MEMO

TO: Planning Advisory Committee

FROM: Andrew Fisher, Director of Planning & Economic Development

DATE: March 3, 2025

RE: MPS & LUB Review

On February 3rd, the Committee received draft Municipal Planning Strategy and Land Use Bylaw documents. At that meeting attached drafts included format revisions to correct section numbers and references. Since that time, staff have made two substantial changes to the draft MPS:

1. Policy 4-46 and 4-47 require a Site Plan Approval in the Highway Commercial Zone for drive-throughs and developments with a gross floor area 900 square metres or greater. The approval process for both drive throughs and large-scale developments in the Highway Commercial Zone have historically not indicated a need for a site plan approval. As such, the following two policies have been removed from the draft and the corresponding LUB sections have been altered to reflect this change.

Policy 4-46: Council shall, through the Land Use Bylaw, permit drive-throughs in the Highway Commercial Zone by site plan approval.

Policy 4-47: Council shall, through the Land Use Bylaw, require any proposed development that is listed as a permitted use within the Highway Commercial Zone, with a gross floor area of 900 square metres or greater, to proceed through site plan approval.

2. Under "Policy Areas", section 5.2.1 has been updated to reflect the current state of housing to reflect the current situation, which underpins the policy approach to addressing housing access and affordability. Section 5.2.1 has been replaced with the following:

5.2.1 Housing Diversity and Affordability

Housing diversity is a key factor in affordability, encompassing both tenure (ownership vs. rental) and housing types (single-family vs. multi-units). Amherst's housing stock consists of approximately 50% single-detached homes, 21% small-scale apartments (under five storeys), and the rest as two-unit and movable dwellings. Census data from 2021 indicates a shift toward rental housing and smaller households, with one and two-person households increasing. Housing costs also rose between the last two census periods, and further significant changes in both cost and tenure are expected in the upcoming 2026 census.

The COVID-19 pandemic, beginning in early 2021, accelerated housing market shifts due to interprovincial migration, labor shortages, supply chain disruptions, inflation, and rising interest rates. A 2023 Housing Needs Assessment found that many Amherst residents struggle with affordability:

• **Homeownership:** 30% of couples, 59% of lone parents, and 86% of single-person households earned below the income needed to afford the median home price.

• **Renting:** 10% of couples, 25% of lone parents, and 71% of single-person households earned below the income required for average rents in 2021.

The above numbers have likely worsened and are not unique to Amherst, prompting all levels of government to prioritize housing access and affordability. Amherst Councils, past and present, have prioritized housing across the spectrum, implementing initiatives such as:

- Providing property and financial support for the Cumberland Homelessness and Housing Support Association to construct and operate an emergency shelter.
- Agreements and financial support for Hillsdale, an affordable development with potential for up to 600 units.
- Adopting the Housing Infrastructure Investment Policy to finance residential infrastructure expansion.
- Purchasing land and extending infrastructure to increase serviced residential vacant land.
- Approving approximately 600 new dwelling units over three years.

In addition to the above actions, Council gave direction to apply to the Federal Housing Accelerator Fund program that incentivizes municipalities to develop a Housing Action Plan to realize more housing. In March 2025 the Town was awarded \$2.2 million to undertake five initiatives that include:

- Implementing E-permitting software to increase permit processing efficiency.
- Waiving permit fees for affordable housing.
- Allowing upper-floor conversions of downtown commercial buildings into residential units by right.
- Permitting accessory units and up to six-unit developments by right while reducing lot size requirements.
- Enabling 7–12-unit developments in all residential zones and high-density developments in the Highway Commercial Zone via Site Plan Approval.

Given context outlined above, there is a need to more aggressively promote a variety of housing types and densities in both existing and future neighbourhoods in all areas of Amherst.

With regard to LUB regulations for multi-unit dwellings, staff have tested the new regulations by applying them to existing and potential development scenarios and getting feedback from a local developer. Under the current regulations, any development with more than four dwelling units requires a development agreement (DA), a process that is both lengthy and uncertain. The draft documents propose increasing this threshold to 13 units, making the approval process for smaller multi-unit developments faster and more predictable. Under the new approach, developments of up to six units would be permitted by right, while those with 7 to 12 units would require site plan approval.

The issue identified by staff is that while allowing more units by right or by site plan approval speeds up the process, it also reduces flexibility compared to the existing planning documents. The primary benefit of the DA process is that it allows exceptions to the minimum requirements set out in the Land Use Bylaw (LUB), particularly regarding minimum lot area. Staff have explored options discussed below to introduce greater flexibility for developments with 12 or fewer units.

For reference, the current draft residential requirements are provided in the chart below:

7.2.4 Zone Requirements

In any Residential Zone, all development permits shall be issued in conformity with the following requirements:

| (a) Single Detached Dwelling | | | | | | |
|------------------------------|-----------------------------|--|--|--|--|--|
| Minimum lot area | | 450 m ² | | | | |
| Minimum lot frontage | | 15 m | | | | |
| Minimum front yard | | 6 m | | | | |
| Minimum rear yard | | 6 m | | | | |
| Minimum side yord | One side | 1.3 m | | | | |
| Minimum side yard | Other side | 3 m | | | | |
| Minimum flanking yard | | 6 m | | | | |
| Maximum height | | 11 m | | | | |
| | | | | | | |
| | (b) Multiple Unit Dwellings | | | | | |
| Minimum lot area | | 250 m ² per ground floor unit | | | | |
| | Apartment Building | 150 m ² per upper floor unit | | | | |
| | Townhouse | 300 m ² per unit | | | | |
| | Converted/Duplex/Semi- | 560 m ² | | | | |
| | Detached/Other | | | | | |
| Minimum lot frontage | Apartment Buildings | 20m | | | | |
| | Townhouse | 6 m per unit | | | | |
| | Converted/Duplex/Semi- | 18 m | | | | |
| | Detached/Other | | | | | |
| Minimum front yard | Townhouse | 10 m | | | | |
| | All Other Types | 6 m | | | | |
| Minimum rear yard | All Types | 6 m | | | | |
| Minimum side yard | Apartment Building | One side 2 m | | | | |
| | | Other side 3m | | | | |
| | Townhouse | Common Wall 0 m | | | | |
| | | Outside Wall 3 m | | | | |
| Minimum flanking yard | | 4 m | | | | |
| Maximum height | | 12 m | | | | |
| Maximum Lot Coverage | All Types | 35% | | | | |

The above requirements would result in the following scenario assuming an 85 m² floor area per unit:

| Building | Min. Lot Area | Lot Coverage | Lot Area/unit |
|--------------------|----------------------|--------------|---------------|
| 4 unit – 2 storey | 800 sqm / 8,608 sqft | 21 % | 200 sqm |
| 6 unit – 2 storey | 1200 sqm/17,222 sqft | 21% | 200 sqm |
| 12 unit – 2 storey | 2400 sqm/25,833 sqft | 21% | 200 sqm |
| 12 unit – 3 storey | 2200 sqm/23,681 sqft | 15% | 183 sqm |

The above scenario requires over $\frac{1}{2}$ acre for a 12-unit dwelling. It was suggested by the local developer that minimum lot area is too high and might impact project feasibility in some cases.

Option A – Development Agreement Option

Maintain the minimum requirements as proposed, but allow a development agreement option where the minimum requirements cannot be met. This would provide flexibility but would undermine the original goal of reducing the need for DA approvals for small-scale residential developments.

Option B

Apartment buildings 3-6 units: $200 \text{ m}^2 \text{ per unit}$ 7-12 units: $1200 \text{ m}^2 + 50 \text{ m}^2 \text{ per unit}$

This option would get rid of the ground and upper floor calculations and keep the lot area relatively large for the smaller developments, while providing a modest reduction in minimum lot area for 7-12 units as shown below:

| Building | Min. Lot Area | Lot Coverage | Lot Area/unit |
|--------------------|----------------------|--------------|---------------|
| 4 unit – 2 storey | 800 sqm / 8,608 sqft | 21 % | 200 sqm |
| 6 unit – 2 storey | 1200 sqm/17,222 sqft | 21% | 200 sqm |
| 8 unit – 2 storey | 1600 sqm/17,216 sqft | 21% | 200 sqm |
| 12 unit – 2 storey | 1800 sqm/19,368 sqft | 28% | 150 sqm |

Option C – Maximum Lot Coverage

As was previously suggested, staff looked at removing the minimum lot area per unit requirement and allow the maximum 35% lot coverage, parking and amenity space requirements to dictate the number of units that could be permitted on a lot. The following table provides some scenarios. It assumes each ground floor unit to be 85 m², which represents a reasonable size 2-bedroom unit with additional area for hallways and common areas. This option would provide the most flexibility and allow the greatest potential to redevelop smaller lots.

| Building | Building Footprint | Min lot area at 35% | Lot Area/Unit |
|--------------------|---------------------------|-----------------------|---------------|
| | | coverage | |
| 4 unit – 2 storey | 170 sqm / 1,829 sqft | 485 sqm / 5,218 sqft | 121 sqm |
| 6 unit – 2 storey | 255 sqm/2, 744 sqft | 728 sqm / 7,839 sqft | 121 |
| 8 unit – 2 storey | 340 sqm/17,216 sqft | 971 sqm / 10,452 sqft | 121 |
| 12 unit – 2 storey | 510 sqm/5,488 sqft | 1,457 sqm / 15,679 | 121 |
| | | sqft | |
| 12 unit – 3 storey | 340 sqm/17,216 sqft | 971 sqm / 10,452 sqft | 80 sqm |

Recommendation

The above scenarios are offered for comparison and discussion, although there are an infinite number of potential options. Staff feel that a combination of Option A and Option B would provide a reasonable increase in density that can be approved through the basic permit and site plan approval process, but also provides the option to seek higher density through the development agreement process.