

# 2025 HAF Infill and Small Scale Multi Unit Housing Incentive Program

# Purpose

Housing incentives are intended to facilitate the development of housing units that are already permitted in zoning but where non-regulatory barriers still exist for some developers. Incentives are meant to make it easier for property owners to reinvest in their properties by adding new housing units.

# Rationale

Housing choices and affordability are top priorities for the community. In recognition of the impact of housing challenges on residents, Pemberton Council made the development of housing that meets the needs a strategic priority. On November 5, 2024, Council endorsed a new housing strategy that set a new vision and core principles:

## Vision

All Pemberton residents have access to diverse and appropriate housing options for every stage of life.

## **Core Principles**

- Pemberton residents have housing options and housing choice
- Tradeoffs are required to deliver new housing options and to achieve a balanced housing continuum
- Development and growth are managed responsibly to deliver the housing needed by the community
- The Village of Pemberton is proactive to meet new and evolving provincial legislative requirements
- Housing solutions require partnerships and community capacity
- The Housing Strategy takes a long-term view to proactively identify actions that should be initiated now.

The housing incentives program has been developed to align with the core principles that support the vision of the housing strategy. The incentives look to address knowledge gaps in the community by helping property owners understand what they can do to their properties and the steps involved in building more housing units. Other incentives will allow applicants to go through the development process as efficiently as possible.

# **Program Details**

# 1. Capacity Building

An investment in tools and activities to help build industry and property owner knowledge capacity for financing, planning, building, and using infill housing. Infill Housing and Small Scale Multi Unit Housing (SSMUH) initiatives are often small projects that are taken on by individual property owners or by developers with limited development experience. In this situation, the lack of knowledge may result in low uptake when the property owner or investor does not know where to begin with their project.

### Program Description

The primary goal of the capacity building incentive is to increase the knowledge of the potential for infill projects in the community. Education and awareness will be in the form of information that is easily accessible on websites, in handouts, and other tools. Information will be presented in layers from general information about SSMUH and infill housing, links to funding opportunities, to how-to guides that describe what is necessary to build new housing units in Pemberton.

### **Implementation**

Phase One – Preparation (January 2025)

- Confirm scope
- Develop a project timeline, tools, and best practices
- Phase Two Development (February March 2025)
  - Identify program objectives, messaging, and sequencing
  - Identify target audience and develop communications and learning materials
  - Test program through focus groups with target audience
  - Develop implementation strategy and roles
  - Finalize the program.

Phase Three – Delivery (April – June 2025)

- Launch the program hosted in a Housing dedicated page on the Village website.
- Execute a comprehensive communication strategy to reach target audiences.
- Execute the implementation strategy according to the roles identified

Phase Four – Monitoring and Evaluation (Ongoing)

- Track number of downloads and views of communication materials and tools
- Track participation at any in-person activities
- Track number of building permits for infill or SSMUH units
- Review program performance annually, with Housing Strategy Scorecard.

Implementation work is expected to be carried out by staff with collaboration across many departments. Costs for support from consultants are eligible expenses under the HAF program. The first how-to guide on building an accessory dwelling unit is already complete and will be added to the Village website shortly.

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# 2. Pre-Reviewed Housing Designs

Develop a package of pre-reviewed building designs to fast-track building permits for infill and SSMUH development. Pre-reviewed designs are created by architects and pre-reviewed by Village staff for compliance with all applicable regulations.

#### Program Description

The purpose of the Pre-Reviewed Designs program is to develop a library of architectural designs prereviewed by staff for regulatory compliance that will not require an extensive review before a building permit is issued. The library of designs will be guided by strong design criteria including energy efficiency and affordability and will consider requirements for properties located in a floodplain, on a hillside, or another sensitive area. The recommendation is to create an initial library of designs that includes existing sources (e.g. <u>BC Standardized Design Catalogue</u>) and additional information that will be relevant for optimized development in the Village of Pemberton.

#### **Implementation**

Phase One – Preparation (January – February 2025)

- Review Scope and good practices
- Define project team, Village staff, building officials, hire consultants

Phase Two – Pre-reviewd Design Development (February – May 2025)

- Project team and design panel to create Pemberton-specific pre-reviewed designs
- Communicate final versions with the community.

Phase Three – Promotion and Implementation (May – July 2025)

• Develop communication materials and ongoing strategy to inform the community about pre-reviewed designs

• Operationalize fast approvals of applications that use the pre-reviewed designs

Phase Four – Monitoring and Evaluation (July 2025 onward)

- Track number of downloads and views of pre-reviewed design materials
- Track the number of permits for pre-reviewed designs
- Log any challenges or concerns with designs to identify where improvements are necessary
- Review program performance annually, with Housing Strategy Scorecard.

Implementation will be coordinated by Development Services staff with some assistance from consultants to develop new designs. This process will run in parallel with the next housing initiative with the design program expected to be completed and released to the public by mid-2025.

# 3. Simplified Approval Process

# a. Minor Development Variance Permit

Not all properties are the same. In Pemberton, development properties are varied in their size, topography, and characteristics including the flood plain, hillside, and environmentally sensitive areas. In many cases, the addition of new housing units requires variances from standards in zoning and development control bylaws. Currently, Village bylaws require variances to be considered by Council or by the Board of Variance, with the potential for delays through either process. The *Local Government Act* was updated in 2022 to enable local governments to define minor variances and to delegate approval of minor variances to staff.

### Program Description

In the implementation of this initiative, staff will develop definitions and a schedule of minor variances for infill housing developments including ADUs. Definitions will consider issues such as building height, setbacks, and design specifications, specifying what a minor variance means in each metric. The process will be established from application to approval and implemented through amendments to the Development Procedures Bylaw. Staff will bring a report outlining the proposed changes to Council for review before consideration of bylaw amendments.

#### **Implementation**

Phase One – Preparation

- Identify project team from Village staff, building officials, and consultants
- Identify most common lot types and locations and their characteristics

Phase Two – Program Design

- Identify most common topics and types of variances
- Define what is a "minor" variance
- Develop guidelines/considerations to act as criteria for staff decision making
- Test criteria and seek comments from industry experts
- Revise and present program to Committee of the Whole

Phase Three – Approval Process

- Implement program into Development Procedures Bylaw and other applicable policies.
- Present updates for approval through the normal bylaw adoption process
- Phase Four Communications, Monitoring and Evaluation
  - Release communications to inform community of new changes
  - Track the number of variances granted by staff
  - Review program annually with Housing Strategy Scorecard

# b. Energy Step Code Simplification

Energy step code compliance and energy advisor costs are proportionally higher for smaller buildings like ADUs. While these costs can be absorbed into a larger build, they can be prohibitive for the development of infill housing. The Village has heard from the building industry that cost savings and simplified construction requirements would reduce barriers for building ADUs, which are generally already more energy efficient by design.

### Program Description

The purpose of this program is to temporarily relax requirements of the Energy Step Code and provide a code compliance path that does not require hiring an energy advisor until 2027. After 2027, provincial step code requirements are scheduled to rise and would eliminate the opportunity for these measures.

The recommendation is to permit smaller dwellings to meet a prescriptive energy efficiency pathway or a lower Energy Step Code (step 3 instead of 4). This relief would reduce costs and simplify the construction and approval process. Adoption of this incentive involves an amendment to the building bylaw, which can be drafted by staff for Council consideration.