



Governance & Services Committee

TO: Governance and Services Committee

FROM: Todd Cashin
Director of Community Services

DATE: April 11, 2019

SUBJECT: Secondary Suite Technical Stakeholder Review (Z17/05 & RLUB-17-02)

Purpose: To review technical stakeholder input and outline recommended policy changes for secondary suites in the Central Okanagan Electoral Areas.

Executive Summary:

On January 10, 2019, the Governance and Services Committee directed staff to proceed with a technical stakeholder review regarding the recommended changes to secondary suite regulations. Subsequently, Planning staff engaged with the Interior Health Authority and local on-site wastewater practitioners, as well as groundwater and hydrological experts. During the review, it was identified that additional density in the Electoral Areas may cause drainage and slope stability challenges, particularly in areas without access to community sewer and without proper drainage plans. The technical stakeholders recommended that the Regional District consider the long term sustainability of a property prior to increasing density.

Therefore, continuation of the current rezoning process for secondary suites allows the Regional Board to make informed decisions on a site-specific, case by case basis. Furthermore, the regulations should be strengthened to ensure that new and existing on-site sewerage systems demonstrate compliance with current standards and include a primary reserve area for a back-up Type I trench system.

RECOMMENDATION:

THAT the Governance and Services Committee receive for information the Secondary Suites Technical Stakeholder Review report from Planning Services dated April 11, 2019;

AND FURTHER THAT the Committee recommends the Regional Board direct staff to proceed with preparing bylaws to implement the proposed secondary suite regulations.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read 'Todd Cashin'.

Todd Cashin
Director of Community Services

Approved for Committee's Consideration

A handwritten signature in black ink, appearing to read 'Brian Reardon'.

Brian Reardon, CAO

Prepared by: Brittany Lange, Planner

Implications of Recommendation:

Strategic Plan: Directing staff to prepare amendments to the secondary suite provisions meets the 2015-2018 Strategic Priorities Plan, Strategic Priority #1: Provide Proactive and Responsive Governance.

Policy: Directing staff to prepare amendments to Zoning Bylaw No. 871 and Joe Rich Rural Land Use Bylaw No. 1195 complies with:

- Regional Growth Strategy Bylaw No. 1336:
 - Policy No. 3.2.10.2: “Encourage effective governance and service delivery by being transparent, accountable, and accessible”
 - Policy No. 3.2.6.1: “Preserve and enhance existing neighbourhoods through encouragement of a variety of housing types, densities, choices, and affordability”;
 - Policy No. 3.2.1.1: “Support logical and sequential growth patterns that minimize urban encroachment into rural areas”; and,
- Okanagan Basin Water Board Sewage Facilities Assistance Grant Program:
 - Policy No. 3.6.1: “Communities must have policies and bylaws in place prohibiting the development of accessory dwellings on properties less than 1.0 hectare that are not connected to community sewer”.

Background:

Recognizing the need for long-term, affordable housing options in the Central Okanagan, Regional District staff is working towards identifying housing solutions, including reviewing policies on secondary suites. The Regional Growth Strategy Priority Projects Plan identified the Regional Housing Needs Assessment (RHNA) as one of top key issue areas requiring action. As such, the RHNA is currently underway and will outline where housing gaps exist for Central Okanagan communities and how individual jurisdiction’s markets affect the regional housing market.

Prior to the RHNA, Planning staff began a policy review of secondary suite regulations in RDCO Electoral Areas and sent a referral to applicable agencies. Subsequently, staff engaged with the public by attending community events, conducting an online survey, and making information available at the Planning Services front counter to gauge the public’s opinion on proposed regulatory changes.

Upon review of the information received during this process, issues were raised regarding drainage and servicing, most notably with the number of small, undeveloped lots in the Electoral Areas. Secondary suites, which are self-contained and located within an existing single family dwelling, are considered acceptable to tie into the primary septic field assuming that the field is sized appropriately, and with proper maintenance and treatment. However, recognizing the rural nature of the Electoral Areas and minimal servicing, increasing density in all residential zones may not be appropriate and may cause a significant strain on servicing and the environment.

Technical Stakeholder Review

As directed by the Governance and Services Committee on January 10, 2019 (see attached report), staff proceeded with a technical stakeholder review and agency re-referral. Staff held a

technical stakeholder workshop on February 27, 2019 and invited a number of on-site waste water practitioners, hydro-geologists, engineers, and groundwater technicians. Staff heard overwhelmingly the need to balance increased density in rural areas with the sustainability of water resources, and that the health of Okanagan Lakes should be our highest priority. In addition to the health of our lakes, staff received feedback regarding the need to address stormwater and drainage for new and existing developments and that it is critically important in hillside developments.

It was further recommended that the proposed 1.0 hectare policy be reviewed as it alone is not adequate in addressing servicing issues, given that on-site sewerage systems need to be designed on a site by site basis. An alternative option was proposed to strengthen servicing requirements at time of application for a secondary suite that would address the following:

- Require that new and existing on-site sewerage systems demonstrate compliance with today's standards and include a primary reserve area on the parcel for a back-up Type I trench system; and,
- For those on a private water source, consider a well test requirement at time of Building Permit Application to demonstrate sufficient and sustainable water flows.

It was also recommended that the Regional District consider the impacts of development on groundwater and surface water flow changes when new structures are built by requiring stormwater management plans or by implementing a stormwater bylaw. All new and existing development should at a minimum consider neighbouring properties conditions and site characteristics as well as the natural topography of the land.

It was further recommended that the Regional District apply for funding through the Okanagan Basin Water Board (or other external funding sources) to conduct hydrogeological studies throughout the Electoral Areas. In future, if investigations identify significant concerns in specific neighbourhoods, the provision of allowing or disallowing secondary suites in certain areas could be reconsidered. An example of this occurred during the City of Kelowna's secondary suite review process in 2016, where a professional study indicated hydrogeotechnical challenges with on-site wastewater disposal systems related to soil conditions. As such, parcels in the Gallaghers Canyon area were prohibited from having secondary suites and carriage houses.

Interior Health Authority (IHA)

Several local IHA staff have worked extensively in the Electoral Areas in the past, and acknowledged that they are aware of failing septic systems throughout the region on parcels that have secondary suites. IHA staff also acknowledged that many neighbourhoods when not serviced by sanitary sewer have old septic systems that were designed originally for a single family dwelling (i.e. not multiple families in one dwelling) and many systems are approaching the end of their lifespan.

IHA staff also advocates for the long term sustainability of a property prior to increasing density; in this case the addition of a second dwelling. As such, IHA staff recommend that new and existing on-site sewerage systems demonstrate compliance with today's standards and include a primary reserve area on the parcel for a back-up Type I trench system.

Recommended Changes to Regulations

Following extensive analysis, research, and careful consideration of the comments received to date, staff is recommending the following key changes to secondary suite regulations:

- Continue to require a rezoning application under Zoning Bylaw No. 871 for A1, RU1, RU2, and RU3 zones to permit a secondary suite and add the 's' designation;
- Continue to require an amendment under the Joe Rich Rural Land Use Bylaw No. 1195 for LH, RA, SH-1, and SH-2 land use designations to permit a secondary suite and add the 's' designation;
- Add secondary suites as a prohibited use under R1, RU4, RU5, and RU6 zones and the CR land use designation;
- Continue to prohibit the use of secondary suites as short-term rentals;
- Continue to recognize parcels with the 's' designation;
- Restrict the use of secondary suites in manufactured homes, recreational vehicles or park model trailers;
- Clarify what "located within the single detached house" means by defining 'breezeways';
- Permit only one secondary suite or one accessory home per parcel, where zoning permits; and,
- Require that new and existing on-site sewerage systems demonstrate compliance with today's standards and include a primary reserve area for a back-up Type I trench system.

Conclusion:

Safe and legal secondary suites can provide many benefits to home owners including a revenue source to supplement income, assist a family member in need, and/or increase the value of the property. By allowing these proposed changes, the Regional District of Central Okanagan can:

- Continue to ensure that secondary suites comply with Zoning Bylaw No. 871, Joe Rich Rural Land Use Bylaw No. 1195, and other relevant Regional District Bylaws through the Building Permit Application process;
- Help provide affordable housing in our community with minimal impact to neighbourhoods given that new infrastructure will not be required and the secondary suites are contained within the existing single-family homes;
- Clarify regulations for ease of implementation; and,
- Nurture responsible, sustainable growth and development while protecting and promoting the environment and lifestyle of Okanagan residents.

Considerations not applicable to this report:

- *General*
- *External*
- *Financial*
- *Organizational*
- *Legal/Statutory Authority*

Attachment(s):

- Appendix 'A' – January 10, 2019 Governance and Services Committee report
- Appendix 'B' – Maps of parcels included in the suite prohibition