

Amendment to Zoning Bylaw 362, 2004 – Discussion of Administration

Councillors J Ronsley and P Akerhielm, April 19th, 2010

1. *Purpose*

This report augments the report on the proposed amendment to the Zoning Bylaw, legalizing Secondary Suites in Lions Bay. It is intended to help Council discuss how to approach administration of the Zoning Bylaw requirements, including how to administer a Secondary Suites registry. Also, in enforcing the clauses of bylaws, a Council has discretion to set its own policy, and this needs to be discussed.

2. *Objectives of Change in Zoning/Legalizing Secondary Suites*

A balanced consideration of the objectives to be achieved should guide Council in setting its own policies for administration and enforcement of Secondary Suites legislation.

The general objective of the change in zoning, which will legalize operation and construction of secondary suites, is to realize the guidance given within the OCP as follows: “Provide for secondary suites within single family dwellings through changes to the Zoning Bylaw. Suites should be regulated to requirements for health, safety, onsite parking and adequate septic services, and to ensure owners make a fair contribution to the cost of services through municipal taxes. A secondary suite should only be allowed if the owner lives on the property.”

Within these general OCP objectives, this particular Council would likely want to make zoning and other legislative or administrative policy changes with due regard to the following:

- Reasonable standards for health and safety of tenants, who are residents of Lions Bay like any other resident
- The burden of costs imposed on homeowners in building or upgrading suites
- Keeping affordable housing available in the Village
- Ensuring that landlords pay a fair share of the costs of Village services, as called for in the Official Community Plan
- Encouraging compliance with Village legislation, so that landlords who voluntarily comply do not feel that others are “getting away” with non-compliance

Legalization of secondary suites has been included in the Village’s action plan on GHG emissions, since anything likely to help densify the Village reduces GHG emissions per person. As a comment, over the short to medium term, it is possible that the Zoning bylaw amendment might actually cause some landlords to close suites - some may wish to avoid upgrade costs or suite surcharges, while others may fear that tax authorities might have their attention drawn to hitherto undeclared

business income. That said, over the longer term, the legislation should encourage the construction of new suites, since it clarifies the legal situation, and the Village would provide guidance on new construction.

As a further comment, our research did not turn up any studies of the impact of suites legislation upon municipal densification. The reasons are likely twofold. First, data on the numbers of suites in any municipality are only estimates at best. Second, economic factors and not legislation are what has governed the growth in suites in Lions Bay and elsewhere, and economic factors will continue to be the main driver.

Increased revenues to the Village are not an objective of the new legislation/administrative policy. While the suites initiative is sure to be characterized by some as a “tax grab”, what Lions Bay residents want, and have expressed in the last two OCP processes, is for landlords to make a fair contribution to the cost of providing Village services (we will for convenience call this a “suite surcharge”). Any additional revenues that accrue to the Village through the suite surcharge for suites could be used in one of two ways. One is to lower the relative levels of taxes or fees paid by those who are not landlords. The other is to provide more Village services overall. Council, in setting its annual budget, would look at the revenue picture and could end up doing either of these things, or some combination of both.

3. Health/Safety Inspection Requirements

It is possible for municipalities to legalize suites without requiring any inspection, and the Village lawyer has advised that a municipality the size of Lions Bay has reasonable grounds to do so, because it has scarce resources. However, we do not recommend this to Council, because for us as Councillors, it creates ethical issues. It requires turning a blind eye to the conditions tenants are facing, when we put a high priority on the safety of individuals. Staff to whom we spoke in other municipalities referred to hazardous conditions such as no windows in a bedroom, inadequate fire access, inadequate fire separation and exposed wiring. Illegal suites in Lions Bay may contain some of these hazards.

For this reason, we recommend a program of inspection. Given the Village’s scarce resources, it should be self-funded by landlords. Staff are investigating and will help recommend an appropriate inspection program. The concept would be that at a cost to be covered by the landlord, the Building Inspector or another professional would perform the inspections.

From the point of view of the health and safety of tenants, there are three “sets” of Secondary Suites.

- a) Secondary Suites to be built in future, in brand new residences
- b) Secondary Suites which homeowners may wish to build in future, in existing residences
- c) Secondary Suites already constructed illegally, in existing residences

Suites to be built in new houses would automatically meet the requirements of the BC Building Code, as long as homeowners comply with the Village's building permit process.

New suites to be built in existing residences may not be able to fully meet the standards for those in new residences. A number of municipalities issue guides for somewhat "relaxed" standards for construction, under these circumstances. An example from Coquitlam is appended. The Village of Lions Bay could issue its own guide, similar to this.

Secondary Suites that have already been constructed illegally, in existing buildings, are numerous within Lions Bay. Council's interest in the health and safety of tenants needs to be balanced against the need to keep affordable housing in the Village, and the importance of suites to the financial well-being of homeowners. At this point, a program of inspection of existing suites to ensure they create no basic life safety issues for tenants seems like the best way to achieve this balance. As to what should constitute an appropriate checklist of this kind, Village staff should confer with the Building Inspector Mr Butler, who has many years experience here and in Burnaby.

4. Costs and Suite Surcharges

In arriving at a figure for a "fair contribution to the cost of Village Services", we recommend that Council simply propose a range of what other municipalities impose as suite surcharges, and ask the public what seems fair. "Fair share of the cost of Village services" is what the OCP calls for, after all.

Here is one way to look at "fairness". Village services are paid for annually by residents through municipal taxes plus utilities (garbage/water/recycling). The average homeowner in Lions Bay paid \$4,321 in taxes and utilities in 2009 (\$4,816 if living in Kelvin Grove). If Council imposed a \$500 suite surcharge on a suite, the landlord would then pay less than 12% more in total towards the cost of services provided by the Village. If Council imposed an extra 50% charge on garbage, recycling, and water charges, which would amount to about \$400, the extra contribution by landlords would be up just over 9%. Most reasonable residents would see either fee as a "fair share" of costs, given that tenants do use the full range of Village services.

We recommend against trying to estimate the impact of suites on total costs of Village services such as roads, parking enforcement, sewer, water, etc. First, it would involve making a large number of heroic assumptions around figures which are unknown: for example, how many suites there are in the municipality, average numbers of people in a house with a suite vs a house without a suite,

volume of garbage created by each person in a residence, how many extra flushes going into a sewer it takes to increase the cost to the Village of having staff testing the outflow from the sewer, how much bylaw enforcement cost each additional car parked creates, etc.

Second, in assessing charges to landlords for secondary suites, other municipalities have done one of two things. They have assessed an extra percentage yearly against the cost of providing basic services such as water, recycling and garbage pickup. Or they have simply charged landlords a flat fee through a Fees and Charges bylaw, for example. The benefit of applying the extra charges on utilities is its simplicity of administration – the Village already sends out notice for utilities rates annually, and has a process in place to deal with unpaid bills.

Worth noting as well is a feature used by Coquitlam, which makes landlords pay more suite surcharges for unregistered than registered suites. The city charges landlords for double the extra utility rates for a principal residence with an illegal suite, considering it “two dwellings.” However, the city reduces the suite surcharge to only 40% of the usual utility rates if the suite is made legal by inspection and registration.

A public hearing is needed for a zoning change, and input can be sought there on suite surcharges. Communications leading up to and around the public hearing can also elicit resident views.

Appendix B provides some very rough preliminary estimates of the costs of setting up the suites administration program, in 2010. At this point, these have not yet had full input from Village staff. We do recommend that the Village staff assist us as soon as possible to fully assess staff costs of administering the Suites program, as closely as practicable. Village resources are scarce and time allocation of staff is a concern.

The Village budget for 2010 includes \$17,300 for suites, with the lion’s share being for legal costs. If 100 suites are registered, which is unlikely because of the inspection requirement, the program set-up costs would be about \$20,700, declining to \$18,900 if as few as 25 suites were registered. No suite surcharges would be assessed in 2010; they would start in 2011. We recommend that any identified illegal suites also be charged a suite surcharge in 2011.

Appendix C provides rough estimates of the costs in 2011, plus projections for the extra contribution to be made by landlords to the cost of Village services. The latter depends on the number of suites identified by/to the Village during late 2010 and early 2011. Appendix C assumes a suite surcharge of only 50% extra on utilities rates, or alternatively a flat fee. NB: The projections for the extra contribution by landlords do not reflect the policy alternative discussed earlier, which is to charge 100% extra on utilities rates, going down to 50% if the suite is registered.

Appendix D provides rough estimates of the ongoing program costs of suite legislation administration.

5. Grandfathering, or Exemptions from Suite Surcharges

The terms “grandfathering” means that what exists now gets exempted from new requirements. The Village lawyer informs us that to begin with, any suites now in the Village are illegal. Their construction was not allowed under the previous Zoning bylaw, and they will not become a legal non-conforming use. Council controls the process under which they are to be declared legal.

However, other types of “grandfathering” could be offered by policy decisions of Council. Some of these are listed below. There are pluses and minuses in this type of approach, and Council should look at any exemptions with an eye to the impact on administrative costs.

- a) Exempting from the suite surcharge any suites in which landlords are presently hosting relatives. Certain municipalities do this through a statutory declaration, yearly.
- b) Exempting from the suite surcharge any suites that are empty and that landlords do not intend to rent out – again, certain municipalities use statutory declarations yearly for this.
- c) While we have not seen this in operation elsewhere, Council could choose not to enforce the Zoning bylaw against landlords who presently have more than one suite in operation, or until the house is sold. A new buyer would have to reduce the number to one suite.
- d) Allowing landlords to postpone making certain kinds of upgrades, until the house is sold.

Certain arguments are frequently put forward in favour of this type of grandfathering. These are:

- It would help Lions Bay landlords keep in place whatever financial or personal arrangements they made in putting the suite in, or getting it occupied. House prices are high. Some landlords may be depending on a certain revenue structure to keep their mortgages going. Their relatives may be depending on certain housing arrangements. A suite surcharge could disrupt this.
- It would encourage compliance with legislation, since existing landlords would have less concern about their financial or personal arrangements being upset. The cost burden of closing or upgrading a suite could be shouldered by the next purchaser of the house, for example.

The arguments against this type of grandfathering are:

- Exempting people from suite surcharges that amount to e.g. \$33 to \$42 a month (see the point below) is not necessarily a big incentive for registering a suite and having it inspected. Where the aim is to encourage compliance, the likelihood of getting found in non-compliance is a greater motivator than the size of the penalty or the incentive. In other words, \$42 a month in foregone suite surcharges might be better spent on staff time to e.g. follow up reports or

enquiries concerning suites by contacting the possible landlords. As another illustration of this, Vancouver had in place for many years a fairly elaborate system whereby suites could be grandfathered in terms of upgrades required. A 1999 report to Council noted that the compliance rate in terms of registering new or existing suites was still dismal, and the reason was issues faced by the City in following up and enforcing its legislation.

- Assuming that landlords had to raise rents to cover suite surcharges, a \$500 annual suite surcharge works out to \$41.67 a month and a \$400 suite surcharge (equivalent to 50% of utilities rates) would be \$33 a month. If a suite were rented now at \$500 a month, an annual suite surcharge of \$500 would mean an 8% increase in rents. This percentage declines with the amount of rent, such that someone earning \$1,750 in rent from a suite could cover the Village suite surcharge by raising rents only 2%.

Monthly Rent	\$500 Annual Suite Surcharge in Dollars Per Month	\$500 Annual Suite Surcharge as % of rent
\$500	\$41.67	8%
\$750		6%
\$1,000		4%
\$1,250		3%
\$1,500		3%
\$1,750		2%

- The more the Village attempts to grandfather landlords for various situations, the greater the administrative burden on the small number of Village staff. For example, in the case of a complaint, staff would have to check e.g. that relatives are relatives, that new renters have not moved into a suite that was declared empty, etc. They would have to check that an upgrade has been done, or an excess suite closed, when a house has been sold, etc.
- Grandfathering may appear unfair to other landlords and residents. Residents who strongly opposed having suites in their neighborhoods might be upset that someone now illegally operating several suites in a residence would be allowed to continue. Landlords who are not grandfathered may perceive inequitable treatment. Relatives in a house create as much extra demand on Village services as paying tenants, for example.

Our recommendation is that grandfathering and exemptions from suite surcharges not be allowed, or be held to a minimum, since Lions Bay is not a big municipality. It lacks staff to check into whether provisions of the grandfathering clauses are being met.

Failing that, alternatives to grandfathering should be used that would avoid administrative time for Village staff. For example, rather than have statutory declarations annually that a suite is not being rented, we could require landlords to close down a suite that they really do not mean to rent out, by removing the electrical panel or other features that separate the suite from the rest of the house. At a minimum, if Council decides to allow a landlord to keep operating more than one suite in a residence, the suite surcharge should be multiplied in accordance.

6. Non-resident Landlords

Our OCP is specific that a secondary suite is only to be allowed if the landlord is resident in the house. The purpose is to make sure the landlord can readily be held accountable for the actions of tenants.

Anecdotally, not all suites in Lions Bay have landlords in residence. Here are some particular cases that members of Council have already noted, in Lions Bay:

1. All parts of a house are rented out by a non-resident landlord.
2. A landlord lives part-time in a warmer climate, leaving the house and the suite both rented during his/her absence.
3. A landlord is elsewhere for an extended assignment (e.g. two years abroad), and has rented – or wants to rent - both parts of the house, to cover the living costs elsewhere.

We recommend that in situation #1 above, landlords be given a year in which to come into compliance. Other municipalities, in putting in suites legislation, generally gave landlords a year in which to comply with this requirement. In Lions Bay, a year's notice to non-resident landlords would be reasonable, requiring them to close suites.

In the “warmer climate” situation, landlords could be told to rent only the main part of the house, and not the suite as well. In the “extended assignment” situation, landlords could be asked to provide proof to the Village office that their residency elsewhere will be of limited duration, to be exempted from the residency requirement. As an alternative in either of these situations, the Village could look at whether a policy can be developed which allows decisions to be made on a case by case basis. However, it would require clear criteria for any such decision, since landlords must be equitably treated.

Notice to home owners should not be an issue. Home owners are required to have their addresses on file with the Village, since they receive tax notices yearly. Council policy or bylaws can establish the rules under which “adequate” notice is defined. In the Good Neighbor bylaw, for example, it is sufficient for the Village to post a letter to the last known address and assume that it has been received.

7. What is Required to Move Ahead with Secondary Suites Enforcement/Administration

- Create the framework for suite surcharges. The exact form in which the suite surcharge is to be paid can be arrived at separately from amending the Zoning bylaw. It could be done e.g. by a Fees and Charges bylaw, or in the garbage/water rates set next February.
- Engage student for the summer to help with work in regard to registration of suites; the student could also perform other tasks
- Inspections of suites – a choice should be made on which approach to take, i.e. whether to have the Building Inspector do all inspections, whether to have another professional do it, etc.
- Create/administer registration form system for suite, for the homeowner
 - To make application for registration
 - To make a statutory declaration forms in accordance with any Council decision under this, re e.g. a) family occupancy including names of the family, or re b) no occupancy of suite at all. With such a statutory declaration, the landlord would not pay the suite surcharge for the suite
- Create guides and Q's and A's, plus seminar material for Village Manager to educate residents
- Add suite surcharges to next year's forms for garbage, water and recycling charges
- Thereafter, maintain the program, yearly – some features would conceivably be:
 - Building inspector to handle any new suites, through building permit process
 - Yearly statutory declarations, if any, would have to be renewed
 - Issue one extra parking pass yearly to owners of a registered suite, if this is approved
 - Request voluntary registration of names and phone numbers of tenants, for emergency contact purposes – list to be kept confidential

Appendix A

October 14, 2009 Meeting with Residents on Secondary Suites, Village Hall

Meeting notes: Councillor Peach Akerhielm

Present: Councillor Ronsley, Councillor Akerhielm, Mayor Broughton and 17 residents

Councillor Ronsley introduced the topic and noted that Council have worked forward from the current OCP and the former OCP, to approach legalizing suites. Council has been working hard on this and has learned a huge amount about suites in the Lower Mainland. To date no decisions have been taken. The purpose of this evening meeting was to share information on what has been done elsewhere in other municipalities' suites programs, and to receive some initial questions and opinions from residents.

She then presented a slide show (*available upon request*).

During and after the slide show, question and answers, plus comments, from residents went roughly as follows. All answers were provided by Councillor Ronsley except where otherwise indicated:

Q: Is council's initiative anything to do with renting your whole house? A: No, that is different entirely and not being addressed in this initiative.

Q: Is any statistical data available on how many suites exist in the Village? A: No. A guesstimate might be 100 to 115 but we cannot know.

Q: When we talk about suites, are we referring only to suites inside a dwelling or to e.g. separate buildings like coach-houses in the garden? A: The Village takes all suites to be inside the residence, and not to refer to other houses on the lot. They will not fit within our definition of a suite and will not be legal.

Comment: We are only a little Village and what other larger municipalities do should not be what we base our approach on. A: We're offering examples of what others do as just that: examples. What Council is attempting to do with the incoming suites program is to achieve fairness and safety, and to spread the costs of doing Village business and providing services in Lions Bay equally among residents who have to pay for the services.

Comment: I used to have a family and now it's only just me and one tenant. Council is claiming that my tenant is creating stress on Village services. This is a money initiative, a tax grab. A: Your taxes or utility charges don't depend on how many people live in your house, or we'd charge a family of ten more than we charge you. Also, all of us pay for things we don't consume here but it's still fair. I have no children in our school but am paying school taxes. Council is trying to get as close to a fair and balanced approach as we can. This Council believes in being fair and doing the right thing. It's true we are being

hit with more costs of running the Village. Our Mayor brings in a lot of grants, but we are renovating a whole water system and it's costly. I pay as a taxpayer for that. Council is trying to get it right for the greatest number of people. You'll have to have confidence that's our approach.

Comment: I like the approach you're taking.

Comment: Suites do cost the Village more in terms of services. People who have them are earning income from the suites and if they pay some percentage back to the Village, it's a fairer system. A: Yes, suites do bring extra costs but let us be very clear that they are also a positive thing for the Village. They bring in new people, keep our school full, our fire department staffed – our volunteers must live here in order to be firefighters. Speaking for all of Council, we find suites a positive addition to Village accommodation.

Comment: Suites as talked about in the OCP are only one piece of a big puzzle in terms of accommodation inside the Village. There are other solutions, too – duplexes, accommodation for older people. But as for suites, let us be clear whether we are trying to promote suites or police them out of existence. Some people here are advocating huge charges and parking rules that are impossible. The Village needs to tie together its intent and its action.

Q: You speak of requiring a landlord to live on the property if it has a suite, as if this would solve all the problems. We've had cases where the owner has lived there but the suite has been a nightmare. Even if it's registered, there has to be a code of ethics about behavior, or some recourse if my neighbor's suite isn't working for me. A: We do have a new Good Neighbor bylaw which governs the creation of a nuisance, and it does offer one outlet for making landlords behave better.

Q: What is a suite, and what is a multiple suite? If a fireman and his girlfriend, or several firemen, are living in a place in rooms does that make that a multiple suite? Or a boarding ho use? And what about when the owner and their spouse take up 2 parking spaces and tenants all have parking too? I also worry about liability. The BC Building Code is quite onerous but you have mentioned relaxed building standards for suites. If we go through all the regulatory hoops, assuming we do all the inspection, what liability does the Village have? A: All of those are real questions/issues/considerations and all those have been raised and talked about with Councillors to some extent. We aren't all of one view but I can say this. First, as regards the fellows living in the basement – a suite has a definition – it has certain kinds of access/egress, cooking arrangements, a separate electrical meter. Inspection is part of our approach, but how inspection will be handled is something we need to resolve. Our legal counsel has said we should be going to see that suites are OK for life safety. If they aren't, we have some responsibility. We can't be vulnerable as a Village and inspection will be something we need to do to make the Village safe and secure. There is a cost to that.

Q: Your approach assumes the landlord wants to register a suite. A: Some who doesn't register a suite assumes their neighbors will never notice and never squeal – you can be fined.

Q: if a suite is registered wouldn't make it easy for CRA to find the landlord? Some people don't want to declare the income, or the suite is only profitable because they're not declaring the income. A: That's come up. However, CRA have ways of finding landlords. We have learned that every time a suite is advertised CRA is likely to notice, too. Many people don't report the revenue received, but there is a win/win – if you do report the income you can write off part of your expenses, etc to the house. And can't landlords get together on this? It would seem to us that when this program comes to be, people who own suites could get together and discuss best approaches to save money.

Q: I bought a house 20 years ago with a suite in it, and my children use it. What happens with that? Do I have to upgrade it? A: Possibly. If our building inspector saw it, presumably it was built OK. For existing suites, they can perhaps be grandfathered in, or brought up to par. There are reasonable ways of handling that and we'll find them.

Q: I'm surprised. How did the building inspector let that pass? If there were a suite e.g. a nanny suite, it can't be a rental suite. A: (Mayor Broughton) In Burnaby it was common to have an in-law suite with a one burner and a 110 volt line, but from my awareness of being Mayor in the nineties our Building Inspector would have made sure the electrical is safe.

Q: What if nobody is living in the suite? Do I have to pay extra on taxes for it? A: There are two ways that municipalities approach this. One is to require the suite to be taken out – to pull out the stove or the electrical service. Another is to require people to sign a statutory declaration saying that no-one is living in the suite. Then, if they are later found to be renting it, they could be fined.

[People seemed to prefer the approach with the statutory declaration]

Comment: Suites are one thing. They're here and we just acknowledge them, but right next door we have "the hotel" – houses run for short periods of time, offering vacation rental. This is really not neighborly and it poses a safety challenge. We have no idea who's on our street anymore. A: That is a whole different issue and Council is aware of some of those homes. We will get to them eventually but not through this current initiative.

Q: Can a suite be used for a bed and breakfast? A: If it is, that's a home based business and the Village may be looking at a business license system, too.

Comment: I am aware of houses with suites that are really overtaxed in their sewage, and only have one entrance. And they are unsafe. You can handle some of this safety challenge legislatively by requiring two exits per suite, etc but with multiple suites on one septic system you hit a wall at some point. You just can't keep adding these things to houses and to neighborhoods. A: Agreed. We also

need to know how many people are in a house in case we need to evacuate the Village. Knowing suites are there would make a very big difference in terms of safety.

Q: At present students get together 4-5 at a time and rent a house and then sublet rooms to their friends. What about that? A: That's a rental house – another issue. However, as a comment, this Village would probably want the owner to live in the house.

[Councillor Ronsley noted the Village would like peoples views on other types of rentals, besides suites]

Comment: Cooking facilities are key to whether you really have a suite, isn't that the definition, whether you put 220 service in? Squamish said me that if I put 220 into my suite unit up there they would rip it out. A: No, suites don't have to be defined by the size of electrical service.

Comment: I want to rent a suite but I'd only get \$300-\$400 a month for it. My income won't be large. Isn't there some way of making an assessment of this? I have 110 volt in my suite and it has a microwave – by that definition, I wouldn't have a suite, would I? A: That's not the definition we would be inclined to use. Your tenant would still be living there and using Village services.

Comment: I don't know anyone in LB that pays taxes to CRA for their suite, and I don't think you're right that you can write it all off and it doesn't matter. I have a suite and went to a tax consultant and he said you'd have to invest a lot of money into your house to claim enough expenses to even out what you're making in rent. That's a lot of the fear for people. The \$250 or \$500 a year you pay to the Village for extra charges for services is chicken feed, but when government gets hold of it and makes you pay income taxes on all the rent you make.... I wouldn't be here if not for my suite and couldn't afford it if I had to pay taxes on it. A: The Village has no intention of submitting a list of suite-owners to CRA. However, it's difficult for a municipality to take a position against another level of government. Help us get it right. We do support suites but want them safe, fair, etc. Right now we simply have a situation where the rules say we must legalize suites (OCP) and we hope to do it prudently. Trust us.

Comment: The price you pay is the bureaucracy and the bureaucracy the Village is proposing here is incredible. We don't need it; tenants don't bring that much impact. *Rebuttal (another resident)*: I don't agree with you at all. I live beside a multiple dwelling – they always putting their garbage bags out beside mine to hide the fact of the extra garbage and avoid paying extra charges, and the bags get ripped open attracting bears, and the parking situation..... *Argument back*: There are maybe only 5 out of 125 suites where that happens. A: *(Councillor Ronsley)* Let's not argue about how good or bad suites are. This Council isn't out to get anybody or make things perfect. We're just trying to get it right, fair and safe. If we legalize suites, we make it more possible for some people to put suites in, and that spreads the advantages around as well. We highly value volunteerism here – it keeps our taxes down. With suites, we can bring in more volunteers.

Comment: I've had firemen and paramedics in my suite.

Comment: I'm new in the Village. I think it's great that the community has a way to express their concerns about things like this and have it considered. Many communities don't have that.

Comment: the 220 vs 110 volt. It would be an exercise in futility to force people to only put in 110 volts trying to make sure they don't have "real" suites... the service could be replaced or it could be overloaded. A: Safety is a key issue. It's important that suites be safe – have smoke detectors, etc.

Comment: I'd like to see the involvement of more people in this. We have 17 people out tonight. Could you survey people to get input? A: Would you like to help write the survey? Surveys here in the Village tend not to get a large response. All the Councillors are on e-mail and you can phone us. I would hope that people who didn't come tonight would call. We will post the second last slide in the newspaper and on Lionsbay. Net – it asks for input in a number of areas. We will give it a month, asking for written comments, and see what we get.

Comment: (Mayor Broughton) Lions Bay probably has 25% of its population in suites. We're proud of that densification and how it is happening without interrupting the feeling of neighborhoods. With suites, aging in place can happen and young people can come. The safety issue is important, but it is important to stress that we are not trying to phase suites out.

Q: We have a suite in our home with no cooking facilities now. I have been trying to hire a plumber/electrician and it's hard to get someone to come out here. It would be nice to have a list of the different professionals in Lions Bay. A: (Mayor Broughton) It would be really helpful to get such a list. Also worth mentioning is that we have a welcome package for new residents.

Comment: I am glad that septic systems are to be addressed. A lot of new people here don't realize this Village's only sewage system is in Kelvin Grove. And with secondary suites a big problem is that many landlords don't realize that their septic fields are under-designed for what they're being asked to do. There is a house in my area with two suites, and that means three full sets of washers, showers, toilets, dishwashers, etc. The effluent is not all being efficiently absorbed in that septic system. If you tested around the Village right now you would find some worrisome bacteria flowing down the hills here. Get some grant money to sample some of the drainage around the hillsides. I'll help you write the grant. Time has caught up to many of the septic systems in the Village and regulations make it difficult to deal with them now and put in new septic systems. People also don't know that if you have a tree in your yard, the septic field won't work. You have to keep the roots out of the lines.

Councillor Ronsley thanked all participants. People noted that it had been a good discussion.

APPENDIX B

Expenses of Suite Program setup, Year 2010

Key assumption: Inspecting a suite costs \$240

Inspection is done by Building Inspector

Total number of suites:

100**50****25**

Estimates of expenses, now in 2010 preliminary budget

Legal expenses (probably overestimate)	\$10,000	\$10,000	\$10,000
Student help (would work on other tasks too)	\$4,800	\$4,800	\$4,800
Work on standards for inspection	\$3,000	\$3,000	\$3,000
Brochure	\$500	\$500	\$500
Total expenses before inspection	\$18,300	\$18,300	\$18,300

Building inspection	\$24,000	\$12,000	6000
Kilometerage	\$2,400	\$1,200	\$600.00
<i>Subtotal</i>	<i>\$26,400</i>	<i>\$13,200</i>	<i>\$6,600.00</i>
			\$24,900.0

Total expense of program set-up **\$44,700** **\$31,500** **0**

NB: If resident pays for this inspection as the cost of registering the suite, total Village expense can be reduced by the cost of building inspection.

\$24,000	\$12,000	\$6,000
		\$18,900.0

The effect is to make program set-up costs **\$20,700** **\$19,500** **0**

Additional admin time (not budgeted) for education of residents.

Provide three-hour workshops for 5 residents each time

60 hours	30 hours	15 hours
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APPENDIX C**Year 1 Contribution to Cost of Village Services, from Landlords - Year 2011****Assumptions: Numbers of Suites, Utility Charges**

Number of suites	100	50	25
Average utilities charge, main Lions Bay, Brunswick	\$795	\$795	\$795

Extra contribution to cost of Village services, from landlords**Scenario 1 - Extra charge on utilities for having suite**

Assumption: Percentage extra on utilities	50%	50%	50%
Yearly extra contribution to Village services, all suites	\$39,750	\$19,875	\$9,938

Scenario 2 - Flat fee for having suite

Assumption: Fee for Brunswick, Main LB	\$500	\$500	\$500
Yearly extra contribution to Village services, all suites	\$50,000	\$25,000	\$12,500

Year 1 Extra costs of Program - Year 2011

Legal expenses	\$10,000	\$10,000	\$10,000
Student help	\$2,400	\$2,400	\$2,400
Administration: 30 hours @40 per hour	\$1,200	\$1,200	\$1,200
Total expenses	\$13,600	\$13,600	\$13,600

Note: for every suite exempted from suite surcharges, e.g. if Council decides not to impose charges on suites with relatives in them, or on empty suites, there is a lost of 50% of basic utility rates or \$500 to the Village. If there were 25 such exemptions, for example, about \$12,500 of the extra contribution to the cost of Village services would be foregone.

APPENDIX D**Ongoing Expenses of Program****Key assumption: Inspecting a suite costs****\$240****Total number of suites:****100**

	Student <u>Year</u> "off"	Student <u>Year</u> "on"
Legal expenses, yearly	\$4,000	\$4,000
Student help (every two years)		\$4,800
Administration: 30 hours @\$40 per hour	\$1,200	\$1,200
<i>Subtotal: office costs</i>	\$5,200	\$10,000
Building inspection - nothing extra	\$0	\$0
Total expenses	\$5,200	\$10,000
Total expense per suite	\$52	\$100

Cost of each additional suite to be registered after 2011: could be put to resident
Suite surcharge to begin in year following suite registration

Extra contribution to Cost of Village Services

Would be year 2011 extra contribution, plus for each additional new suite
whatever was chosen for extra contribution - extra
percentage on utilities, or flat fee