

Sidney Downtown and Multifamily Density Review

Prepared by Barefoot Planning

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Prepared by:
Evan Peterson
Principal, Barefoot Planning
www.barefootplanning.com



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EXECUTIVE SUMMARY

Context

The purpose of this report is to evaluate how density is regulated in Sidney and, by doing so, inform the Town's next phase of growth – to ensure contextual density, good urban design, policy alignment, and maximum community benefit.

The project process included the following components:

1. A detailed assessment of local density regulation
2. A review of best practices
3. An evaluation of policy alternatives
4. A review of density bonusing
5. The development of recommendations

This work was guided by four overarching objectives that represent the desired future state of the Town (based on OCP policy) and the rationale for this study:

1. **Encourage redevelopment and increased population**

that support a number of policy objectives and targets, including economic vitality and regional population growth.

2. **Increase affordability** and housing options.
3. **Ensure contextual density**, complementing existing neighbourhoods and providing a high standard of design.
4. **Improve policy** to simplify the development and regulatory processes, facilitate development, and harmonize existing policy documents.

Findings

The following key findings emerged from the consultant's analyses.

Sidney primarily regulates density via Units Per Hectare (UPH). However, the Town's **current UPH maximums are not useful in achieving the objectives of the Town**. Instead, these maximums diminish downtown redevelopment, promote a single housing type, and work against urban design objectives. Existing UPH maximums also result in underutilized land and, in turn, represent an economic loss for the Town.

Of the 12 municipalities reviewed, **only Sidney uses UPH, alone, as the primary means of regulating density**. This is not surprising, as UPH was a measure originally created to dictate the development of suburban subdivisions – essentially determining lot size – and is ill-suited to urban or mixed use areas.

As a primary tool for regulating density in urban and mixed use environments, **Floor Area Ratio (FAR) is a superior alternative to UPH**. FAR regulations have the potential to complement existing design objectives, are amenable to a mix of unit sizes, and allow developers to better maximize the already allowable building envelope (based on existing regulations for height, setbacks, and lot coverage).

Additional massing provisions – upper storey setbacks, adjacency setbacks, and streetwall provisions – **represent best practices in density regulation for the Town to consider**. Adopting such provisions in the Zoning Bylaw would strengthen urban design policy beyond existing Development Permit Area guidelines, which provide less regulatory 'bite'. These additional massing provisions would also better ensure contextual densification in the study area.

While UPH maximums discourage redevelopment, **existing parking minimums act to limit buildable density and dictate more car-oriented urban design** – which runs contrary to the Town’s objectives.

Finally, **density bonusing still has a place in helping the Town achieve select planning goals** (e.g., streetscape improvements, selective height increases, a mix of housing). However, if the Town wants increased population and good urban design, then base densities (UPH or FAR) must achieve it. In other words, the regulations should not rely on or strictly incentivize the pursuit of bonus densities.

Recommendations

Based on these findings, the following recommendations were made:

1. **Eliminate UPH** as a tool for density regulation in the study area.
2. **Adopt FAR** in place of UPH as the principal tool for regulating density.
3. Consider provisions that **require family-size units** be built as a percentage of new

multi-family units.

4. Conduct an FAR analysis to **determine the appropriate base and bonus FAR** in each of the relevant zones.
5. **Adopt additional zoning regulations** to control massing and better achieve design goals.
6. **Reduce** (or eliminate) **parking minimums**.
7. **Review the Off-street Parking Bylaw** with the goal of achieving urban design objectives.
8. **Employ density bonusing** to achieve select planning goals.
9. **Analyze appropriate bonusing** increases and developer contributions.

appropriate base and bonus densities for each relevant zones, as well as to develop progressive parking minimums (or maximums) that facilitate the development of desirable built forms.

Conclusion

The consultant concludes that the **existing density regulations must be amended to meet the Town’s planning objectives and key policy directions**. Moreover, the Town should undertake further study to establish the

I. INTRODUCTION

A. Project Context

Sidney is poised for change: the downtown core has an aging building stock; a younger workforce and aging seniors need more (attainable) housing options; development pressure is mounting on the periphery of town; and multifamily infill sites remain underdeveloped. Together, these indicate an inhibited development environment with a lack of policy incentives.

Further, in 2014, the Mayor's Downtown Revitalization Task Force developed a Downtown Revitalization Plan for Council's review and consideration. The Task Force set out to formulate a series of strategies to improve economic opportunities and foster a revitalized and resilient town centre that can withstand future economic challenges.

As part of this process, the Town set an ambitious goal to increase the Town's population to 15,000 (from roughly 11,500) by 2025. Two related action items addressed this goal:

- Increase residential density to support business.

- Provide additional encouragements to owners / developers to develop properties.

While increased residential density is essential for both economic vitality and affordability, the regulation of density needs to align with the community's vision and be adapted to embrace change and facilitate maximum community benefit from growth. Moreover, clarity regarding the Town's local development objectives, regulatory process, and amenity zoning is essential to establishing an effective and viable density framework for the future.

The purpose of this report is to revisit how density is regulated in Sidney and, by doing so, inform the Town's next phase of growth – to ensure contextual density, good urban design, policy alignment, and maximum community benefit.

B. Planning Context

Zoning and its density regulations originated in the 1800s to address a number of societal issues of the time. The primary intent was to create more livable conditions by reducing overcrowding and separating dirty industry from the places we live.

“The regulation of density needs to align with the community’s vision and be adapted to embrace change and earn maximum community benefit from growth.”

Today, strict fire and safety standards, improved sanitary infrastructure, and changing environmental practices, along with an entirely different social and economic context, mean this function is no longer necessary.

Yet, the negative connotations of density and its perceived ills often prevail – no small thanks to our auto-centric 20th Century and the resulting neglect of our urban villages. Density, in turn, became associated with peripheral issues that are generally misunderstood – such as parking availability, traffic congestion, and social issues – and prevalent fallacies about what density is and what dense development can look like. In turn, many Canadians struggle to visualize ‘good urban design’ and the sensitive density it can achieve through a low-rise (3-6 storey) built form.

Yet, despite this difficult relationship, most municipalities now seek density as a positive force for change – providing vibrant, walkable ‘villages’ that are capable of supporting a wide variety of services, amenities, and uses for its residents and visitors, alike.

Livability

Just as zoning was established to ensure livable conditions, the OCP policies

(which in turn dictate zoning regulations) of Sidney, and virtually every other municipality, are now aimed toward maximizing livability. Today, livability means being close to services, having access to attainable housing and convenient transportation, and living in a vibrant community with a variety of economic and social opportunity.

There is no way around it: The built form most amenable to these livable conditions is a compact, walkable, mixed use village, achieved through sensitive densification.

Achieving the ‘Right’ Density

Ironically, we are now trying to recreate the very conditions that fell out of favour in the car-centric 20th Century – a concentration of people, services, and business in one place. And, what is more, an undeniable amount of research now indicates that this form – done right – not only gives us what we want but minimizes what we do not. In one example, from 2006 to 2011, Vancouver’s population increased by 4.5% while the City saw vehicle kilometers traveled fall by 20-30%.

Therefore, the goal of regulating density, today, is actually about accommodating a concentration of people around the services and amenities they desire in a

contextual way, while achieving good urban design – which, in turn, has a host of positive economic, social, and environmental benefits.

Hence, the risk of current density regulations is rebuilding Sidney’s core without sufficient density to support local shops and services or to ensure long-term economic vitality and resilience – a missed opportunity, to say the least.

“The built form most amenable to these livable conditions is a compact, walkable, mixed use village, achieved through sensitive densification...

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“The risk of current density regulations is rebuilding Sidney’s core without sufficient density to support local shops and services or to ensure long-term economic vitality and resilience.”

C. Guiding Objectives

Before carrying out this review, the project team established a mutual understanding of the project context and the overarching objectives of the Town. These objectives could be simplified as the following:

1. **Encourage redevelopment and increased population** to support a number of policy objectives and targets, including economic vitality and regional population growth.
2. **Increase affordability** and housing options.
3. **Ensure contextual density**, complementing existing neighbourhoods and resulting in a high standard of design.
4. **Improve policy** to simplify the development and regulatory processes, facilitate development, and harmonize existing policy documents.

These four objectives create the framework or lens from which this review was undertaken.

D. Methodology

The methodology for this report was based on the issued Request for Proposals and refined through discussions with Town staff. The study consisted of five main phases, which are reflected in the following sections of this report:

1. Local Density Assessment

A Local Density Assessment was conducted to review the levels of density best suited to the study area. This review was based on policy direction from the Official Community Plan (OCP) and Local Area Plan (LAP) and informed by staff reports and recent development data. The assessment was extended to include the Town’s height and parking regulations, as they relate to density.

2. Best Practices Review

Next, a Best Practices Review was used to identify potential policy alternatives. This was achieved through a comparative case study of select communities and guided by the consultant’s experience in other communities.

3. Evaluation of Policy Alternatives

The policy alternatives identified through the Best Practices Review were evaluated for their capacity to inform changes to density regulation in Sidney. Selected policies that were considered in depth include: base density provisions (e.g., Units Per Hectare and Floor Area Ratio) and massing provisions (e.g., upper storey stepbacks, adjacency stepbacks and setbacks, and streetwall conditions).

4. Density Bonusing Assessment

Next, the suitability and value of density bonusing in the Sidney context was assessed through a comparison of existing policy, staff reports, case study findings, and an analysis of relevant research on amenity zoning.

5. Recommendations

Finally, recommendations were established based on the key findings from the preceding four phases. The purpose is to guide the next steps in creating an effective density framework that helps the Town achieve its planning goals.

E. What is ‘Density’?

Before going on with this report, it is important to clarify what we mean by the word *density*.

Density tends to refer to population density (number of people in a given area) or residential density (number of residential units in a given area).

However, density may also be used to refer to *built form* – the size and shape of buildings. For example, taller buildings express a greater built form density than shorter buildings.

While these concepts are related, they do not – importantly – share a reciprocal relationship. In other words, higher residential densities *do not* necessitate larger (or taller) buildings.

Therefore, in reading this report, one should be sure to distinguish between density, as it refers to the concentration of people, and built form, as it refers to the height and size of buildings, because they are not synonymous.

II. LOCAL DENSITY ASSESSMENT

Sidney primarily regulates density via Units Per Hectare (UPH) maximums, and secondarily regulates built form via height, lot coverage, and setbacks.

The adjacent table provides an overview of existing density regulation in the Town of Sidney. Three aspects are assessed, here: Density (UPH maximums), Height, and Built Form. An evaluation of UPH as a tool for density regulation is left for Section IV. of this report.

A. Density

As shown in the adjacent table, there is a difference in the UPH permitted in the OCP and in the Downtown/Downtown Waterfront Local Area Plan (LAP). The more recent LAP promotes what is essentially double the number of units within a similar building form.

Simply put, the number of units permitted by the OCP is insufficient to achieve the goals of the Town. Instead, as observed in the LAP, a development environment has been created that encourages a single predominant type of housing – large units over 1,200 square feet (which, by attainable housing standards, is

A. Local Density Regulation

	Zoning	OCP	LAP
Density Regulation	UPH	UPH	UPH
Multifamily Residential Density & Height	45-65 UPH up to 4 storeys	65 UPH base 100 UPH bonus	-
Downtown Commercial Density & Height	85 UPH up to 4 storeys	85 UPH base 120 UPH bonus	260 UPH bonus up to 4 storeys 5-6 in specific areas
Built Form	Height Setbacks Lot coverage	DPA Guidelines Stepbacks	Location-based Height Stepbacks

appropriate for a three to four bedroom family unit). However, market demand and the policy environment do not support all units being this size.

The issue was also evidenced as follows.

Recent Staff Reports

In reviewing staff reports, it was observed that developers wishing to provide a mix of unit sizes (not just large) needed to request densities beyond the OCP Bonus Density. Moreover, staff tended to support these requests, as the increased densities better achieved OCP and LAP policy directions (e.g., attainable housing).

Recent Development Data

In reviewing development data for the study area since 2000, it was observed that the average unit size across all buildings was roughly 1,200 square feet. Although potentially satisfying a need for

“Simply put, the number of units permitted by the OCP is insufficient to achieve the goals of the Town.”

attainable family housing, this does little for efforts toward affordability. Here is a case example to illustrate this further:

B. Local Development Example

Location	2380 Brethour Street
Built Form	3 storeys, 44% lot coverage, 1.2 FAR
Density	105 UPH (over OCP Bonus)
Result	22 units @ 1,231ft² per unit

Here, we have a residential building approved at a UPH over the OCP Bonus Density; yet, the practical result is only 22 units at over 1,200 square feet, each. Clearly, even the OCP Bonus Density is not enough to accommodate buildings that include a mix of smaller, more affordable unit sizes. This is problematic, as it creates a development environment that discourages the mix of unit types ultimately desirable in meeting the housing and socio-economic needs of the community.

Zoning Bylaw

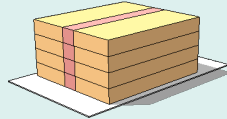
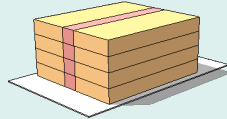
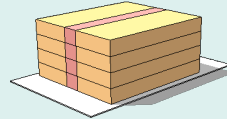
The existing OCP densities are inconsistent with the maximum building size achievable in the Zoning Bylaw. This is important, because density regulation needs to be harmonized in order to

promote the desired density (population) and built form (design) of development.

This is demonstrated further by looking at the maximum building ‘envelope’ allowed

in the RM7 zone. The first two columns of Table C. show a comparison of (a) the average unit size at the allowable OCP densities; and, (b) the equivalent UPH at an average unit size of 75 square meters.

C. Visualizing Density in RM7 Zone

SCENARIO 1 OCP densities within the max RM7 building envelope	SCENARIO 2 Max RM7 building envelope with units averaging 800ft ²	SCENARIO 3 LAP densities within the max RM7 building envelope
Assumptions 1,000m ² lot size / 4 storeys / 55% lot coverage / 2.2 FAR 1,870m ² Residential Floor Area		
		
Max # of Units 6-10 (0.1ha x 65-100 UPH)	Max # of Units 25 (1,870m ² / 75m ²)	Max # of Units 12-26 (0.1ha x 120-260 UPH)
OCP Densities 65-100 UPH	Calculated Density 249 UPH	LAP Densities 120-260 UPH
Avg. Unit Size 187m ² -288m ² (2,000ft²-3,100ft²)	Avg. Unit Size 75m ² (800ft ²)	Avg. Unit Size 72m ² -156m ² (775ft²-1,680ft²)
Takeaway Such large units are not economically viable, which acts as a disincentive to desired densities and forms.	Takeaway More reasonable unit sizes result in a UPH close to the LAP Bonus Density, far higher than OCP maximums.	Takeaway LAP UPH maximums result in a more viable development at the desired building form(s).

It is worth observing that, UPH aside, the Zoning Bylaw already regulates built form by limiting the maximum building envelope (footprint x height). In turn, this limits the allowable floor space and, therefore, the potential number and size of units.

Density Assessment

Looking, again, at Table C., it is clear that a different system for calculating density is necessary to allow development in the study area to accommodate population growth and promote more attainable housing and housing diversity. Moreover, by limiting the achievable built form within the existing zoning bylaw, current UPH maximums are underutilizing land and limiting its potential for redevelopment.

If UPH is to remain a form of density regulation (a topic discussed in Section IV.), then the LAP maximums are the most appropriate to use, as illustrated by the third column of Table C. (previous page).

The key points to note from the table scenarios are as follows:

1. On a 1,000m² (0.1 ha) site, the OCP base UPH (65) only allows for 6 residential units, whereas the OCP bonus (100) allows for 10.

- If the RM7 building envelope is maximized, then this translates to an exceedingly large average unit size of 288m² (3,100ft²) for the OCP base and 187m² (2,000ft²) for the bonus.
- Thus, maximizing the allowable building envelope becomes neither desirable nor viable, as reflected in recent development.

2. If units are set at a more reasonable 75m² (800ft²), then the RM7 envelope allows for 25 units.

- This equates to 250 UPH, over double the OCP bonus density and roughly equal to the LAP bonus density of 260 UPH.
- While not changing the built form, these higher UPH numbers accommodate many more people in the study area, which means greater social and economic vitality.

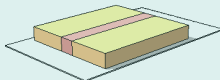
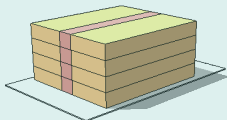
3. On the same site, the LAP base (120) allows for 12 and the LAP bonus (260) allows for 26 units.

- A maximized RM7 building envelope makes for a very large average unit size of 156m² (1,680ft²) for the LAP base and

a more reasonable 72m² (775ft²) for the bonus.

This illustration can be taken one step further by looking at the the building form that results from building more attainable units (75m² /800ft²) at the OCP density on this same hypothetical building site (see Table D., below).

D. Smaller Units in RM7

SCENARIO 1	SCENARIO 2
Building envelope of base OCP density with 800ft ² units	Max RM7 building envelope with units averaging 800ft ²
Assumptions	
1,000m ² lot size	
55% lot coverage	
Size of Building @ Base UPH	RM7 Building Envelope
	
Max # of Units	Max # of Units
6	25
(0.1ha x 65 UPH)	(1,870m ² / 75m ²)
OCP Densities	Calculated Density
65 UPH	250 UPH
Avg. Unit Size	Avg. Unit Size
75m ²	75m ²
(800ft ²)	(800ft ²)

The key points from this second table are as follows:

1. If units are set at the more reasonable 75m² (800ft²), then a building needs only 450m² of usable floor area to reach the 6 residential units permitted by the OCP and Zoning. This can be accomplished in just a single storey.
- This 450m² is less than one quarter of the 1,870m² of usable floor space achievable in the RM7 zone, making the UPH maximums inappropriate for the zone, incongruent with the location, and contrary to the Town's objectives.

In other words, if a mix of unit sizes and good design are the objectives, then the

“By limiting the achievable building form, current UPH maximums are underutilizing the Town’s land value and limiting its potential for redevelopment.”

OCP base density is inappropriate and promotes 1-2 storey building in a zone that permits up to 4 storeys. This diminishes the Town's redevelopment, housing, and design objectives; underutilizes land in the downtown, and represents an economic loss for the Town.

Densities & Growth Targets

There is a clear disconnect between UPH and built form. Moreover, current OCP UPH maximums are clearly insufficient to meet growth and affordability objectives.

Revisiting the goal of a population increase to 15,000 by 2025, this can be translated into 160 new housing units per year.

If we are to assume the following three conditions:

1. The majority (approximately 60%, based on census trends) of this development will occur in the study area.
2. The approximate average lot size will be 1,000m².
3. The average density will be 100 UPH (high by current regulations).

Then, this equates to an impractical 10 new residential or mixed use developments *per* year to achieve 96 units (60% of the desired 160 per year).

This is impractical, because (a) this rate of development would be a significant administrative burden on the Town, (b) that many available development lots do not exist in Sidney, and (c) the financial return on each development would be incredibly low relative to its potential. The Town would 'build out' at an undesirable density, in an undesirable form, and receive limited benefit per development.

However, if we are to assume the same conditions at 250 UPH (RM7 envelope and average 75m² unit size), then this equates to a more realistic 4 new buildings per year. See the following table which illustrates this.

E. Achieving Growth Targets

SCENARIO 1 Annual development required based on avg. of 100 UPH	SCENARIO 2 Annual development required based on avg. of 250 UPH
Assumptions 1,000m ² avg. lot size target of 96 units per year in study area	
Buildings Per Year 10 (96 units / 10 per bldg.)	Buildings Per Year 4 (1,870m ² / 75m ²)

B. Height

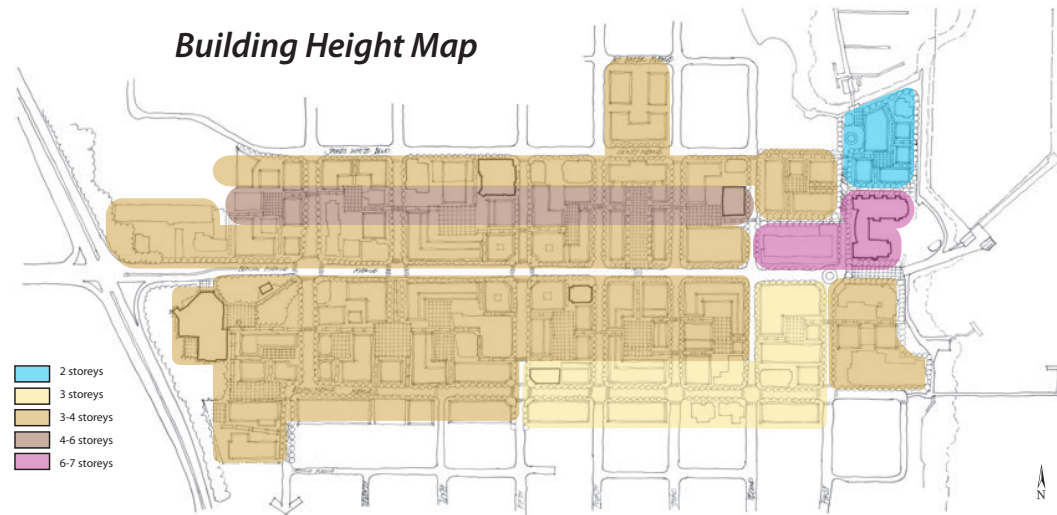
As already observed, the regulation of density comes not only from UPH but also from other provisions that determine the shape a building may take.

A detailed discussion of height is beyond the scope of this report. However, in order to achieve the ‘sensitive density’ that Sidney desires, then the direction set by the LAP is well founded. The LAP includes policy direction for some ‘gentle’ increases in building height over what is allowable by the Zoning Bylaw. The adjacent LAP map illustrates this.

These maximums essentially complement the policy direction set forth in the OCP, while accommodating very selective increases in height. Such selective increases better facilitate increased residential densities and perhaps better incentivize the viability of redevelopment in the study area.

Moreover, it is well understood that vibrant, densely populated areas are achievable through a low-rise form – as Sidney’s policies promote. However, as illustrated, the allowable UPH densities must provide for this.

In sum, Sidney has appropriate height limits to achieve its development and



density targets. However, the issue is facilitating the development of a maximized building envelope and the resulting unit densities within.

This brings us to a brief discussion of form, which cannot be separated from height and, in turn, density.

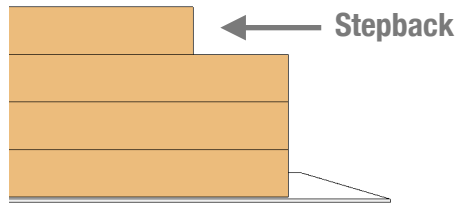
C. Form & Massing

Currently, the Zoning Bylaw regulates form in rudimentary ways: setbacks, lot coverage, and height. Additional form and design direction is left to the Development Permit Area (DPA) Guidelines.

“Sidney has appropriate height limits to achieve its development and density objectives. However, again, the issue is facilitating a maximized building envelope and the resulting unit densities within.”

While inherently a blunt design tool, the Zoning Bylaw has the ability to regulate massing in additional ways – while offering more regulatory bite than DPA Guidelines.

The OCP and LAP both include direction for upper storey stepbacks.



Because achieving contextual density at a high standard of design is a key objective for the Town, incorporating further Zoning provisions regarding massing, particularly in relation to buildings of four or more storeys, is worth strong consideration – as further discussed in Section IV.

D. Parking

A detailed analysis of parking is also beyond the scope of this report. However, the relationship between parking minimums, density, and design is an important and often overlooked one.

Simply put, the current parking regulations for the study area act to limit density and diminish design objectives.

Because of the cost and challenge of underground parking in Sidney, surface parking tends to prevail. The result is a design dictated by parking requirements – which runs contrary to the Town’s objectives.

For example, for multifamily buildings with underground parking, the design of choice tends to maximize the allowable lot coverage and setbacks, creating a more comfortable, aesthetically-pleasing streetscape at higher densities in a more ‘human scaled’ form.

Whereas, multifamily buildings with significant surface parking requirements tend to reduce their footprint and increase their height in order to free up lot area for cars, which inevitably decreases the urban design quality of the development. Moreover, such a building achieves less density at the same or greater height.

Given the compact, walkable form of the study area, including proximity to services, amenities, transportation, and employment, downtown Sidney is an ideal location for ‘car free’ or ‘car lite’ housing (housing with no or relaxed parking requirements).

With this in mind, it is recommended that existing multifamily parking minimums in

the study area are reduced, removed, or made to be easily relaxed.

Moreover, because of the Town’s compact, walkable form and availability of on-street parking and public parking, the Town should consider exempting the commercial portion of mixed use developments in the downtown from any parking requirements.

In sum, the Town should take direction from other municipalities by reducing the impacts of surface parking on its urban fabric.

With this goal in mind, it is recommended that the Town conduct a review of its Off-street Parking Bylaw with a goal of reducing parking regulations in order to achieve better urban design and facilitate increases in density, vibrancy, and economic growth.

III. CASE STUDIES & BEST PRACTICES

In order to identify policy alternatives for regulating density, the consultant conducted case studies of 12 municipalities. Cases were selected for both comparative and best practice purposes. Diverse selections were made in order to satisfy three criteria:

1. Local (e.g., Victoria) and non-local contexts (e.g., Chilliwack).
2. Comparable size and urban form (e.g., Ladysmith).
3. Use of best practice in density regulation (e.g., Vancouver).

The findings from this research were supplemented by the consultant team's professional experience and further policy research to draw conclusions about best practices in regulating density, density bonusing, and, to a lesser degree, massing.

The adjacent table presents a brief summary of the case study research.

Detailed findings for each case study can be found in Appendix A.

F. Case Study Findings

DENSITY REGULATION	Cases Using only UPH (or equivalent)	1/12 (Sidney)
	Cases Using only FAR (or Equivalent)	7/12
	Cases Using Both FAR and UPH	4/12
MASSING REGULATION	Typical Provisions	height, setbacks, lot coverage, parking, lot width/depth
	Notable Provisions	streetwall, upper storey & adjacency stepbacks
DENSITY BONUSING	Typical Contributions	affordable housing, cash, underground parking, heritage retention, public amenity
	Novel Contributions	'green' standards, design quality, scoring on a development scorecard

A. Key Case Study Findings

This section provides the most basic findings from the case study research. The Section IV. presents a detailed evaluation of relevant best practice.

Use of FAR and UPH

As Table F. indicates, Floor Area Ratio (FAR – see sidebar for explanation) is the dominant tool for regulating density. Cases using only FAR greatly out number those using only UPH, as well as those using FAR together with UPH.

In multiple cases, municipalities include UPH provisions in multifamily or single family residential zones but not in mixed use zones. As a general trend, newer zoning and OCP regulations tended to favour using only FAR.

It is worth noting, as explained in Section IV., that UPH was a measure created to inform the development of single family subdivisions and control lot size. So, it is not a surprise to see this lack of UPH regulation in multifamily and mixed use zones in other communities.

Massing Regulations

Several provisions for regulating massing are worth considering to support Sidney's objective of contextual or sensitive density.

Vancouver, in particular, is a good resource for zoning provisions that dictate form to control apparent massing, sunlight, and adjacency impacts.

Density Bonusing

Density bonusing is a very context-dependent policy that differs – often to large degrees – from case to case. As such, a discussion of density bonusing in the Sidney context can be found separately in Section V.

Floor Area Ratio is the relative amount of built floor area compared to total lot area.

For example, a two storey building with each floor being 250m² has a total floor area of 500m². On a 1,000m² lot, this means a FAR of 500/1000, which equals 0.5 FAR.

Whereas, if that building was six storeys, then it would be 1500/1000 and a 1.5 FAR.

IV. EVALUATION OF POLICY ALTERNATIVES

Through the best practice research, several policy alternatives were selected for further evaluation. The purpose of this evaluation is to consider the effectiveness of these policies in meeting the guiding objectives of the Town – in short, increased population and affordability, contextual urban design, and effective policy.

This section compares the relative advantages and disadvantages of UPH and FAR, as well as additional provisions to regulate massing. A discussion of density bonusing is left for Section V.

A. Units Per Hectare (UPH)

The problems with the current residential density regulations in the OCP and Zoning Bylaw have already been noted. Essentially, these low UPH maximums promote exceedingly large units, reduced affordability, and decreased development viability.

However, as a tool, UPH has both advantages and disadvantages.

Advantages of UPH

1. UPH is a somewhat simple measure to understand.
2. UPH is easily relatable to infrastructure needs in some contexts (not this one).
3. UPH offers a ‘language’ that could complement area-wide growth targets.

Disadvantages of UPH

1. UPH maximums inherently limit the density and flexibility/variability of development.
2. UPH lends to misperceptions about actual units per development and form.
3. UPH does not relate to or guide built form.

Moreover, while it seems like a useful, simple way to regulate density, UPH is:

4. Prone to public misconceptions; i.e., high UPH numbers do not translate to many units or big buildings, nor does low UPH translate to contextual design.

“Essentially, these low UPH maximums promote exceedingly large units, reduced affordability, and decreased development viability.”

5. Disconnected from form and design goals.
6. In its current state, completely contrary to growth and attainable housing targets.

Further, UPH maximums run completely contrary to what the Official Community Plan (OCP) promotes – a vibrant, livable downtown – and even negate the quite progressive and appropriate design provisions already in the Zoning Bylaw (e.g., height, lot coverage).

Conclusions

It is clear from this study that one of two responses to the existing UPH policies are necessary:

1. UPH is replaced by another policy option as a measure of desired density; or,
2. UPH and the Zoning Bylaw are harmonized in order to facilitate increased densities and more attainable units.



An example of contextual design, these family-sized townhouses reach the OCP bonus density maximum of 100 UPH.



Another example of contextual density, at 200 UPH, this low-rise mixed use building achieves double the allowable OCP bonus density.

UPH maximums run completely contrary to what the Official Community Plan (OCP) promotes – a vibrant, livable downtown – and even negate the quite progressive and appropriate design provisions already in the zoning bylaw.

B. Floor Area Ratio (FAR)

As seen in the case studies, FAR is a more frequently used tool for regulating density and represents a best practice worth evaluating in the Sidney context.

FAR has both advantages and disadvantages:

Advantages of FAR

1. FAR directly relates to floor area and massing, and so is easier to visualize than UPH.
2. FAR does not limit the number or variety of units within development, but instead allows developers to meet the demand in the community.
3. FAR may be paired with minimum unit sizes to ensure livability standards while still facilitating a mix of housing types.
4. FAR is directly connected to form and can be tied to design objectives.
5. FAR promotes unit density to be discussed in absolute values (e.g., “18 units on four storeys” versus “187 UPH”).

Disadvantages of FAR

1. FAR is not as easily understood as UPH – though, it is actually easier to visualize, once understood.
2. FAR is less directly relatable to infrastructure needs, in terms of predicting unit counts.
3. FAR does not control the number of units per lot but instead the amount of floor space, which may or may not be seen as a problem.

That said, FAR is complementary to the Sidney context in the following ways:

1. FAR can guide massing while allowing for flexibility of unit size.
2. FAR is amenable to creating attainable units.
3. FAR can similarly be paired with Density Bonusing to incentivize the provision of community amenities.
4. FAR is more conducive to creating vibrancy and economic vitality through increased densities and good design.

Conclusions

From this study, it is clear that FAR better meets the needs of the Town and better facilitates achieving its planning objectives than UPH. Thus, one of two responses regarding FAR is necessary:

1. Discard UPH and adopt FAR as the means of regulating density; or,
2. Allow practical (greater) unit densities based on the built form permitted by the Zoning Bylaw.

C. Regulating Massing

In addition to examining UPH and FAR, this study extended to zoning provisions that regulate massing and built form – interrelated with density, as previously discussed.

Such provisions can be used to strengthen the design intentions of Sidney, which now primarily reside in the Development Permit Area Guidelines.

Example Provisions

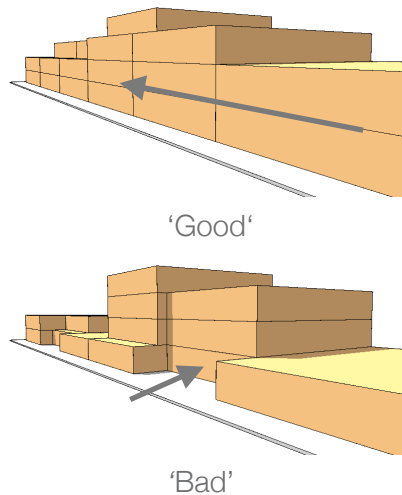
There are three types of related massing provisions worth the Town’s consideration. Here is a list of the each, a

brief example provision, a visual explanation, and the purpose it serves.

1. **Creation of a Streetwall** in the Downtown:

- *e.g., No building may exceed 15m in height. Any building wall along any street shall be at least 6m in height.*

An illustration of streetwall conditions:

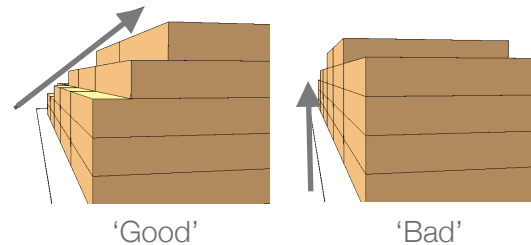


A 'good', consistent streetwall facilitates window shopping, creates a more pleasing streetscape, and lends to a cohesive sense of place.

2. **Upper storey setbacks** on taller buildings:

- *e.g., The 5th storey and above shall be setback at least 2.5m from the building edge of the floor below.*
- *More significant step backs on south side than north side.*

An illustration stepback conditions:

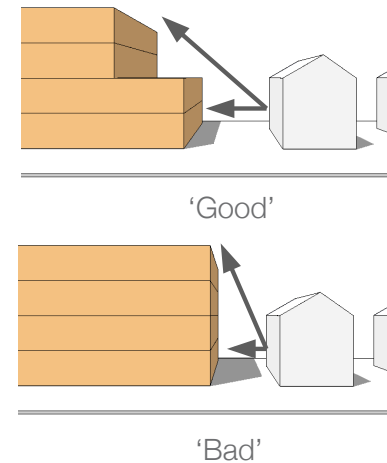


A 'good' stepback reduces impacts on the pedestrian experience, while allowing more sunlight into the street.

3. **Adjacency Setbacks and Stepbacks** next to detached residential:

- *e.g., If the side of the site adjoins detached residential, then the minimum width of a side yard: (i) for below the second storey, shall be 4m; and, (ii) for the second storey, or above shall be 10m.*

Here is an illustration of 'good' and then 'bad' adjacency conditions:



A 'good' adjacency setback reduce the impact of larger buildings on detached residential.

Conclusions

By adopting such provisions into the Zoning Bylaw, the Town can strengthen its ability to facilitate redevelopment in the study area while ensuring densification responds to existing development and desired forms. That said, such provisions would require further analysis to avoid potential barriers to development. For example, stepbacks involve greater design and construction costs, and so may only be practical in the Sidney context for areas of select height increases (e.g., five or six storeys).

V. DENSITY BONUSING ASSESSMENT

A detailed analysis of density bonusing in Sidney is beyond the scope of this review: Density bonusing is an entirely context dependent tool – dependent on local market conditions, in addition to related local policy.

However, for the purposes of this review, we can assess the suitability of Density Bonusing via the Guiding Objectives established at the outset of this report – namely, the redevelopment and sensitive densification of the study area.

A. Local Context

Previous to 2013, the standing bonus density system in Sidney utilized a land appraisal – paid for by the applicant – to determine *land lift* (the increase in value of a property as a result of a rezoning process) and so the contribution by the developer for additional density. In other words, the Town requests a large proportion of the increased value (lift) in exchange for more units in the development.

Not surprisingly, developer uptake under this system had been minimal, for – at least – the following reasons:

1. Requires upfront financial commitment by developers.
2. Marginal gains of successive bonus units is relatively low in comparison to the high cost of land in Sidney, negating any profit from bonus units.
3. Existing UPH maximums are so low that viable developments tend to require a rezoning, which already present an opportunity to collect Community Amenity Contributions.
4. Parking limitations (availability of land, cost of underground parking) and in-lieu costs (cash paid in place of providing the required number of stalls) reduce the gains from and viability of more units.

Town staff have recently sought alternatives. Initially, case-by-case negotiations were considered, before a flat rate of \$5,000 per additional unit was proposed in 2013. The hope is that a lower fee would entice developers to seek bonus densities, with the lower cost facilitating redevelopment in and around the downtown core, while allowing more units (i.e. smaller, more attainable units) and reducing the financial burden of amenity costs on the end user. This

appears to be effective, so far, but requires further assessment.

B. Assessment

To begin an assessment, let us look at some advantages and disadvantages of density bonusing – keeping in mind that these are often a matter of perception.

Advantages

1. A mechanism to extract community benefit from additional developer profit while avoiding a (costly) rezoning; though, Sidney does require a rezoning.
2. A mechanism to facilitate the development of affordable housing (e.g., rental, lower-income housing), as the Town can require this as part of the developer's contribution.
3. A tool to achieve Town planning objectives at a lower price (paid for by the developer), including tangible amenities (e.g., streetscape improvements).

Disadvantages

1. Density bonusing, as currently regulated, offers minimal marginal gains to developers – only enough to make a project viable relative to the high cost of land, rezoning, and a bonus contribution.
2. Costs are theoretically passed onto the consumer, reducing the ability to provide attainable housing.
3. Related affordable housing agreements are often never realized.
4. While density bonusing can be win-win-win (city, developer, and community) in some contexts, it also increases developer risk, which is already very high, and act as a further disincentive to higher density development in many communities.
5. Sidney's current OCP densities are representative of a older, different development context and market demands have changed.
6. The current UPH maximums are set too low and encourage a

cumbersome rezoning process to achieve even modest densities.

Development as an Amenity

Additionally, as already observed in multiple staff reports, a well-designed development is a community benefit in and of itself. The reasons for this include:

1. More residential units and more commercial floor space mean a larger tax base and so annual budget for the Town.
2. An increased revenue can help achieve the planning goals that density bonusing often strives to achieve, while not 'punishing' developers for being profitable.
3. An increased population means increased commercial viability and economic opportunity in Sidney.
4. More residential units means a greater housing supply and so, in theory, more attainable units.

Conclusions

It is clear that a primary goal of the Town of Sidney is to increase redevelopment in the study area. As such, disincentives to development – such as outdated and

“Density bonusing, as its currently regulated, is not economically viable, because the marginal gains to developers from additional units are too low relative to the high cost of land, rezoning, and a density bonus contribution.”

cumbersome bonus density policies – need to be minimized.

That said, density bonusing – done right – can result in win-win scenarios for the developer and community, particularly when tangible amenities are provided.

In the current development context, the following is most appropriate:

1. Base UPH maximums should be (removed or) set to achieve the objectives of the Town, rather than being set inadequately low.
2. Continue to employ a density bonusing in order to, for example, achieve selective height increases and desired uses (e.g., office).

The \$5,000 per bonus unit rate proposed by Town staff may seem nominal by other jurisdiction's standards. However, this provides a sensible starting point for achieving the Town's objectives.

Alternatively, the Town could consider case by case negotiations for tangible amenities, rather than cash. Though, this alternative does introduce a lack of clarity into the regulatory system.

A detailed economic and market analysis is necessary to accurately (in theory) determine both the viability of density bonusing and the 'magic number' for developer contributions. However, it is

recommended that such a study is undertaken in at least 3 years time, once the Town begins to see development under a new set of density (and parking) regulations.

The result of the density bonus recommendations in this report will, theoretically, be fewer rezonings and so less opportunity to extract developer contributions; however, in their place, will be greater tax revenue, better urban design, and increased economic vitality.

Moreover, worth considering is the budgeting of a percentage of the marginal tax increase from new development toward streetscape and related improvements.

“The result of the density bonus recommendations in this report will, theoretically, be less rezonings and so opportunity to extract density contributions; however, in their place, will be greater tax revenue, better urban design, and increased economic vitality.”

VI. RECOMMENDATIONS

This final section draws on the findings of the review in order to present a series of recommended next steps for the Town.

A. Density Regulation

1. Eliminate (or Revise) UPH

Current UPH maximums work against the Town's objectives of redevelopment, good design, increased density, attainable housing, and effective policy.

It is recommended that the Town discard UPH as a tool for regulating density in the study area. However, if retained, then it is recommended that the Town amend the OCP to increase UPH maximums to – at minimum – those proposed in the LAP.

2. Adopt FAR in Place of UPH

FAR regulates density in ways that complement the objectives of the Town. It does not directly restrict the number or size of units in a development and facilitates contextual density.

It is recommended that the Town adopts FAR as the principal means of regulating density in the study area.

3. Consider Provisions that Require Family-size Units

In order to allay fears about small unit sizes and ensure the development of a mix of unit sizes, it is recommended that the Town adopt provisions that require family-size units (2-3 bedroom) be built in new developments. This will help the Town continue to meet the needs of a changing population into the future.

Example provisions include (a) requiring new developments to include a percentage of family-size units; and (b) requiring family size units at rezoning as one condition for increased density.

Moreover, the Town should include a requirement that some of these units be located on the first two storeys, in order to facilitate the creation of more attainable family housing – not just penthouses.

B. FAR Regulations

4. Conduct an FAR Analysis for the RM and C1 Zones

If FAR is adopted, then the Town will need to determine the appropriate maximums for each zone. Doing so will require careful consideration, digital modeling, and scenario analysis. This process is necessary in order to avoid unintended

consequences, such as promoting undesirable design and creating disincentives to development or desirable densities.

As a starting point, it is worth observing the achievable FAR based on the zoning provisions (e.g., height, lot coverage, setbacks). These FAR can eventually inform both a base and a bonus FAR maximum for each zone.

FAR in RM5

For the RM5 Zone, the Zoning Bylaw allows for 55% lot coverage on 2.5 storeys. This translates to a 1.6 FAR, with the first storey being a half storey (set partially into the ground).

A practical interpretation of this could see a base density of 1.2 FSR (2.5 storeys at 40% coverage) and a bonus to 1.6 FAR.

FAR in RM6

For the RM6 Zone, the Zoning Bylaw allows for 55% lot coverage on 3 storeys. This translates to 1.6 FAR.

A practical interpretation of this could see a base density of 1.2 FSR (3 storeys at 40% coverage) and a bonus to 1.6 FAR.

FAR in RM7

For the RM7 Zone, the Zoning Bylaw allows for 55% lot coverage on 4 storeys. This translates to 2.2 FAR.

A practical interpretation of this could see a base density of 1.6 FSR (4 storeys at 40% coverage or 3 storeys at 55%) and a bonus to 2.2 FAR.

FAR in C1

For the C1 Zone, the Bylaw allows for 100% lot coverage on 3-4 storeys. This translates to 3.0-4.0 FAR.

On Beacon Avenue, a practical interpretation of this could see a base density of 2.7 FSR (3 storeys at 90% coverage) and a bonus to 3.0 FAR.

Off Beacon, a practical interpretation needs further analysis regarding desired form, selective height increase, and market conditions. However, this area likely represents the best opportunity for density bonusing.

C. Massing Regulations

5. Consider Additional Zoning Regulations to Control Massing

As discussed in Section IV, it is recommended that the Town revise its density regulation to include one or more of the following provisions to guide massing and aid in achieving design objectives.

Upper Storey Stepbacks

First, the Town should reconsider provisions for upper storey stepbacks and determine whether moving them from the DPA Guidelines into the Zoning Bylaw is a sensible option. This would give this design policy more ‘bite’ and better achieve design goals related to contextual density, sunlight penetration, and perceived development scale. However, as already mentioned, this would impose increase costs on developers, which may not make practical sense at relatively low building heights (3-4 storeys).

Adjacency Stepbacks/Setbacks

Secondly, the Town should consider developing provisions for mitigating adjacency issues between contrasting land uses (e.g., RM zones and R zones;

C1 zones and R zones). Additional side setbacks and upper storey stepbacks facing the adjacent use will reduce visual impacts and facilitate a more cohesive development pattern in the Town. Again, this would require further analysis to determine what makes practical sense in the Sidney policy and development contexts.

Streetwall

Finally, the Town should consider a streetwall provision that promotes the design vision for the study area. Such a provision will facilitate the redevelopment of Sidney’s small commercial lots (and frontages) in a complementary way – without out-of-place setbacks and stepbacks – while achieving desirable urban design characteristics (e.g., street enclosure, human scale).

D. Parking

6. Reduce (or Eliminate) Parking Minimums

As discussed, the current parking regulations for the study area act to limit density and diminish design objectives; yet, Sidney is fortunate enough to be a place where people can walk to meet their daily needs.

With this in mind, it is recommended that existing multifamily parking minimums in the study area are reduced, removed, or made to be easily relaxed. Developers will continue to provide as much parking as they feel necessary to meet market demand.

Additionally, the commercial portion of mixed use developments in the downtown should be exempt from any parking requirements.

7. Review Off-street Parking Bylaw

It is also recommended that the Town conduct a review of its Off-street Parking Bylaw with the objective of reducing parking regulations in order to achieve better urban design and facilitate increases in density, vibrancy, and economic growth.

E. Density Bonusing

Current UPH maximums are set far too low to facilitate desired development. If the Town wants density and good urban design, then base densities must achieve this. However, bonus densities still have a place in achieving the Town's objectives.

8. Continue to Employ Density Bonusing

If the Town eliminates or revises existing UPH maximums, then the consultant recommends utilizing density bonusing as a tool to achieve specific planning goals (e.g., streetscape improvements, selective height increases, housing).

9. Analyze Appropriate Bonusing and Contributions

A careful analysis of density regulations (e.g., FAR) is necessary to determine appropriate bonusing for each zone. Similarly, the Town needs to consider the developer contribution for these increases in density.

As noted, the current amenity contribution of \$5,000 per unit is a reasonable starting point that achieves the Town's objectives of incentivizing development while gaining a level of amenity for the Town. However, the Town should consider (a) contributions per unit (could encourage family-sized units) versus per FAR increase, and (b) negotiated contributions. Regardless, tangible amenities are most desirable.

10. Review Density Bonusing on a Regular Basis

Once a new density bonusing system is established, it is recommended that it is reviewed on a regular basis (e.g., annually). This is important in order to respond to developer uptake, changing market conditions, community needs, and economic conditions.

Further, it is recommended that a more extensive economic analysis of density bonusing be undertaken in several years, after new, desired development occurs in the study area.

VII. CONCLUSION

Sidney's Zoning Bylaw continues to be informed and limited by the complicated relationship between density and the historical approach to development in the Town still contained within the OCP. Yet, Sidney – like most municipalities – is now understanding and pursuing density as a positive force for change.

In this project, Sidney sought to review its regulation of density to better respond to the current development context and the objectives of the Town. These objectives can be synthesized as the following:

1. **Encourage redevelopment and increased population** to a balanced demographic and economic sustainability.
2. **Increase affordability** and housing options.
3. **Ensure contextual density** and a high standard of design
4. **Improve policy** to simplify the development and regulatory processes.

This report made it demonstrably clear that current density regulations fail to meet the Town's planning objectives and

key policy directions. Existing UPH maximums are simply inadequate to achieve the desired development in the Town.

Thus, the risk of maintaining existing policy is redeveloping Sidney's core without enough density to harvest the broad social, environmental, and economic benefits associated with higher densities and good urban design – a missed opportunity, to say the least.

The low UPH maximums also readily push developers – and, to some degree, the Town – into density bonusing (and rezonings) in order to make a project viable, acting as a significant barrier to good development. The existing maximums also create a context in which a development requires a substantial density increase despite being consistent with the goals of the Town. In amending how density is regulated in the study area, the Town will have the opportunity to better use density bonusing as a tool to achieve selective planning goals and extract some additional community benefit.

That said, good development that meets the objectives of the Town must be viewed as a community asset, in and of itself. Such development bolsters the local economy, including the Town's revenue, which in turn supports the

creation of more and better amenities, services, and infrastructure.

In addition to amending density (UPH) and density bonusing provisions, the Town should give strong consideration to related policy that similarly influences built form. For example, existing parking minimums are too high and act to limit buildable density and dictate design.

Therefore, the consultant concludes that the existing density regulations must be amended to meet the Town's planning objectives and key policy directions. Moreover, the Town should undertake further studies to (a) establish the appropriate base and bonus densities for each of the relevant zones in the study area and (b) develop progressive parking minimums (or maximums) that facilitate the development of desirable built forms.



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