



## Administration Report

**Report Date:** August 22, 2012

**Meeting Date:** August 27, 2012

**To:** City Manager

**From:** City Planner

**Subject:** Secondary Suites

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### PURPOSE

The purpose of this report is to reaffirm Council's direction on secondary suite policy established by the prior Council in 2010 and obtain Council approval on the secondary suites consultation process.

### SUMMARY

- Council provided direction to pursue policy change to allow secondary suites in single family homes in 2010.
- Staff completed additional research on policy options and would like to proceed with public consultation prior to finalizing public consultation.
- An information sheet that summarizes the main issues around secondary suites and frequently asked questions has been prepared for the public.

### STATUTORY REQUIREMENTS

Local Government Act

### COUNCIL POLICY

Official Community Plan No. 1630, 2007

Zoning Bylaw No. 1662, 2009

Building Bylaw No. 1550, 2003

Master Fee Bylaw No. 1683, 2011

### STRATEGIC OBJECTIVE

Community Health and Safety: Affordable Housing.

### FINANCIAL IMPLICATIONS

Briefly state the financial details, including cost to City, grants received in-kind costs etc.

### BACKGROUND

Planning Staff requested and received approval to review secondary suites policy from Council in late 2010. The direction given was that Council endorsed permitting one secondary suite per single family home, subject to conditions and limitations yet to be determined and authorized staff to develop detailed policies and draft necessary bylaws with consultation from public stakeholders.

Appendix I provides the original report that was taken to the prior Council requesting permission for staff to review potential changes to Secondary Suites policy.

*MOVED Councillor Oakes, Seconded Mayor Sjostrom and resolved: THAT it be recommended to Council to endorse a broad policy direction with the goal of permitting one secondary suite per single family home, subject to conditions and limitations yet to be determined;  
AND THAT it be recommended to Council, based on the above broad policy direction, to authorize staff to develop detailed policies and draft necessary bylaws with consultation from public stakeholders.*

#### Public Consultation Recommendation

Staff recommends getting ready for public consultation by having information available on our website and at Development Services counter. This will include information sheets (See Appendix II), a contact person named for further information, and method for open ended comments on secondary suites.

Following distribution of this information Planning Staff will attend Neighbourhood Association meetings and elicit feedback; host stakeholder consultation sessions (focus groups) for three groups : 1) developers/builders/realtors; 2) Housing providers/housing advocates; 3) homeowners/general public.

Once these stakeholder sessions are completed Staff will develop draft policy amendments for Council's consideration.

#### **ATTACHMENTS**

Appendix I – Report presented to Council in late 2010.

Appendix II – Draft consultation materials.

#### **CONCURRENCE**

Byron Johnson, City Manager

#### **OPTIONS**

Council may take any of the following options:

- 1) Endorse a broad policy directive relating to secondary suites and provide Staff with the mandate to prepare bylaw amendments for community consultation.
- 2) Provide an alternative direction to Staff.

#### **RECOMMENDATION**

***THAT COUNCIL*** reaffirms the prior Council's direction on secondary suites;  
***AND THAT COUNCIL*** endorses the consultation plan proposed for Secondary Suites;  
***AND THAT COUNCIL*** reviews the draft information sheet and approves for consultation.

  
INTERIM CITY MANAGER

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## CITY OF QUESNEL INTERNAL MEMORANDUM

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TO: Jack Marsh, Interim City Manager

FROM: Tanya Turner, City Planner

SUBJECT: Policy Direction for Secondary Suites

COUNCIL  
MEETING: October 25, 2010

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### 1.0 RECOMMENDATION

**THAT COUNCIL** endorse a broad policy direction with the goal of permitting one secondary suite per single family home, subject to conditions and limitations yet to be determined;

**AND THAT COUNCIL** based on the above broad policy direction, authorize staff to develop detailed policies and draft necessary bylaws with consultation from public stakeholders, departmental staff, and Council.

### 2.0 COUNCIL POLICY

Official Community Plan No. 1630, 2007  
Zoning Bylaw No. 1662, 2009  
Building Bylaw No.1550, 2003  
Master Fee Bylaw No.1683, (proposed)

### 3.0 PURPOSE

The purpose of this report is to recommend a broad policy direction related to secondary suites for Council's consideration. Additionally the report provides some preliminary recommendations for future public discussion around conditions generally considered in secondary suite policy.

### 4.0 BACKGROUND

#### 4.1 Current Policy

A secondary suite is defined as a self-contained, accessory dwelling unit that provides living accommodation based on rental periods of one month or greater. The secondary suite is located within a single detached dwelling that has its own separate kitchen, sleeping and bathing facilities, and is designed for occupancy by one household.

Secondary Suites are currently only permitted by applying for a rezone to add the 's' zoning designation on a lot. This designation can be added to the RS-1, CR-1 and CR-2 zones (not the RS-2 zone). Although the history of bylaw change and practice is difficult to determine, it appears that previous to Zoning Bylaw 1530, 2002, secondary suites were permitted in zones that permit more than one dwelling unit per lot. In other words secondary suites were permitted in RS-2, CR-2 and multiple family zones. The introduction of Zoning Bylaw 1530 in 2002 permitted secondary suites in only those lots which had the 's' zone designation. The result of this is that there are now many legally non-conforming suites, particularly in RS-2 zones, as well as 'illegal' or non-conforming suites.

#### *4.2 Survey*

The purpose of the secondary suites policy was to measure public perceptions regarding secondary suites in the City of Quesnel and to evaluate the primary concerns residents have regarding the introduction of secondary suites in Quesnel. Approximately two in three (67%) City residents support the City of Quesnel modifying its bylaws to allow for secondary suites in single-detached dwellings. Levels of support were similar in all neighbourhoods. The citizens opposing the secondary suite by-law modification say they are concerned about the possibility of undesirable tenants and illegal tenant behaviour (27%), think there may be an undesirable neighbourhood change (19%) and see an increase in traffic (15%) and insufficient parking (16%). Those citizens in favour of the by-law change think it will lead to an improved availability of affordable (32%) and rental housing (20%), help homeowners with mortgages and expenses (25%) and benefit young people and students (8%). An additional one in ten could see no drawbacks to allowing secondary suites.

#### *4.3 Considerations and Trends*

Province wide, there is a declining interest of the private sector in rental residential property. In Quesnel, there has been little development in market rental apartments and townhouses since the 1960's and 1970's; the newest private market apartment complex was built in 1996. Meanwhile, the average home price for a single detached dwelling has increased substantially in last ten years. Allowing secondary suites is one way in which to increase the rental accommodation stock while also providing income potential to homeowners.

The majority of municipalities in BC have policies permitting secondary suites at least in some zones, with the trend clearly moving toward more lenient or inclusive policies regarding secondary suites. Communities such as Williams Lake, Prince George, Langley, Surrey, and Delta have fairly recently modified bylaws to permit one secondary suite per single family dwelling (or have Council approval to work toward this change).

Some of the advantages of permitting secondary suites include: potential for additional income for homeowners; more options for affordable housing for students, seniors and other individuals; increased ability to regulate items such as building, safety and parking standards for a form of housing that that exists whether permitted or not; ability to keep more accurate records for civic addressing, census numbers, utility billing, and other population statistics; and improved sustainable land use by increasing density and utilizing existing infrastructure. Some of the disadvantages for permitting suites are potential or perceived potential for impact on neighbourhood character; potential for noise, parking, and

traffic congestion and issues; general opposition to rental accommodation and its impact on surrounding residents. The role of a secondary suites policy and any bylaw modifications will be to maximize the benefits to the community and address community concerns raised as best as possible.

#### *4.4 Legislation and Policy*

##### *4.4.1 Local Government Act*

The Local Government Act gives municipalities the authority to adopt bylaws to regulate land use. This authority includes the ability to include secondary suites as a permitted use in certain zones, all zones, or to not permit them in any zone. Other provinces have limited the right of local governments to enact zoning regulations prohibiting secondary suites in single family residential areas as measure to promote the availability of lower-cost rental accommodation. Some municipalities have included occupancy requirements as a condition of their secondary suites bylaws. Some require the property owner to reside in either the suite or the main dwelling ('owner occupancy') others in the past have permitted suites which are occupied only by relatives of the home-owner ('in-law suites'). In 1997 the BC Supreme Court ruled against a Delta Bylaw limiting secondary suite occupancy to home-owner relatives, stating the bylaw was discriminatory.

##### *4.4.2 BC Building Code*

The BC Building Code added a section regarding secondary suites in 1995. This applies to secondary suites for new construction (new houses) or for adding a secondary suite to an existing building. It may be used as a standard for assessing an existing suite, but is not intended to be applied as a retroactive code to these existing units.

According to the BC Building Code, for an additional dwelling unit to be considered a secondary suit, the following criteria must apply:

1. There is only one secondary suite permitted in the building.
2. It must be located in a building containing only residential occupancy.
3. The secondary suite is located in, or part of a building containing only one other dwelling unit.
4. The area of the secondary suite cannot exceed 90m<sup>2</sup> of finished living area.
5. The area of the secondary suite cannot exceed 40% of the total living floor space (area) of the building it is located in.
6. The secondary suite cannot be subdivided from the building it is part of under the *Strata Property Act*.

These limitations on secondary suites would therefore apply to any new suite being constructed or added to a dwelling, however many municipalities restate these restrictions this in their zoning bylaws.

## **5.0 DISCUSSION**

Moving forward with policy change permitting secondary suites will require additional discussion, consultation and consideration on a variety of issues. Further community consultation is typically undertaken prior to implementation of any bylaw changes in order to hear and address concerns and ideas.

## Optional Strategies:

Option 1. Status Quo. If this option is taken, secondary suites will remain a non-permitted use in all zones in the City of Quesnel except when a rezone with the 's' designation is attained on a lot.

Option 2. Legalization. If this option is taken, secondary suites would be permitted in all zones where there is an existing or new single family dwelling with certain conditions attached.

Option 3. Permit in specific zones. If this option is taken, secondary suites would be permitted in certain zones where there is an existing or new single family dwelling with certain conditions attached.

This section will introduce many of the issues common to secondary suites policies in other communities, and provide recommendations where one option is a clear choice for the City of Quesnel. Other issues will require further consultation with the community, stakeholders, staff (Finance, Building, Public Works, Bylaw Enforcement), and City Council. The issues discussed will include: zoning, building regulation, taxes and utilities, existing suites, licensing and permitting, and enforcement.

The Affordable Housing Needs Assessment identifies secondary suites as a good option for the City of Quesnel to add to its rental housing stock due to the high number of single detached dwellings and the need for more small (one bedroom) units. The lack of new residential rental developments, increasing housing prices, and declining household sizes also indicate secondary suites to be a good option for Quesnel. A number of populations have been noted as potentially benefiting from this form of housing. Seniors could benefit as homeowners or tenants, allowing them to stay in homes longer despite limited incomes or difficulty with home and yard upkeep. Students and people with disabilities have also been identified as populations to benefit from secondary suites.

Some communities have taken approaches to add secondary suites as a permitted use in some residential zones but not others. However in Quesnel utilizing the 'single detached dwelling' requirement rather than a specific zone requirement is more administratively practical due to the amount of single detached dwellings in a variety of zones (zones permitting duplexes, high density residential and even commercial uses). In addition, the Secondary Suite Survey showed residents from all neighbourhoods equally in favour of permitting this form of housing. A consistent approach throughout the community has been identified as favourable as it creates a sense of fairness and simplicity for residents across the community.

### *5.2 Conditions*

The following is a discussion of many of the conditions commonly associated with secondary suites that will need to be considered if there is to be a change in secondary suites policy.

#### *5.2.1 Zoning*

Zoning Bylaw 1662 already has restrictions and requirements regarding secondary suites regarding maximum sizes, parking requirements. Further discussion can consider adding to or modifying these

requirements. Some requirements other communities have included occupancy requirements and minimum unit sizes.

Recommendation:

Utilize the existing secondary suite requirements as well as BC Building Code restrictions and requirements to regulate secondary suites. Additionally consider owner occupancy requirements with the knowledge that it would not likely uphold in court and enforceability is questionable.

### 5.2.2 Building Regulation

The BC Building Code regulations regarding secondary suites focus primarily on life safety requirements such as fire protection, exits, and smoke detectors. Some of the other requirements include minimum ceiling heights and minimum facility requirements such as a separate kitchen, lavatory, and an independent exit.

The BC Building Code applies to all new construction or modifications of existing structures; it's applicability for new suites in new or existing buildings is clear. However, further research and consideration will be required regarding the treatment of existing suites. Should the City offer a registration program and inspection of existing suites? Should the City develop alternative standards for the registration and inspection of existing suites? Is the City willing to enforce and shut down existing suites if they do not meet a certain standard?

Recommendation:

Require building permits for all new secondary suites and utilize BC Building Code standards for new suite construction. Consult with Building, Planning, and Bylaw Enforcement staff to develop a policy for existing suites.

### 5.2.3 Taxes and Utilities

Currently the City of Quesnel charges the full residential utility rates for authorized secondary suites. Most communities that permit suites charge for extra utility services for secondary suites when not on a user pay (metered) system. Some communities charge the full rate amount while others offer of a discounted rate for these services, for example a 50% discount.

Recommendation:

Engage in further discussion on this issue with the Finance Department, Public Works, and other stakeholders is required to find a solution that is fair and realistic.

### 5.2.4 Existing Suites

There are numerous scenarios and options to take regarding existing suites. In Quesnel, at least three scenarios may apply regarding existing suites: (a) legally non-conforming (built with a building permit while permitted), (b) built without a permit (whether or not permitted in the zoning bylaw) (c) built or potentially built during a time when the property was in the Cariboo Regional District. While the BC Building Code section on secondary suites states it can be used as a standard for assessing an existing suite, but is not intended to be applied as a retroactive code to these existing units. Further research

would have to be done regarding the legality, practicality, and effectiveness of enforcement for existing suites. Some communities that have required building standard compliance for existing suites have noted they are forced to shut down more suites than are built under the new system. To this end, it will be necessary to decide if broad goals for a secondary suite policy wish to focus only on new units built, or whether it is also important to work towards more stringent safety and building standards for existing suites.

Recommendation:

Engage in further discussion with stakeholders, departmental staff, the public and Council to determine the broad goals of a secondary suites policy regarding existing suites. These goals will inform and provide direction regarding an approach for existing suites.

### 5.2.5 Licensing and Permitting

Some communities implement licensing or registration programs when new secondary suites policies are in place. These programs usually incur a one-time or ongoing fee for property owners with secondary suites and include some form of inspection requirement for secondary suite building and parking standards. The municipality may keep a list of ‘registered’ suites, and often include a grace period for reduced fees in order to encourage property owners to register their suites. While such a program may offer certain advantages, it requires more administrative and staff time. Further research and investigation into the advantages and disadvantages of such a system would need to be looked into further and will be highly dependant on the approach taken regarding existing suites.

Recommendation:

Utilize the Building Permit process as the administrative tool for keeping track of and authorizing new and perhaps existing suites. The process is already established, and will take the least amount of additional staff training and staff time developing new policies and processes. A suite with a valid Building Permit would be considered an ‘authorized’ suite.

### 5.2.6 Enforcement

Communities can take either a proactive or reactive (complaints based) approach to secondary suite policy enforcement. Most communities take a reactive approach to enforcement due to the staff and administrative requirements of a proactive approach. Even if a reactive approach is taken, deterrents for having or building an unauthorized suite will have to be considered. Some approaches include: ordered suite removal if not registered and/or meeting policy requirements; daily fines; notices to comply with requirements; or increased utility fees if suite is ‘illegal’.

Further consideration and consultation on this issue will need to be undertaken. One potential option is to utilize the building bylaw and building code as the main authority for enforcement. If a new suite is being added to a residence, a building permit will be required and violations (when necessary) can follow the already established Stop Work and Notice on Title process. The building without a valid permit operates on a complaints based basis as well as by direct observation by the Building Inspector, Bylaw enforcement or other staff.

Recommendation:



Engage in further discussion with stakeholders, departmental staff, the public and Council to determine the most appropriate enforcement approach.

### **Overall Recommended policy direction**

Based on the results of the Affordable Housing Needs Assessment and Secondary Suites Survey completed this year, the following broad policy direction on secondary suites is recommended for Council's consideration:

Permit one secondary suite in all single family homes in the City, subject to a number of conditions and restrictions, including:

- No more than one secondary suite is permitted per single detached dwelling,
- The secondary suite shall not exceed the lesser of 90m<sup>2</sup> or 40% of the gross floor area of the principal building,
- One parking space is required per secondary suite in addition to those required for the principal building,
- A building permit is required prior to adding a secondary suite,
- All new suites must adhere to BC Building Code requirements for Secondary Suites.

Engage in further discussion regarding preferred policy regarding existing and non-conforming suites.

## **6.0 OPTIONS**

Council may take any of the following options:

- 1) Endorse a broad policy directive relating to secondary suites and provide Staff with the mandate to prepare bylaw amendments for community consultation.
- 2) Provide an alternative direction to Staff.

Respectfully Submitted:



Tanya Turner  
City Planner

## Secondary Suites Policy

The City of Quesnel is currently reviewing its policy on Secondary Suites.

A Secondary Suite is a self-contained, accessory dwelling unit that has its own separate kitchen, sleeping, and bathing facilities.

Currently, Secondary Suites are NOT permitted in Quesnel, unless the property undergoes a rezone process. There are numerous Secondary Suites in Quesnel already because at one point secondary suites were permitted in some zones, and in some instances secondary suites have also been built without the proper permits.

Some of the positive aspects of permitting secondary suites in Single Family Dwellings are:

- **Safety.** To increase safety by ensuring building code requirements are met for new suites being constructed. Because they are not allowed in the zoning, many people build suites anyway without permits and inspections.
- **Affordable Rental.** To increase affordable housing units in Quesnel. Very few multi-family and rental units are being built, the newest privately owned rental apartment building in Quesnel is nearly 20 years old, most are much older.
- **Affordable Home ownership.** Having a suite can provide income for home owners making owning a home or building a new home more attainable
- **Housing for Seniors.** A secondary suite can provide safe affordable housing for seniors. Also having a tenant in a suite can provide comfort and income allowing seniors to stay in their homes longer
- **Environmental responsibility.** Secondary suites allow the conversion of one dwelling unit into two without requiring more land and infrastructure. This helps control urban sprawl, requires less raw building materials, and incorporates other smart growth principals.

In addition to the above, recent research performed in Quesnel indicates there are many other reasons why secondary suites are a good fit for Quesnel:

- **Community support.** A telephone survey performed in 2010 showed two in three residents support allowing secondary suites. The support was similar in all neighbourhoods and for both home owners and renters.
- **Demographics.** Quesnel has an abundance of Single Family Dwellings and few smaller dwelling units (ie one and two bedroom dwellings). Meanwhile household and family sizes are decreasing. Secondary suites are a good way to offer the size of housing that is needed in Quesnel given the buildings we already have.
- **Students.** There has been no additional multi-family housing built since the addition/expansion of UNBC/CNC. Out of town students often have a difficult time finding appropriate, affordable accommodation.

## Frequently Asked Questions

*Q: What about existing suites? My neighbour has an existing suite that I think is illegal, will this policy make it legal?*

A: It depends. When there are past and current zoning bylaws that are different it is difficult to tell if an existing suite is 'illegal' or not. We would have to investigate it on a case by case basis. Feel free to call the Planning Department and we can investigate options depending on the circumstances. That said, the goal of this policy is to be future thinking and ensure new suites are 'legal', obtain the proper building permits, and therefore meet the minimum safety standards outlined in the BC Building Code as well as provide adequate parking.

*Q: I have a duplex. Can I add a suite and make it a triplex or fourplex? Can I add two suites to my house?*

A: No. Secondary Suites, by BC Building Code regulation can only be added to single family dwellings, and only one suite is allowed per single family dwelling. To do this a property owner would have to convert the existing building into a triplex or fourplex and would require meeting a different (higher) building standard and would most likely require a different zoning designation. Please call the Planning Department for more information.

*Q: I am okay with allowing suites, but only if it is for a relative, like an ageing parent or a child with special needs. Can you allow suites for only these reasons?*

A: No. Under provincial legislation it is not allowed for a municipality to create land-use policies that apply to some people (like family members) and not to others. We are essentially only allowed to create policies that define the 'what' (like adding a kitchen) but not 'who' can live there.

*Q: I think it's better if suites are only allowed when the homeowner lives in the house, can the City make sure that both the suite and the main house are both not rented out?*

A: Not really. Much like the previous question about allowing secondary suites only for relatives, municipalities are not permitted to create land-use policies that apply to some people (like home owners residing in the house) and not to others. That said many municipalities have created these policies anyway, with mixed reviews. If a municipality does require 'owner occupancy' in order to build a suite, please note that once the suite is built, there is no way the municipality can stop an owner from moving out and renting both units or selling the property and with the new owners renting out both units.

*Q: Will allowing secondary suites create too much of a burden on City infrastructure, like water and sewer lines, garbage, and roads?*

A: It is not anticipated that allowing secondary suites will cause any of these problems. The Planning Department has consulted with utility services, the fire department, public works, and other communities that have implemented secondary suites policies. None of these departments and communities have mentioned or anticipated any of these problems with allowing secondary suites.

*Q: What about traffic and parking? I am worried that secondary suites in my neighbourhood would make my street too busy and there will be cars parked all over the street.*

A: When surveyed, traffic and parking was the area of greatest concern to members of the public. Here are some things to consider:

- All secondary suites will be required to provide one additional off-street parking space when a suite is created.
- A change in secondary suite policy is not anticipated to cause a great 'rush' of suites created in any neighbourhood. Creating a suite is a good option for some homes, but most homeowners are not anticipated to take this option.

*Q: Will property owners with suites pay their share of utilities and taxes?*

A: Yes. The City currently charges, and plans to continue to charge water, sewer, and garbage rates for all known suites at the same rate as all other dwelling units. A house with a secondary suite will pay the same in utilities as a duplex. Taxes on the other hand are charged based on assessed value as determined by BC Assessment. If BC Assessment determines a house with a suite has an increase in assessed value, the property will pay more taxes.

*Q: I don't want secondary suites in my neighbourhood because I don't want crime to increase. How can the City make sure there won't be any illegal activity in secondary suites?*

A: While reviewing policy options for secondary suites Planning Staff searched for a connection between secondary suites and criminal activity and was not able to find a substantiated connection. The City, like any municipality, has no control over whether or not a property owner rents out a property or who they rent it to. This is the case if there is a secondary suite in place or not. If you suspect criminal activity is taking place in any residence it is recommended you contact the RCMP.

*Q: I know someone who lived in a suite that I thought was really unsafe, will the City start to ensure existing secondary suites meet the building code?*

A: The proposed change is a Zoning Bylaw change only. This means that while at one time secondary suites were not a permitted use as defined by the Zoning Bylaw,

they now will be allowed in the Zoning Bylaw. One of the motivations for this change is to ensure newly constructed suites are not 'driven underground' and will obtain building permits. The requirement for obtaining building permits for new construction will be enforced; however the BC Building Code is not intended to be applied as a retroactive code to existing units. The concept of ensuring safety in existing private dwellings is a complex and multifaceted concept that extends well beyond the issue of secondary suites, for example many houses fall into disrepair. The City of Quesnel would have to explore this concept through other tools or bylaws under a separate process.

*Q: Will suites have to be registered or licensed with the City?*

A: At this time the Building Permitting process is recommended to be the primary 'suite registration' process. All newly constructed suites will have to obtain a building permit and prospective tenants, home purchasers, are welcome to contact the Building Department to inquire if a Building Permit was obtained. Likewise some suites were constructed under Building Permit in previous years and these are considered to be 'legal'. A separate suite registration process for existing suites would require additional administrative cost to the City through extra staffing or staff time and the advantages of this process seem unclear as under the current City of Quesnel bylaws we are not able to inspect or assess the safety of pre-existing suites.