



TOWN OF COMOX HOUSING AFFORDABILITY STRATEGY

This Housing Affordability Strategy includes the following: Provision of an Affordable Housing Amenity; Smaller Lots; Secondary Suites and Coach Houses; Strata Conversion Policy; and Reduced Fees and Processing times for Secondary Suites and Coach Houses. More information about this strategy is provided below.

All potential applicants are encouraged to contact staff directly to discuss their proposals in detail.

SECTION 1 – Background:

The spectrum of housing options available in a community generally includes market home ownership and market rental (where prices and rents are determined by supply and demand in the private sector), and often includes below-market subsidized rental or subsidized home ownership options. Any of these options can provide housing that is “affordable” for members of a community (“affordable” being defined as housing costs that do not compromise a household’s ability to meet other basic needs, such as transportation, clothing and nutrition).

Market home ownership is “affordable” for some households. For other households, particularly households of low to moderate income (households having incomes less than 80% of the average household income in the Town¹), affordable housing may be limited to market rental housing and below-market subsidized housing. This household segment includes a broad cross section of the community, including persons with disabilities, the elderly, single-parent families, students, and young workers.

Housing availability and affordability affects the ability to attract and retain the labour force and investment needed to care for an aging population, remain economically competitive not only nationally and internationally but also locally and provide local opportunities for our youth.

A municipality can implement policies and bylaws to improve the availability and “affordability” of market and below-market subsidized housing. The Housing Affordability Strategy presented in this report is intended to support the development of well-designed, safe and suitable housing that is integrated into the community. The approaches and strategies described in this report are not intended to lower standards to allow development of poor quality or inappropriately located housing, as substandard housing has community-wide negative social impacts and reduces economic competitiveness.

¹ This is a common definition for households of low to moderate income used by many municipalities in their housing strategies.

SECTION 2 – Approaches

Although the comprehensive provision of an appropriate range of housing options for a community is broad and complex and engages all levels of government, approaches that individual municipalities can use to facilitate development of market and below-market housing can be categorized into four categories.

- A. Identifying and removing regulatory barriers can stimulate the creation of more “affordable” market housing. This approach requires evaluation of the types of housing that a municipality wishes to encourage to meet the community’s needs, and identifying regulations that may hamper the development of these desirable types of housing. This approach is intended to stimulate the production of well-designed, well-integrated, suitable housing. It is not intended to relax regulations that would result in substandard housing.
- B. Municipalities can introduce policies to protect existing market rental housing. Section 242 of the *Strata Property Act* requires developers making application for conversion of a previously occupied building¹ (i.e.: a building where units are rented) to strata units to obtain approval from the local municipality. In making a decision regarding strata conversion, Council must consider, among other things, the priority of rental accommodation over privately-owned housing in the area, and any proposals for the relocation of persons occupying a residential building. Many municipalities have introduced strata conversion policies under Section 242 of the *Strata Property Act* to control the conversion of rental units to strata units when the rental vacancy rate in a community is very low.
- C. Allocating a portion of the value created by rezoning to increase housing affordability is a very effective and common approach used to create below-market housing for the community. Municipalities can use a variety of tools to require or negotiate for affordable housing amenities.
- D. Additionally, municipalities can partner with non-profit housing providers, other levels of government or the private sector to create and manage below-market affordable housing.

SECTION 3 - Housing Affordability Strategy

The strategy outlined below is intended to provide a multi-faceted approach to facilitate the development of a broad range of housing options by improving the affordability of market ownership, increasing the availability of market rental and supporting the development of below-market housing. The strategy is intended to be flexible to allow adaptation where necessary, and enhancement where possible. The Town of Comox is not a housing provider; the Strategy does not include municipal construction or management of housing, and seeks to minimize municipal administrative requirements.

A. Remove regulatory barriers to development of more “affordable” market housing

Small lot subdivision with narrow frontages

Market home ownership may be made more “affordable” for more people by introducing zoning that allows smaller lots. Narrower road frontages reduces per-lot infrastructure costs.

¹ new never-occupied buildings are not subject to this requirement

Implementation of this initiative started with the creation of the R3.2 Single-Family/ Secondary Suite zone, which reduced minimum parcel frontage from 20 metres to 15 metres and minimum parcel area from 650 m² to 450 m².

The allowance for bareland strata subdivision has been expanded to allow for the development of existing oversized residential lots with limited frontages on an existing road: bareland strata subdivision allows for the creation of lots fronting an internal private driveway.

In February 2013 the Town created a prototype zone to allow for 350 m² parcel sizes with a minimum frontage of 13 metres.

Legalization of secondary suites

Market home ownership may be made more “affordable” through legalization of secondary suites as “mortgage helpers.” Additionally, secondary suites can form an important component of a municipality’s market rental housing stock and allow for aging in place by providing an income source.

The creation of the R3.1 and R3.2 Single-Family/Secondary Suite zones allowed for secondary suites in new subdivisions and consideration of secondary suites in existing neighbourhoods on a case by case basis through rezoning. The Town used simplified procedures and reduced fees to streamline this process and to address the limited resources of the applicants, which were typically individual home owners.

In 2012, the requirement for case by case rezonings to permit secondary suites was removed. Secondary suites are now generally a permitted use in single-family neighbourhoods. A building permit is required to legalize existing secondary suites or for the creation of a new suite.

Introduction of coach houses

In the Town of Comox, a coach house is a small standalone residential unit typically located in the backyard of a single-family dwelling. Either the coach house or the single-family dwelling must be owner occupied. Similar to a secondary suite, a coach house increases housing affordability by providing rental housing and provides the option of aging in place.

In September 2013, Council adopted the necessary enabling bylaws to allow for the consideration of coach houses on a case by case basis through the rezoning process. Simplified procedures and reduced fees to streamline this process were introduced to address the limited resources of the applicants, which are typically individual home owners.

B. Support existing rental housing stock through strata conversion policies

Strata conversions of three or more residential units, or two or more residential units where these units comprise part of a larger development, are prohibited when the vacancy rates for rental units is very low: less than 4%. In tight rental markets where the vacancy rate is 4% or greater, an applicant for strata conversion is required to submit a “Tenant Plan,” containing a complete list of tenants, certifying that the owner or developer has notified tenants of the conversion application, providing options that have been offered to potentially displaced tenants, such as an agreement not to evict tenants as a result of the strata conversion, an option to purchase the unit, or any monetary assistance to be offered, such as a rent-free period, or moving expenses. A copy of the Tenant Plan, including the notice to tenants, as well as a statement from the owner regarding how the notice was distributed, must be submitted for Council’s review. Council is then able to evaluate whether or not the Tenant Plan is sufficient to allow conversion.

Applications for individual duplex strata conversions would be considered independent of the vacancy rate. This is because it is expected that the impact of isolated duplex conversions on the community would be minimal. For duplex conversions, occupants are sent notification of the date on which the application would be considered by Council.

Strata conversions of secondary suites and coach houses are prohibited.

Reasons for prohibiting secondary suite and coach house strata conversions; they:

- a. provide affordable rental in a ground orientated single-family context;
- b. may serve as a mortgage helper for the owners;
- c. provide infill units compatible with single-family neighbourhoods;
- d. provide options for aging in place; and
- e. provide options for young families.

In addition, coach houses provide for independent living and are required to meet the Town's adaptable housing standards.

C. Allocate a portion of the value created by rezoning to generate affordable housing

A municipality may use a variety of tools to facilitate the creation of affordable housing at the time of rezoning. The contribution for affordable housing may be in terms of on-site or off-site units, land or cash. Staff are directed to enter into negotiations for an affordable housing contribution where a rezoning process would result in more than 4 units or lots.

D. Create partnerships for provision of affordable housing

As contributions for affordable housing are obtained through the rezoning process, the Town would seek partnerships with the private sector, senior levels of government and non-profit housing organizations to allow for the construction and long-term management of below market housing units. Alternatively, funds or land dedicated for affordable housing could be collected until there are adequate resources to make formation of a partnership viable.

SECTION 4 – Implementation

Implementation of the Housing Affordability Strategy is a key component of the Town's Official Community Plan. This resulted in legalization of secondary suites, creation of a 350m² single-family zone and an allowance for coach houses. In addition, application procedures, application fees and processing times have been streamlined for secondary suite and coach house developments.