

Developers embrace more space

Vancouver eyes family-unit policy as New West requirement surpassed

About a year ago, New Westminster councillors told developers they would have to plan for a lot more family-sized units if they wanted to build in the city.



RIC ERNST New Westminster Mayor Jonathan Cote says requirements for family-sized units in new construction are proving successful.

Vancouver councillors will consider making a similar demand next week, with a proposed policy going to council to require at least 35 per cent of units in new buildings to have two bedrooms or more.

It has been seven months since New Westminster's 30 per cent requirement went into effect and rather than stifle development as some had feared, the policy has been embraced and the target surpassed by developers, New Westminster Mayor Jonathan Cote said in an interview Friday.

"In the applications we've received this year, over 60 per cent of all new units are now two bedrooms or more and 25 per cent of the units are three bedrooms or more," Cote said.

The idea for New Westminster's policy came after a developer proposed a new building that only included small units.

"I think even just having the policy in place has led to developers actually thinking about projects a little bit differently," Cote said, adding developers are now finding ways to build larger units, such as townhouses, into condo developments.

Cote said he did not believe the policy had slowed development in his city, but said that was hard to judge because it was only a few months old and, in any case, the construction industry is booming across the region. Similarly, it is too early to say whether the policy has led to an overall increase in home prices, he said. Either way, Cote is already calling the policy "extremely successful" from a city building perspective.

“It’s become clear that there is market demand for larger units and ... if we really want to build a diverse community, we’ve got to be able to have people of all different demographics and family sizes able to live in our neighbourhoods.”

The idea of family unit requirements is not new to Vancouver. The city has included targets (typically up to 25 per cent) in many of its guidelines and plans.

If Vancouver councillors approve the policy, a minimum of 25 per cent of the units in new strata developments would have to include two bedrooms and another 10 per cent would need to include three bedrooms. A similar number would be set, but only as a target, for rental developments.

There are exceptions. The director of planning could relax the requirements in a variety of cases, including for: Buildings on the heritage register.

Projects that meet council goals for affordable housing or sustainable development.

Low or mid-rise buildings in locations with major design challenges in meeting the three bedroom requirement.

Projects targeted at singles or couples.

City staff hired Coriolis Consulting for an economic analysis of the plan. It said the policy would have minimal effects on strata projects, typically reductions in land value and profit margins of less than one per cent. Rental projects would suffer little or no effect on profit margins, depending on neighbourhood, the analysis found.

Staff at PCI Developments Corp. declined an interview and requests to Onni and Bosa, two other major developers, were not returned.

Westbank issued a statement noting that the company includes family-sized units in all of its developments, and while demand for three-bedroom units has risen with the cost of housing, they “do not do well in neighbourhoods that lack supportive children-family infrastructure.”

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