



Council Member Motion

For the Committee of the Whole Meeting of September 26, 2024

To: Committee of the Whole

Date: September 18, 2024

From: Councillor Hammond

Subject: Minimum residential unit size citywide

BACKGROUND

During the approval of the development at 937 View Street earlier this year, it came to light that the Province of British Columbia mandates that no DCCs (Development Cost Charges) can be charged to a builder when the units are less than 29m². In other words, this is an exemption from charging DCCs.

As there are 33 units in the View Street project less than 29m², this means approximately \$40,000 less will be paid to the City for this project. However, from an equity perspective, the City must still cover the costs associated with the DCC program; as a result, other projects and housing units that are not micro units are subsidizing the lower DCCs associated with the projects that have micro units that are exempt.

While there are some economic benefits to creating some micro units in some new buildings, having a minimum size will ensure developments include more appropriately sized units to better meet the needs of a variety of households. The exemption provides an incentive to create smaller units; however, developers don't need an incentive to deliver small units of this size – rather the City needs more homes that are livable for the long term that serve various household types.

Often, building micro units was partly driven by Short-Term Rental potential of these units which is no longer a viable option under new provincial legislation.

The City currently has a minimum unit size in several existing multi-family zones outside the downtown which is set at 33m² / 350 sq ft which aligns with the BC Housing Minimum Unit Size. However, this does not apply to most of the Downtown.

As part of the Zoning Modernization work, the City could establish a minimum unit size across the city. Further, affordable and supportive housing could be excluded to support the most vulnerable in our community. There would be a benefit if such an exemption

continues to apply to non-market housing, recognizing that such smaller units or “micro units” can be appropriate for some forms of housing, particularly for low-income tenants or supportive housing where there are various shared spaces (e.g., common dining areas or living room areas) as part of the building that augment the private dwelling space.

While the City does not track the number of dwelling units constructed in Victoria based on unit size, staff have confirmed that there are several projects, specifically in the City’s Urban Core areas, that have proposed dwelling units smaller than 29m².

There are potential upcoming changes, currently scheduled for spring 2025, being made by the Province to the BC Building Code regarding adaptable dwelling unit requirements. At this time, it is not known if these changes would have any implications to unit size.

RECOMMENDATION

That Council, as part of the zoning modernization work, direct staff to implement a minimum residential unit size of 33m² citywide, in alignment with the BC Housing minimum unit size and the current minimum unit size requirements that apply in parts of the City, and to consider exemptions for non-profit housing providers to support low-income tenants and supportive housing units.

Respectfully submitted,

Councillor Hammond