro Vancouver Affordable Housing Strategy (2016); and
- Real Estate Board of Greater Vancouver, Secondary Suite Bylaws and Policies Matrix (2014).

The City's Affordable Housing Strategy clearly articulates support for secondary suites in its three primary goals:

1. Promote and maintain a wide range of innovative housing opportunities to meet the changing needs of a diverse population of varying ages, income levels, family types, accessibility, and lifestyles;
2. Protect the stock of existing affordable rental housing in Port Moody; and
3. Enhance the continuum of housing and supports for the citizens of Port Moody who are at risk of homelessness.

These recommendations are consistent with the recently-released Metro Vancouver Housing Strategy. The Task Force recognized that secondary suites are a valuable source of rental housing within the City and can also assist residents in obtaining affordable home ownership.

The Task Force focused its research and discussions in three key areas:

1. Supporting New Suites

Discussion involved reviewing existing zoning bylaws, the definition of secondary suites, and where new secondary suites might be included, potentially in townhomes, duplexes, and on properties where laneway homes might also be constructed. The City of North Vancouver has implemented a program addressing the prohibition of secondary suites in duplexes by allowing for suites in duplexes that have constructed the necessary firewall infrastructure at the time of the building of the duplex.

There are opportunities, particularly in older homes, to consider relaxations on the need to meet current building code standards, as long as all health and safety conditions are met and fire inspections are undertaken. Both the City of Coquitlam and the City of Pitt Meadows have implemented programs that take this approach.

The role of builders and developers in creating new affordable housing stock was discussed. The Task Force felt that there was opportunity in providing incentives for secondary suite infrastructure to be included at the time of house construction or a significant renovation.

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Such incentives could include a building permit fee reduction or a parallel permitting program for the house build and secondary suite inspection.

2. Equity in Costs and Charges

It was recognized that, without a metering system in place, there is no way to determine the actual costs being incurred by secondary suites and all suite owners were being charged the same business licence fees and double utility fees.

The Task Force looked at the fee structures of other municipalities, which may include additional charges for water, sewer, garbage, and recycling, and an annual licensing fee. The fees charged are summarized in **Attachment 2**.

The Task Force did consider alternative approaches to charging utility fees to homeowners who have secondary suites. While implementing a metered system where homeowners are charged for actual usage would be the ideal approach, it was recognized that this is not feasible for the City at this time.

An option that was discussed by the Task Force was to look at the overall costs being charged for secondary suites and apportion the costs over all property taxpayers in the City, not just those that have suites in their houses. This would ensure an equitable approach to supporting secondary suites in the community.

3. Compliance and Education

The Task Force felt that it was important to support the legalization of existing suites and the creation of new suites. It was noted that residents may not be aware of the value of secondary suites in the housing continuum and there may be a negative connotation towards them. There is an opportunity to share information on the social value that secondary suites bring to a community as part of an education campaign.

It is being recommended that the City enhance its existing information on secondary suites, focusing on residents that may have an unregistered suite, homeowners that are considering creating a suite, and builders and developers. An enhanced guide to secondary suites should include more detailed information on the actual process of registering a suite and what needs to be done to ensure the suite meets all provincial building codes and City requirements. This information should be presented in a clear and easily understood format.

Task Force Recommendations

The Task Force is proposing the following 12 recommendations for referral to and implementation by staff.

1. Update the Port Moody Affordable Housing Strategy (2009) to align with other strategic plans, including Metro Vancouver's Regional Growth Strategy, Metro Vancouver's Affordable Housing Strategy, the City of Port Moody's Official Community Plan, and the City's Zoning Bylaw.

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2. Allow for relaxation of Building Code Standards for secondary suites that are existing, non-conforming, or built prior to the adoption of the current Code, where the suite still meets all safety requirements.
3. Explore potential amendments to the definition of a secondary suite in order to reflect the evolution of housing stock (e.g., duplex, triplex, carriage home, laneway home, etc.), and owner status (absentee owner versus primary residence).
4. In the City's Zoning Bylaw, add provisions to allow secondary suites in duplexes and townhomes where the building code can be met, is allowed by relevant strata bylaws, and can meet off-street parking requirements.
5. Consider, within Zoning Bylaw, allowing for a secondary suite and laneway house in RS1 zoning (two additional housing units in addition to primary house) where off-street parking requirements can be met.
6. Explore implementation of an incentive for builders and developers to create infrastructure for secondary suites at the point of construction. This could include fee reductions and parallel permitting processes.
7. Implement financial incentives for new secondary suite registrants and rebates for ongoing compliance. This could include an amnesty period for registration with a waiver or reduction of costs in the first year of registration.
8. Simplify the existing fee program for secondary suites that charges both a Business Licence Fee and Utility fees, and develop one fee that covers the cost of managing secondary suites.
9. Examine the current fee structure of charging double utility fees. Consider programs implemented in Pitt Meadows and Coquitlam that charge fees at either 40% or 100% based on the status of the secondary suite.
10. Articulate how a comprehensive and effective Secondary Suite Program supports the Affordable Housing Strategies of the City of Port Moody and of Metro Vancouver.
11. Update the City's Secondary Suite Guidelines document to provide a more comprehensive explanation of the registration process for both new and existing homes. Include an exhaustive FAQ section for ease of reference to respond to common questions.
12. Promote the program to ensure homeowners, renters, and builders are aware of details and implications of the City's Secondary Suite Program.

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Other Options

THAT the report dated January 23, 2017 from Secondary Suite Task Force regarding Secondary Suite Task Force Final Report be received for information.

Financial Implications

Any changes to the secondary suite fee program, enshrined within the Business Licence and Bylaw Enforcement section of the Fees and Charges Bylaw (2015), may have an impact on the existing revenue received through the collection of business licence fees and additional utility fees.

Communications / Civic Engagement

If Task Force recommendations are supported, consideration should be given to holding public consultation to gather feedback from the community regarding potential implications of increasing the number of secondary suites.

The City's "Guide to Secondary Suites in Port Moody" will require updating to include the latest information, as well as information on the value of secondary suites within the community. The Task Force recommends that a detailed Frequently Asked Questions section be developed for inclusion in the Guide. Staff may also wish to create additional community materials, such as brochures for homeowners, builders, and developers considering the addition of secondary suites. Information on the risk of having non-compliant secondary suites should also be communicated to residents.

Council Strategic Plan Objectives

The recommendations from the Secondary Suite Task Force align with the Council Strategic Priority of Community Planning, specifically by contributing to the enhancement of affordable housing policies.

Attachments:

1. Secondary Suite Task Force Terms of Reference.
2. Summary of Fees.

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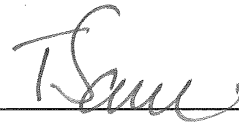
Prepared by:



Councillor Diana Dilworth
Chair, Secondary Suite Task Force

Reviewed for Form and Content / Approved for Submission to Council:

City Manager's Comments



Tim Savoie, MCIP
City Manager

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City of Port Moody Council Committee Terms of Reference

Date: April 30, 2015
Type: Short Term Select
Committee Name: Secondary Suite Task Force

File No. 0370-20-22

Approvals/Reviews/Amendments

Approval date: May 26, 2015

1. Committee Purpose

The purpose of the Secondary Suite Task Force is to review the currency of bylaws related to Secondary Suites and make recommendations to Council on the bylaws.

2. Duties

The duties of the Secondary Suite Task Force is to review the present bylaws that regulate secondary suites in Port Moody and to consider all related matters, including but not limited to the following:

- History of the bylaws regulating Secondary Suites;
- Number of Secondary Suites registered;
- Equitability of the fees associated with Secondary Suites;
- Alternative ways to charge for Secondary Suites;
- City revenues from Secondary Suites and their impact on homeowners;
- Secondary Suite regulations in other municipalities in the Region;
- Success of Secondary Suites as a form of affordable housing; and,
- Other pertinent matters as determined by the Task Force.

Bylaws to be considered include but are not limited to the following:

- City of Port Moody Zoning Bylaw 1988, No. 1890, Amendment Bylaw No. 155, 2004, No. 2622;
- City of Port Moody Fees Bylaw, 2014, No. 2987; and
- City of Port Moody Business Licensing and Regulation Bylaw, 2015, No. 3000.

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3. Membership

- 3.1 The Membership of the Secondary Suite Task Force will be the following appointed pursuant to the Council Committee System Policy:
- One (1) member of Council as Chair;
 - Two (2) members representing the community-at-large; and.
 - One (1) member representing the Community Care Committee.
- 3.2 In addition to the voting members listed above, the following staff liaisons will support the Task Force in a non-voting capacity:
- One (1) staff member from the Financial Services Department;
 - One (1) staff member from the Building, Bylaw, and Licensing Department; and
 - One (1) Committee Clerk.

4. Operations of the Task Force

- 4.1 Meetings shall be called at the discretion of the Chair.
- 4.2 The Task Force shall produce a progress report for the Regular Meeting of Council to be held on July 14, 2015, and a final report with advice and recommendations on the bylaws that regulate Secondary Suites for the Regular Meeting of Council to be held on September 29, 2015.
- 4.3 Meetings shall be conducted in accordance with the rules of procedure set out in the Council Committee System Policy.
- 4.4 The Task Force shall terminate upon completing recommendations to Council.

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Secondary Suite Task Force Fees Comparison

2016 Utility Rates	Burnaby	Coquitlam	Port Coquitlam	Pitt Meadows	Maple Ridge	Port Moody
Water	\$ 572	\$ 475	\$ 427	\$ 431	\$ 553	\$ 403
Sewer	\$ 536	\$ 397	\$ 306	\$ 275	\$ 311	\$ 313
Garbage/Recycling	\$ 75	\$ 293	\$ 182	\$ 253	\$ 70 (no pickup)	\$ 321

Total Fees for Secondary Suite Owners

Charge	Burnaby	Coquitlam <i>Unauthorized</i>	Coquitlam <i>Authorized</i>	Port Coquitlam	Pitt Meadows <i>Unregistered</i>	Pitt Meadows <i>Registered</i>	Maple Ridge	Port Moody
Water	@150% = \$ 858	@200% = \$ 806	@140% = \$ 564	@200% = \$ 854	@200% = \$ 862	@ 140% = \$ 603	@150% = \$ 830	@200% = \$ 806
Sewer	@150% = \$ 804	@200% = \$ 794	@140% = \$ 556	@200% = \$ 612	@ 200% = \$ 550	@ 140% = \$ 385	@200% = \$ 622	@200% = \$ 622
Garbage/Recycling	@200% = \$ 150	\$ 293 (no additional charge)	\$ 293 (no additional charge)	@200% = \$ 364	\$ 253 (no additional charge)	\$ 253 (no additional charge)	\$ 70 (no additional charge)	\$ 321 (no additional charge)
Annual SS Fee/ Business Licence	\$ 130				\$ 50	\$ 50	\$250 Onetime Suite Registration Fee (not included in total)	\$ 125
Total Cost to Homeowners with Secondary Suites	\$ 1,942	\$ 1,893	\$ 1,413	\$ 1,830	\$ 1,715	\$ 1,291	\$ 1,522	\$ 1,874

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