

City of Chilliwack
AFFORDABLE HOUSING AND DEVELOPMENT ADVISORY COMMITTEE
MINUTES OF MEETING
WEDNESDAY, MAY 26, 2021, 7:30 am
HELD ELECTRONICALLY

Council Members: Councillor Harv Westeringh, Chair
Councillor Bud Mercer, Vice Chair

AHDC Members: Allan Tunbridge, Surveyor
Kelly Lerigny, Real Estate
Andre Gagne, Civil Engineer
Rob Kingma, Builder (CHBA)
Daryl Goshulak, Builder
John Vander Hoek, Builder
Cassidy Silbernagel, OTG Developments
Bill Driesen, Purpose Built Rental Housing Sector
Doug Luteyn, Architect

City Staff: Karen Stanton, Manager of Long Range Planning
Glen Savard, Director of Finance
Chris Crosman, D/CAO, Director of Development and Regulatory Services
David Blain, Director of Planning and Engineering
Gillian Villeneuve, Manager of Development Planning
Garrett Schipper, Manager of Building and Regulatory Enforcement
Craig Wickham, Assistant Manager of Land Development
Trish Alsip, Recording Secretary

Regrets: Ed Van Tongeren, Builder

1. CALL TO ORDER

Councillor Westeringh, Chair acknowledged we are on the unceded territory of the Stó:lō people and called the meeting to order at 7:30 am.

2. ADOPTION OF AGENDA

Moved /) That the Agenda for the Affordable Housing and Development Advisory Committee
Seconded (meeting of Wednesday, May 26, 2021 be adopted as circulated.

Carried unanimously

3. ADOPTION OF MINUTES

Moved /) That the Minutes for the Affordable Housing and Development Advisory Committee
Seconded (meeting of Wednesday, February 24, 2021 be adopted as circulated.

Carried unanimously

4. NEW BUSINESS**Proposed Townhouse Infill Policy Memo**

Karen Stanton, Manager of Long Range Planning, provided background information with respect to the small site townhouse development, highlighting a proposal that raised concerns from neighbours and Council with respect to design, parking, and neighbourhood fit.

The recommendation is to increase the minimum lot area from 875 m² to 1500 m² and suggesting a minimum lot width be increased from 25m to 45m to encourage comprehensive development, and that design guidelines be amended to reinforce street-oriented building design to provide 'eyes on the street', increased density and protect privacy of adjacent neighbours.

General Discussion

The Committee discussed the following:

- Increases to lot width and lot size standards will make it more challenging for development, may be too restrictive and not result in the best use of land;
- The benefit of street facing units with respect to Crime Prevention Through Environmental Design (CPTED);
- The importance of adjoining yard space / private amenity areas for townhouse units for families with children and the best use of land;
- The use of stronger architectural language to ensure design is in keeping with the overall street-scape of the neighbourhood.

A query was raised with respect to the rationale of amending the Infill Development Policy; Chair Westeringh provided comment noting that a revised policy will allow for better time spent by developers, staff and applicants. Staff further noted the proposed amendments will provide clear guidelines and expectations with respect to better livability in neighbourhoods as density increases.

Discussion ensued regarding proposing a minimum lot width increase from 25m to 30m and a minimum lot size increase from 875 m² to 1200 m². As part of the Committee's discussion, members expressed a desire to have the amendments referred back to staff for further review prior to making a recommendation to Council. It was requested by the Committee to have the analysis brought back to the next Affordable Housing and Development Advisory Committee meeting on June 23, 2021 for further discussion.

5. PRESENTATION / DELEGATION**Development Cost Charges (DCC's)**

The Director of Finance presented an update on the proposed 2021 Development Cost Charges (DCC's) and provided the following information:

5. PRESENTATION / DELEGATION (continued)DCC Bylaw Reviewed and Updated Annually

- In conjunction with City's 10 Year Financial Plan
- Following the Provincial DCC Best Practices Guide
- Bylaw must receive approval from Province, in addition to Council

Development Cost Charges

- Collected on new development
 - To fund capacity related infrastructure projects
 - Expansion to current systems
 - New infrastructure
 - Required to service the needs of the additional growth
 - Roads
 - Parks
 - Drainage
 - Sewer water
- Growth should pay for the infrastructure burden it creates
 - Growth should pay for itself
 - Not be funded by existing taxpayers

DCC Use Restrictions

- Growth also creates increased needs for operational services
 - Policing
 - Fire protection
 - Recreation
 - Public works operational programs
- DCC's cannot be used to fund the costs associated with these increased operational service needs
 - These increased operational costs are funded by the new property taxation generated through taxation levied on the new development

DCC Projects 10-Year Bylaw Project Costs

The 2021-2030 DCC capacity related infrastructure project costs total \$145M over the course of the 10-year period covered by the Bylaw. The largest category, by cost, is roads at 66% of the total project costs within the Bylaw. A further \$149M of future project needs are identified, but fall outside of the 10-year time period.

Balancing Rates and Affordability

- Important to balance rate increases with infrastructure needs
 - Rates must keep pace with cost inflation
- Also important or recommended not to defer projects to avoid any rate increases
 - Risk that DCC collections not sufficient or adequate to fund needed works
 - Risk that infrastructure not being completed when needed
 - Risk of infrastructure failing
- Important that projects are completed when needed to support growth created

5. PRESENTATION / DELEGATION (continued)2021 Draft DCC Bylaw

- Most categories to see an average 3.29% rate increase

Recommendation:

Moved /) That the Affordable Housing and Development Advisory Committee receive for
Seconded (information the presentation and rate increase proposal regarding the 2021 DCC
Rates provided at its May 26, 2021 meeting.

Carried unanimously

6. OLD BUSINESS / ACTION ITEMS**7. INFORMATION****Letter to Council re: Affordable Rental Housing in Chilliwack**

A letter dated April 14, 2021 addressed to Mayor and Council from Chilliwack Citizens for Change was provided for information.

Staff provided further background information regarding one of the questions noted in the letter with respect to density bonuses, a common form of incentive used by inclusionary housing programs. It has been noted that other communities require a certain percentage of new units be affordable and secured through a housing agreement. For example, if a developer is building a new condo, they are required to provide a percentage of affordable units at a guaranteed rent. The housing project may be owned or operated by a non-profit or by an owner, but guaranteed to be affordable. This type of program works well in larger cities where there are greater densities within a development; however, in a community the size of Chilliwack, further review of this type of program is required.

The City is looking for feedback from the Affordable Housing and Development Advisory Committee regarding density bonus zoning. There is provision within neighbourhood plans for increased density if a developer were to provide this amenity. Zoning for amenities would result in a higher density, while at the same time, providing a portion of units as affordable housing. Bonus density would require possible parking concessions.

An industry committee member noted that from recent site analysis data regarding multi-family apartment sites, approximately 95-99% of the time, parking is what generates density. It was noted that in other cities the affordable housing agreement is attached to the bonus density; thereby, encouraging density and less parking. Staff noted the density bonus program is challenged by market costs and long-term management.

Discussion continued regarding the challenge for middle-income families to find affordable housing. Smaller units such as apartments may be more affordable due to unit size; however, they are not well-suited for large families. A query was raised with respect to what other incentives the City can explore to with respect to an increased variety of affordable housing; and, are there other incentives other than reduced parking that could be considered. It was noted, not only low-income families require affordable housing; but middle-income families.

7. INFORMATION (continued)

Co-Chair Mercer acknowledged the affordable housing issue and noted the tools available to municipalities are restrictive; however, looks forward to continuing the discussion moving forward.

An industry member from the housing sector provided comment with respect to current market conditions (ie: increased lumber costs) and how this has impacted the housing market for both builders and buyers. It is a challenge for developers to provide affordable housing with larger units, and in the end, becomes a feasibility factor.

Staff acknowledged, that while affordable housing is an issue, development cost charges are burden-based in municipalities; and as such, income subsidy is provincially legislated.

Staff noted they are aware of townhouse concepts whereby some units have rental suites within the unit and queried whether this would help the affordability factor for renters or act as a mortgage helper for home owners. Follow up comment was provided from a design perspective with respect to more of these types of units becoming available on the market. However, even a suite within the townhouse unit would only be approximately 400 m² and still garnish a high rent.

Co-Chair Mercer suggested a small break-out session in the near future, once public health orders permit, to discuss whether there are any other options within the municipality's scope. Further details will follow.

Discussion ensued regarding micro-units and whether micro units could increase the supply of affordable units. Some issues noted with micro-units are flood-plain requirements. Another concern expressed is the lack of practicality of land use as a tiny home does not support density; particularly with respect to sufficient square footage for larger families. Tiny homes use large amounts of land when compared to a well-designed townhouse complex that could provide a yard and three bedrooms. The micro unit concept may be better suited to locations where land is more affordable.

Growth and Development Information

Information regarding growth and development in Chilliwack was provided.

Chilliwack Growth Projections

Information regarding Chilliwack growth projections was provided.

8. NEXT MEETING

The next meeting of the Development Process and Affordable Housing Advisory Committee will be held on Wednesday, June 23, 2021.

9. ADJOURNEMENT

Moved/) There being no further business, the Affordable Housing and Development Advisory
Seconded (Committee meeting adjourned at 8:45 am.

Councillor Harv Westeringh, Chair

