

STAFF REPORT

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| Prepared For: | Planning Advisory Committee |
| Submitted by: | Jason Fox, Director of Planning & Development |
| Date: | January 25, 2018 |
| Subject: | Municipal Planning Strategy and Land Use By-law Amendments to introduce new provisions for the reuse and redevelopment of downtown heritage properties. |

Recommendation

That PAC hold a public information session to review proposed amendments to the Town's Municipal Planning Strategy and Land Use By-law that will:

1. Permit a broader range of reuse options for properties in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones; and
2. Require Site Plan Approval for more intensive uses in the R6 and R7 Zones.

Background

The housing stock in downtown Truro consists of many large heritage homes and it has proven to be challenging for the Town to devise a successful regulatory framework that encourages the retention and reuse of these dwellings. A large proportion of these dwellings date from the late 1800s and early 1900s and Statistics Canada figures indicate that over 80% of dwellings in the downtown were constructed prior to 1960. Many of these homes are large, with floor areas in excess of 279 m² (3000 ft²), and they often require a substantial financial commitment to cover costs such as general upkeep, heating, and maintenance of unique heritage architectural features. Statistics Canada figures indicate that over 17% of dwellings in downtown Truro require major repairs, significantly higher than the Nova Scotian or Canadian figures of 9% and 7% respectively.

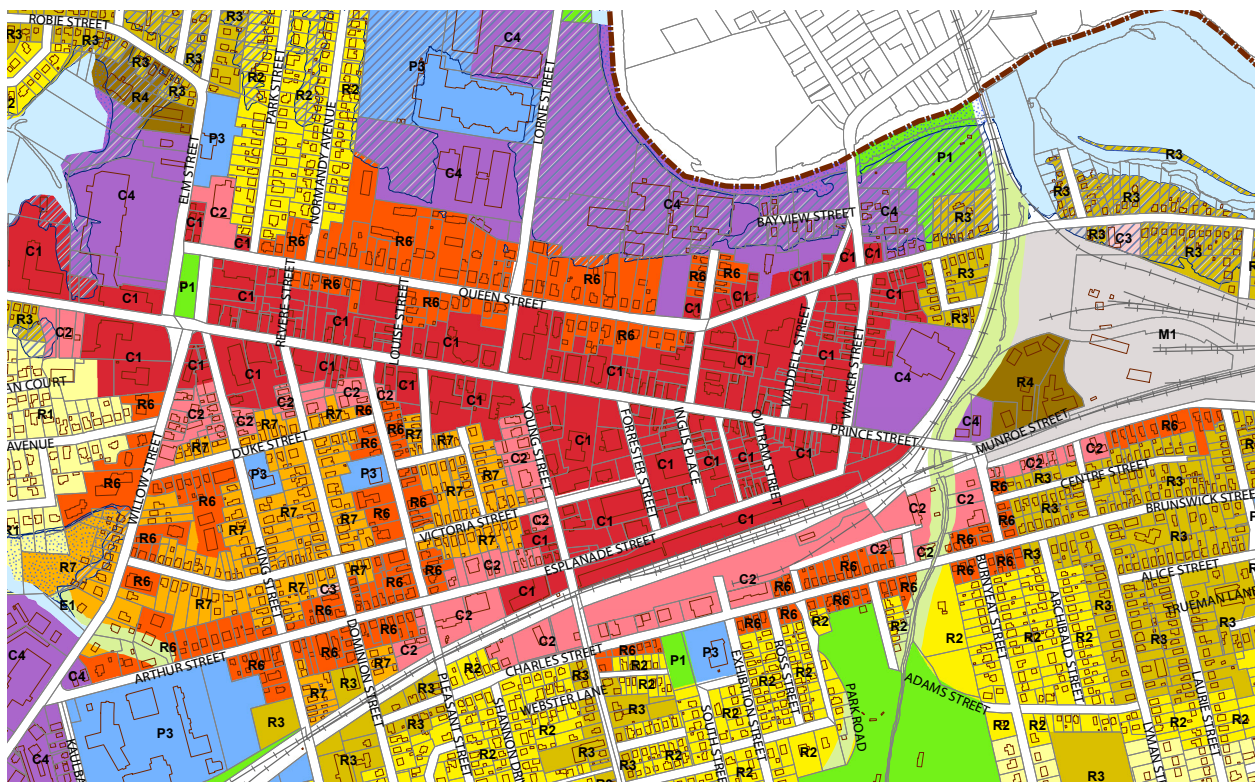
There is minimal demand for these large heritage homes to be used as single unit dwellings. Family sizes are much smaller today than when these homes were built and there are few families who require the square footage that these homes would have to offer. There is little financial incentive for a family to purchase these properties as a single unit dwelling due to significant ongoing maintenance costs and, given that residential property values in downtown Truro are below the provincial average, the common perception is that such a purchase would not be a sound financial choice. Considering the age of many of these homes, it is also unlikely that they are energy efficient and inexpensive to heat. Average household income levels in downtown Truro are 60% of the provincial average, suggesting that there are few residents with the means to take on the high cost of maintaining and heating these homes. There are, consequently, few people in Truro who are willing and who have the means to purchase these homes and occupy them as single unit dwellings.

While the market for large heritage homes in the downtown core of Truro has not attracted many buyers interested in them for single unit dwellings, there has been and continues to be developers who are interested in purchasing these homes and dividing them up into smaller dwelling units for the rental market. There is also an ongoing demand for these homes to be repurposed for office space or for other commercial uses. There were many of these conversions in Truro over the past few decades and in some instances the results were favourable and the reuse of the old homes occurred with minimal impact on neighbouring properties and the residential character of the

surrounding neighbourhood. In many instances, however, the outcome was unsatisfactory and the residential conversions, in particular, resulted in low quality dwelling units with inexpensive finishes and a lack of amenities such as balconies, parking, and laundry. These units commanded low to modest rents which meant property owners lacked the capital needed to reinvest in and properly maintain these properties, particularly for restoring and maintaining heritage elements. The result was a decline in the appearance of these properties and a degree of urban decay that has diminished the downtown's appeal to those looking to buy a home. The introduction of more rental units and commercial uses into the downtown residential areas has also contributed to a sense that these areas are in transition. This, in turn, made these areas less appealing to homebuyers looking for a single detached dwelling in a stable residential neighbourhood.

Over the past few decades the Town has struggled to create a suitable regulatory framework that encourages the ongoing use, reuse, and maintenance of these properties in such a way that has minimal negative impact on the residential character of the downtown neighbourhoods. Initial efforts involved introducing parking requirements and limiting the number of dwelling units that could be created in a residential conversion to four. Larger residential developments would be permitted only by development agreement and would require a public engagement process, public hearing, vote by Council and an appeal period. Restrictions were also placed on commercial uses by limiting square footages, signage, and by requiring parking for employees and customers. These regulations proved to be ineffective at preventing some unwelcome conversions and the residential character of the downtown neighbourhoods continued to decline.

The Town consulted downtown residents as part of a review of the Town's Municipal Planning Strategy and Land Use By-law in 2010. These residents asked the Town to further restrict residential conversions and put a stop to larger multiple unit developments in their neighbourhoods. When the new plan was adopted in 2010, it included two new downtown residential zones, the Mixed Use Residential (R6) Zone and the Heritage Residential (R7) Zone. These zones were intended to address residents' concerns but also provide viable options for the reuse of the older homes where appropriate and where the residential character of the properties could be retained.



Excerpt from the Town's Land Use By-law Zoning Map showing the downtown area the Mixed Use Residential (R6) and Heritage Residential (R7) Zones in orange and light orange respectively.

The Mixed Use Residential (R6) Zone was intended to encompass predominantly residential portions of Arthur Street, Queen Street west of Walker Street, Brunswick Street west of Cottage Street, and East Prince Street west of Wood Street. These properties are situated on the major traffic routes into the downtown commercial area and are highly visible properties with potential for commercial uses. It was, however, also Council's intent that any commercial use of these lands be limited in nature in order to preserve the residential character of these neighbourhoods.

The R6 Zone was designed to provide a live-work option for local artists, craftspeople, and home based businesses that require a limited retail component. The R6 Zone permitted a limited range of non-residential uses such as office and professional uses, personal service shops, small restaurants, day care centres, and other uses that can be accommodated within a residential style structure while still maintaining the residential character of the property. The R6 Zone was designed to apply to downtown residential areas that have been subjected to extensive redevelopment, conversions, demolitions, and where the housing stock is in need of revitalization. Council wanted to encourage reinvestment in these properties while at the same time recognizing that a range of development opportunities should be available to ensure that investment in these properties is a viable and attractive option. It was, however, recognized that the development of these lands should not have a negative impact on the integrity of the surrounding residential neighbourhoods and that any new structures would be required to contribute to the development, preservation, and enhancement of downtown heritage streetscapes. For these reasons, Council chose to permit more intensive residential uses in the R6 Zone, but only by development agreement and only where special consideration would be given to design details.

The Heritage Residential (R7) Zone was intended to apply to lands within the Town's three heritage districts to preserve the heritage character and sense of neighbourhood that still exists in these remnants of what was a much larger and cohesive downtown residential area. The R7 Zone included other areas of the downtown where groups of heritage homes form streetscapes that retains most of the original housing stock. In addition to the three heritage districts, this zone was applied to portions of Willow Street, Victoria Street, Duke Street, and King Street. The R7 Zone permitted only single unit dwellings along with a limited range of conversions and mixed use developments.

In an effort to reverse the decline of downtown neighbourhoods the R7 Zone was set up to only permit the conversion of single unit dwellings into a maximum of two units. It was felt that this would allow homeowners to supplement the cost of maintaining larger homes with an accessory unit and also contribute to the Town's efforts to attract more residents to the downtown. The R7 Zone permits office and professional uses, personal services, and bed & breakfasts. In addition to these uses and the two unit conversions mentioned earlier, other permitted uses include single unit dwellings and new two unit dwellings that maintain the look of a single unit dwelling.

Since the new zones were put in place there have been only a few applications to convert existing dwellings into more than 2 units and the new regulations seemed to effectively address design concerns and any issues related to the compatibility of the proposal with surrounding residential uses. There have also been a few requests to convert some of the larger homes into more than two units but the prospective developers withdrew after considering the prospect of having to go through a development agreement application. In these cases it is likely that the Town is better off not having had these conversions go through. If a developer is not willing to prepare and submit detailed plans for review and approval, it is probable that they are not the kind of developer the Town needs.

The Town has, on the other hand, received other proposals which would have resulted in the reuse of some very large and prominent heritage properties in our downtown. In some of these cases the developers were proposing to make significant investments in the restoration and maintenance of these heritage dwellings. Unfortunately, these proposals were abandoned because of the requirement for a development agreement or because the existing regulations did not accommodate the proposal.

A proposal to redevelop the former Armstrong Insurance property at 36 Dominion as vacation rental units and a bed & breakfast could not be accommodated under the R7 Zone. This 335 m² (3600 ft²) 5 bedroom home is currently vacant and has been for several years. Another proposal to convert the old funeral home at 135 Victoria Street into a spa and two dwelling units was not permissible under the R7 Zone requirements and the developer abandoned their proposal. This 539 m² (5800 ft²) 7 bedroom home had been for sale for several years but it has

recently been purchased and will apparently remain as a single dwelling unit. Another recent proposal involves a formal medical office at 67 Dominion Street. This large heritage property also included a dwelling unit on the second floor. The property has been purchased and is currently being used by the Central Nova Women's Resource Centre (CNWRC) for office space. The CNWRC is permitted to use this space for offices, board meetings, resource centre, and counselling services but they are currently unable to offer workshops and programming at this location due to the R7 Zone requirements. Another recent redevelopment of a former heritage property is the renovation undertaken at 64 Pleasant Street (northwest corner of Pleasant & Victoria Streets). This project involved the renovation of a large heritage property that had previously been converted into 10 units. The renovation project also included a two unit accessory building. This project has made a significant improvement to the adjacent streetscapes and it has been well received by the community. This project would be permitted in the current R6 Zone through a development agreement process. It would not, however, be permitted in the R7 Zone and some elements of the proposal, such as the accessory dwelling units in the old carriage house, are not generally permitted by the Town's land use regulations.

These are a few examples of the types of proposals that are coming forward for the reuse of some of the large heritage homes in the downtown area. If the Town's land use regulations do not accommodate these types of redevelopment proposals, there is a risk that many of the larger heritage homes in the downtown will remain vacant or will fail to attract the types of buyers who have the means and who are willing to reinvest in these homes.

Current Regulations

The following is a general overview of the current provisions in the R6 and R7 Zones regarding commercial uses and residential conversions. For the complete text of these regulations consult sections 5.7 and 5.8 of the Town's Land Use By-law.

- a) All development, including new construction and conversions, is to comply with the architectural design requirements set out in the R6 and R7 Zones. These requirements are intended to preserve and enhance the heritage characteristics of downtown neighbourhoods.
- b) Purpose built (i.e. not a conversion) semi-detached dwellings and 2-unit dwellings are permitted as-of-right (no development agreement required) in the R6 Zone.
- c) Purpose built semi-detached dwellings are permitted as-of-right in the R7 Zone.
- d) Purpose built 2-unit dwellings are permitted as-of-right in the R7 Zone but the structure must have only one exterior entrance facing the street.
- e) Conversions of single detached dwellings to create up to 2 dwelling units are permitted as-of-right in both the R6 and R7 Zones. Any new exterior entrance must be on the side or rear of the dwelling.
- f) Purpose built 3-unit dwellings and conversions resulting in 3-units are permitted only by development agreement in the R6 Zone.
- g) Townhouses with up to 4-units are permitted as-of-right in the R6 Zone.
- h) Multiple unit residential proposals (more than 3 units) are permitted only by development agreement in the R6 Zone (excepting townhouse style proposals with up to 4 units).
- i) The maximum number of dwelling units permitted in the R7 Zone is 2. There is no provision for multiple unit proposals in the R7 Zone by development agreement.
- j) Home based businesses (office and professional uses, personal services) are permitted as-of-right in both the R6 and R7 Zones provided the use is within a residential dwelling unit, the business owner lives in the dwelling, and the external appearance of the dwelling is consistent with a residential use. The business may only have two employees, a maximum floor area of 80 m² (861 ft²), limited signage, and a small retail component. The use is required to have sufficient off-street parking in a rear or side yard that is screened from neighbouring properties.

- k) A limited range of commercial uses (office and professional uses, personal services, and artist studios) are permitted as-of-right in both the R6 and R7 Zones. The commercial use must share a structure with a single residential dwelling unit and occupy less than 50 percent of the structure's floor area above grade. The use may have a retail component provided it occupies less than 25 percent of the commercial floor area. Signage is permitted but limited. The use is required to have sufficient off-street parking in a rear or side yard that is screened from neighbouring properties and access for the parking area must not be a shared driveway.
- l) In the R6 Zone, a "café" is also permitted as-of-right as a commercial use in addition to professional uses, personal services, and artist studios.
- m) Accessory Dwelling units are not permitted in the R6 or R7 Zone.

Proposed Amendments

The following is a list of amendments being considered by planning staff. Once the Planning Advisory Committee (PAC) agrees to a set of amendments, Staff will prepare a full amendment package that will need to be presented at a public information session which would be held in conjunction with the next PAC meeting. Following the public information session, PAC would then have the option of voting on the proposed amendment package. For discussion purposes, here is a description of proposed amendments:

- a) Residential Conversions
 - i) Existing structures in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones may be converted into three or more dwelling units by *Site Plan Approval*. Single unit dwellings, two-unit dwellings, and residential conversions up to two units will continue to be permitted as-of-right in these zones.
 - ii) No conversion shall exceed a maximum average density of 1 unit per 600 ft² of existing floor area above grade. A development permit application for a residential conversion must include a site plan that provides details regarding parking, amenity space, landscaping, buffering, lighting, driveway access, and solid waste disposal. The site plan will require approval by the Town's Development Officer.
 - iii) No development permit will be issued for a conversion where floor area that is 1.2 m (4 feet) below established grade comprises more than 60% of the floor area of any existing or proposed unit.
 - iv) Residential conversions in the Mixed Use Residential (R6), Heritage Residential (R7) Zones must provide sufficient parking to meet the Downtown Parking Requirements as set out in the Town's Land Use By-law.
 - v) New reduced amenity space requirements will be introduced for residential conversions in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones. Amenity space requirements are to be reduced by up to 50% in the R6 and R7 Zones.
- b) New Residential Construction
 - i) New Residential Construction of single detached dwelling units, semi-detached dwelling units and two-unit dwellings will be permitted as-of-right in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones.
 - ii) New multiple unit dwellings (3 or more units) may be permitted in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones by Site Plan Approval. A multiple unit proposal must include a site plan that provides details regarding parking, amenity space, landscaping, buffering, lighting, driveway access, and solid waste disposal. The site plan will require approval by the Town's Development Officer.
 - iii) New multiple unit dwellings (3 or more units) in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones will have a maximum density of 65 units/hectare (26.3 units/acre) and will be required to provide sufficient parking to meet the Downtown Parking Requirements as set out in the Town's Land Use By-law.

- iv) New reduced amenity space requirements will be introduced for new residential construction in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones. Amenity space requirements are to be reduced by up to 50% in the R6 and R7 Zones.
 - v) All new construction in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones must comply with the architectural design requirements as set out in the Land Use By-law.
- c) Additions
- i) Additions to existing structures will be permitted as-of-right in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones.
 - ii) All additions in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones must comply with the architectural design requirements as set out in the Land Use By-law.
 - iii) A structure that has been added on to since the effective date of this By-law may be converted into three or more residential units subject to the requirements for residential conversions outlined above.
 - iv) Only floor area that was part of the existing structure may be used when calculating permitted density. Floor area added since the effective date of this By-law may not be used when calculating allowable density.
- d) Commercial/Mixed Use Development
- i) Add “Accommodations” to the list of permitted uses in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones. Special provisions for Accommodations in these zones would be introduced that require that they be licensed under the Tourist Accommodations Act, that they occupy an existing structure, and that they meet applicable parking requirements. Accommodations that include more than four rental units may be permitted by Site Plan Approval. Proposals with more than four rental units must include a site plan that provides details regarding parking, amenity space, landscaping, buffering, lighting, driveway access, and solid waste disposal. The site plan will require approval by the Town’s Development Officer.
 - ii) Allow commercial uses to expand throughout an existing structure by Site Plan Approval. Proposals to expand commercial uses throughout a structure must include a site plan that provides details regarding parking, amenity space, landscaping, buffering, lighting, driveway access, and solid waste disposal. The site plan will require approval by the Town’s Development Officer.
 - iii) Permitted commercial uses in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones may share a structure with one or more residential dwelling units provided that the space to be occupied by the commercial use conforms with all requirements for a dwelling unit as prescribed for residential conversions, new residential construction, and additions. The commercial space will be considered a “dwelling unit” for density calculations and must, if the space was to be converted back to residential, be capable of complying with all R6 and R7 Zone requirements.
- e) Allow Council to consider, by development agreement, proposals in the Mixed Use Residential (R6) Zone that exceed the maximum allowable density, do not meet amenity space, do not meet parking requirements, or that include basement dwelling units. The development agreement process would allow Council to carefully consider the impact of the proposed development on the neighbourhood and weigh the community benefit of the proposal against the impact on the surrounding neighbourhood.
- f) Allow Council to consider, by development agreement, proposals in the Heritage Residential (R7) Zone that do not meet amenity space, do not meet parking requirements, or that include basement dwelling units. The development agreement process would allow Council to carefully consider the impact of the proposed development on the neighbourhood and weigh the community benefit of the proposal against the impact on the surrounding neighbourhood. Unlike the Mixed Use Residential (R6) Zone, it is recommended that the R7 Zone not allow proposals that exceed the maximum allowable density, even by development agreement.

- g) Retain the existing requirement that commercial uses may not utilize a shared driveway for parking or access.
- h) Postpone any amendment that would permit accessory dwelling units in the Mixed Use Residential (R6) and Heritage Residential (R7) Zones. This proposed change will require detailed analysis and should be the subject of a dedicated report and recommendation that deals with that issue alone.

Analysis

Amendments to the Municipal Planning Strategy (MPS) are generally only considered by Council when it can be demonstrated to Council's satisfaction that the current planning policies need to be reevaluated. MPS Policy IM-8 states that it shall be a policy of Council to only consider amendments to the MPS when: there is an apparent need to change policy due to changing circumstances; additional information is identified or studies have been undertaken which identify the need for an amendment to the strategy; or a Provincial Policy change requires a change in policy by the Town. In this instance, it has become apparent that the regulations concerning the reuse of large single unit dwellings in Truro's historic downtown residential neighbourhoods may be precluding development proposals that would see the reuse and restoration of these old homes. It is also apparent that there is a limited market in the Truro area for these large old homes, particularly if the reuse options are limited to low density residential uses. This suggests that it may be time for the Town to consider amendments to its downtown residential policies and to the Mixed Use Residential (R6) and Heritage Residential (R7) Zone regulations.

The proposed amendments include some major changes to the way the Town regulates development in its downtown residential areas. These amendments also include the use of the Site Plan Approval process. The Nova Scotian Government has produced an information bulletin on Site Plan Approval and this has been circulated to PAC members as part of their agenda package. The Site Plan Approval process will allow the Town to require a developer to submit a site plan that sets out details such as the location of all structures on the lot, fencing, lighting parking, amenity space, landscaping, buffering, lighting, driveway access, and solid waste disposal. The site plan will require approval by the Town's Development Officer and the property owner must submit a letter of undertaking that commits them to constructing and maintaining their development in accordance with the approved site plan.

The advantage of this approach is that Site Plan Approval does not require approval by Council or a lengthy approval process. Site plans are simply reviewed and approved by the Town's Development Officer provided the plan conforms to a predetermined set of standards and requirements that have been set out in the Land Use By-law. Although the approval process is simplified, Council still has the ability to control many of the potential land use impacts associated with development through the site plan approval requirements. Some of the biggest issues related to development in the downtown residential areas concern parking, solid waste, lighting, and buffering. By introducing minimum standards for these issues as part of the Site Plan Approval requirements, Council has the ability to control new development and mitigate potential land use conflicts.

The amendments before the Planning Advisory Committee are designed to remove many of the restrictions in place for the reuse of downtown residential properties and they are intended to streamline the approval process in place for some of the more intensive uses. It is hoped that these amendments will encourage the reuse of many of the large heritage properties in our downtown while preserving the heritage character of these homes and having a positive impact on the surrounding neighbourhood.

Public Participation

At this point Staff have prepared a detailed list of amendments for consideration by the Planning Advisory Committee (PAC). It is likely that there will be changes as a result of feedback from the Committee. The proposed amendments are extensive and will require significant changes throughout the Land Use By-law and Municipal Planning Strategy. Rather than undertake the preparation of a full amendment package at this time, it was felt that the detailed list of amendments provided herein would be sufficient for discussion purposes. It is expected that the Committee will, following a discussion of each amendment option, give direction to Staff on changes and on which amendments they would like to see move forward. Once the details of each amendment has been agreed upon, Staff will prepare and circulate a formal amendment package to Committee members.

As part of its review, PAC typically holds an advertised information meeting to present the proposed amendments to the public. Staff are recommending that this take place just prior to next month's PAC meeting. A formal amendment package must be available for the public in advance of the meeting, preferably around the same time as the public information meeting is advertised. Staff will circulate the formal amendment package to Committee members at that time as well. After the public information meeting, PAC will then make a recommendation to Council on the proposed amendments taking into consideration any feedback from the public.

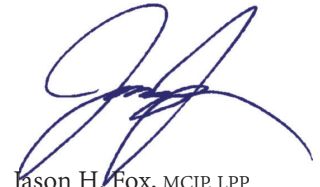
Council would then hold an advertised public hearing to consider the amendments. Following the hearing, Council votes on the proposed amendments. The amendment is then subject to a review by the Province and may require the approval of the Minister of Municipal Affairs. MPS amendments are not subject to appeal to the Nova Scotia Utility and Review Board.

Given that the proposed amendments impact Truro's heritage districts and several municipally designated heritage properties, it is also recommended that these proposed amendments be forwarded to the Heritage Advisory Committee for review and recommendation as well.

Conclusion

Planning Staff have completed an initial review of the proposed amendments. Staff conclude that these amendments effectively address the issues described in this report and they are consistent with the overall intent of the Town's development policies. It is, therefore, recommended that PAC direct Staff prepare a formal amendment package, incorporating any revisions agreed upon by the Committee, and that this amendment package proceed to an advertised public information meeting.

Respectfully Submitted



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