Recommendation:

That the May 3, 2017, Sustainable Development report CR_4064, be received for information.

Report Summary

This report provides information on potential options for the creation and implementation of a laneway housing strategy.

Previous Council/Committee Action

At the September 14, 2016, Urban Planning Committee, the following motion was passed:

That Administration develop a laneway housing strategy.

Report

Garage and garden suites, also referred to as laneway housing, support flexible living options in mature and established neighbourhoods. Mature and established neighbourhoods in Edmonton feature an extensive network of alleys and lanes that represent a significant opportunity for accepting growth. The addition of a garage or garden suite to a lot increases density with minimal impact on the existing streetscape or house. Garage and garden suites can also provide homeowners with an additional source of revenue. These smaller living spaces are an important way to add housing diversity to neighbourhoods because they can support demographic groups whose needs may not be adequately met through existing housing options. Garage and garden suites may also be a popular choice for those who wish to live near extended family members while still maintaining some privacy, by ensuring that everyone has their own space.

To date, support for garage and garden suites has been addressed through the implementation of Edmonton's Infill Roadmap. This overarching infill strategy includes addressing garage and garden suites in its communications plan and through changes to regulations and process, including:

Communication:

A specific garage and garden suites communications plan that includes a social media plan, online videos, and a how-to guide for builders has been developed. This communications plan is a subsection of the overall Evolving Infill communications plan. The how-to guide is currently under development and will be available in fall 2017.

Regulation and Process:

- Changes to Zoning Bylaw 12800 to support more garage and garden suites by removing location criteria, as outlined in Edmonton's Infill Roadmap. This was approved by City Council in April 2015 (Bylaw 17116).
- Pre-application meetings for applicants wishing to meet with City staff in advance of development permit applications in mature neighbourhoods are available as of July 2016 through the infill website. This includes garage and garden suites.
- Zoning Bylaw 12800 amendments to decrease barriers to garage and garden suites while ensuring higher quality design, which will be advanced to Public Hearing in July 2017.
- Proposed amendments to Zoning Bylaw 12800 that will reduce parking requirements for low density residential uses. This will result in properties with a garage and garden suite requiring two parking spaces, rather than the current three. The proposed amendments were presented to Urban Planning Committee on March 15, 2017, and received direction to move these changes forward to Public Hearing. This is anticipated for July 2017.

Options

In response to Urban Planning Committee's motion, Administration has identified two options for consideration regarding a potential laneway housing strategy. The first is to continue to include garage and garden suites as part of a holistic infill strategy, and the second is to create a stand-alone strategy for this form of housing. Administration recommends the first option as the preferred approach.

Option 1: A strategy to support garage and garden suites that continues to be part of the larger Evolving Infill strategy.

Ongoing and planned work to support garage and garden suites that is identified above would continue. This would include ongoing consideration of alley upgrades to ensure that the needs of current and future residents in laneways are met. Potential additional steps to support garage and garden suites would be identified through the Evolving Infill conversation, which began in spring 2017. Administration anticipates returning to Urban Planning Committee in the spring of 2018 with a final document outlining strategies to better support residential infill in Edmonton. Although it is anticipated that the Evolving Infill conversation will focus on medium to high density forms of residential infill, key low density opportunities may also be explored, as Administration has committed to being responsive to what is heard.

The implications of this approach include:

- Ongoing integration and alignment that supports a coordinated work plan with a city-wide approach to residential infill.
- Ensuring that garage and garden suites are part of a holistic communications plan that is supported by the familiar Evolving Infill messaging and branding.
- Providing an option to discuss garage and garden suites as part of Evolving Infill

Page 2 of 5 Report: CR 4064

helps to mitigate consultation fatigue on infill-related issues.

No additional resources are necessary to manage this project.

Option 2: An independent, stand-alone laneway housing strategy project.

Ongoing and planned work to support garage and garden suites that is identified above would continue, however an additional project specifically to support garage and garden suites would be created. In this option, extensive and targeted public consultation focused specifically on garage and garden suites would be conducted to better understand public perception, needs and desires. This engagement would be held separate to Evolving Infill, and the resulting work would need to be aligned and coordinated with the Evolving Infill implementation plan. Additional technical work to examine existing programs for lane upgrades, as well as potential further amendments to Zoning Bylaw 12800, would be investigated.

The implications of this approach include:

- A focused and comprehensive public conversation about garage and garden suites.
- All initiatives related to garage and garden suites would be located in one document.
- Challenges in keeping this conversation effectively aligned with broader Evolving Infill conversations, as they both deal with infill-related issues and will likely produce similar outputs as the result of engagement.
- Potential for consultation fatigue on infill-related issues, as key stakeholders will be shared between a potential laneway strategy project and Evolving Infill.
- Additional resources would be required to support project development and a robust engagement process.

Measures

Administration will continue to monitor and report on the numbers of garage and garden suites built annually; however, the overall numbers are still too low to determine trends that can give meaningful guidance to policy development. For both options listed above, success will be monitored and communicated annually through the Infill Snapshot - Garage and Garden Suites, and the Development Permit Variance Annual Report.

Policy

This report is supported by policies in *The Way We Grow*, Edmonton's Municipal Development Plan, Bylaw 15100:

Policy 3.1.1.2 – Encourage a minimum of 25 percent of city-wide housing unit growth to locate in the Downtown and mature neighbourhoods and around LRT stations and transit centres where infrastructure capacity supports redevelopment.

 Policy 3.2.1.1 – Ensure a combination of single family and multi-family housing development potential is available for the next 30 years.

Page 3 of 5 Report: CR 4064

- Policy 3.5.1.1 Support redevelopment and residential infill that contribute to the liveability and adaptability of established neighbourhoods which are sensitive to existing development.
- Policy 4.2.1.1 Support revitalization, redevelopment and infill that contributes to the livability and adaptability of established neighbourhoods.
- Policy 4.2.1.6 Optimize the use of existing infrastructure in existing neighbourhoods.
- Policy 4.4.1.1 Ensure neighbourhoods have a range of housing choice to meet the needs of all demographic and income groups and create more socially sustainable communities.

Public Engagement

In the April 2017 Insight Community Mixed Topic survey, we asked what topics people were most excited to talk about in Evolving Infill. Respondents could choose more than one option. Of the 1,571 completed surveys, 35 percent of the responses indicated interest in discussing a potential Laneway Suites Strategy. This was the least frequently chosen answer of the options for discussion identified. For comparison, 63 percent of the respondents wished to discuss low scale infill contexts, 61 percent wished to discuss medium scale infill contexts, and 62 percent wished to discuss the conditions that support great infill. The survey was open from April 11 to April 18, 2017.

Further public engagement would be conducted for either approach presented in this report.

Metrics, Targets and Outcomes

The metrics for monitoring residential infill are published annually in the Mature Neighbourhood Reinvestment Report, supported by annual Infill Snapshots and the Census Atlas.

| Metrics | | Targets | Outcomes |
|---------|---|---------|---------------------------|
| • | Number of new garage and garden suite units in mature and established neighbourhoods in 2016 - 55 In 2015 - 23 In 2014 - 16 | | residential densification |
| • | Number of new garage and garden suite units within the Mature Neighbourhood Overlay in 2016 - 50 In 2015 - 23 In 2014 - 14 | | |

Page 4 of 5 Report: CR_4064

| Percentage of new dwelling units in core and mature neighbourhoods in 2016 - 24 percent | The Municipal Development Plan identifies a minimum of 25 percent of city-wide housing unit growth to locate in the Downtown and mature neighbourhoods, and around LRT stations and transit centres. | |
|---|---|--|
| Number of variances for garage and garden suites within the Mature Neighbourhood Overlay in 2016 - 18 In 2015 - 10 | A year-over-year percentage decrease in the number of variances for garage and garden suites within the Mature Neighbourhood Overlay. The numbers are currently too low to be statistically significant. | |
| Number of appeals on garage and garden suites within the Mature Neighbourhood Overlay in 2016 - 7 In 2015 - 2 | A year-over-year percentage decrease in the number of appeals on garage and garden suites within the Mature Neighbourhood Overlay. The numbers are currently too low to be statistically significant. | |

Attachment

1. Map of New Garage and Garden Suites 2016

Others Reviewing this Report

- T. Burge, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- R. Smyth, Deputy City Manager, Citizen Services
- C. Campbell, Deputy City Manager, Communications and Engagement

Page 5 of 5 Report: CR_4064