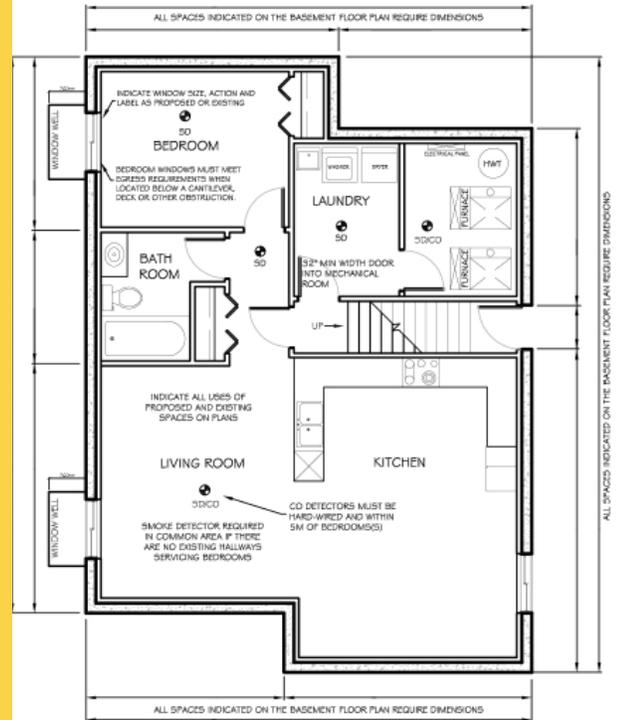


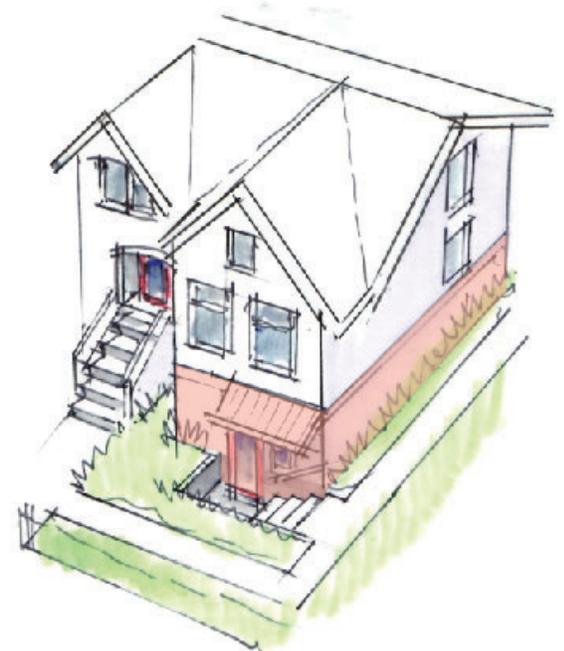
Secondary Suites

An overview of the history, challenges, and potential of attached secondary suites.

Secondary suites have long existed within local housing systems. They have evolved into formal housing units that offer housing choice and gentle densification of existing neighbourhoods. This periodical considers how Canada's housing history has created space for secondary suites, their regulatory challenges, and how municipal planning can support this housing category.



Floor plan



Images: Top: The City of Calgary: <https://www.calgary.ca/development/home-building/existing-secondary-suite.html>; Bottom: The City of Burnaby: <https://www.burnaby.ca>

Overview

As municipalities—big and small, urban and rural—face housing supply pressures, secondary suites provide an opportunity to make the most of existing housing stock. Municipalities are no strangers to secondary suites and recognize their ability to help revitalize neighbourhoods by adding gentle density through economical means. Secondary suites are but one form of accessory housing—being a separate dwelling unit located on the same property as a principal dwelling. While municipalities provide for and regulate a variety of accessory housing forms, this periodical looks exclusively at units attached to the principal dwelling unit. Basement suites are most common in this category; however, secondary suites can also exist above ground. As household sizes stabilize following consistent decreases over the post-war decades, municipalities in southern Alberta are beginning to reposition secondary suites in the legal landscape of their planning documents. This periodical investigates the history of secondary suites, options to ensure regulatory compliance, and other planning considerations.

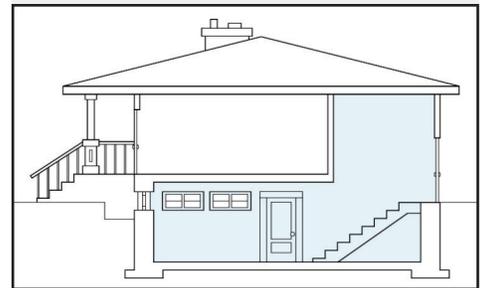
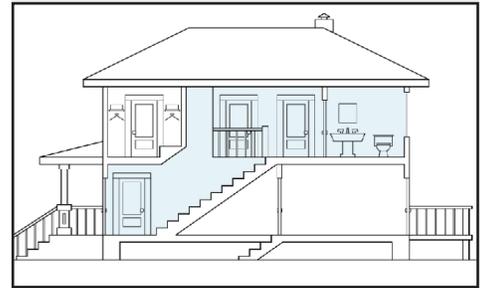
Secondary suites in Canadian housing history

While “secondary suite” is a relatively new addition to the housing lexicon, this housing type has long had a place in housing history, albeit often informally. Early forms of secondary suites included servants’ quarters and carriage houses. Canadian municipalities began restricting secondary suites in the early 1900s to preserve the social status provided by single-family homes. This was the frontier of municipal regulation, and it is unclear how widespread secondary suites were. Still, splitting homes and improvisational housing were certainly part of the boom-and-bust growth of towns and cities in the first half of the 20th century.

The prosperity of the post-war years transformed Canada into a country of single-detached zoning. New construction technologies, support from the newly created Canadian Mortgage and Housing Corporation (CMHC), and the proliferation of the automobile let communities expand their footprint. Suites were often viewed as an unwelcome departure from the character and values of single-family neighbourhoods, despite the fact that homes built during this era were often ideal for secondary suites—spacious and typically with basements. Due to the inertia of post-war suburbanization, Canada’s suburban geography is now rich in opportunity for secondary suite construction. Over time, these suburban spaces have become widely used as a flexible response to housing pressures.

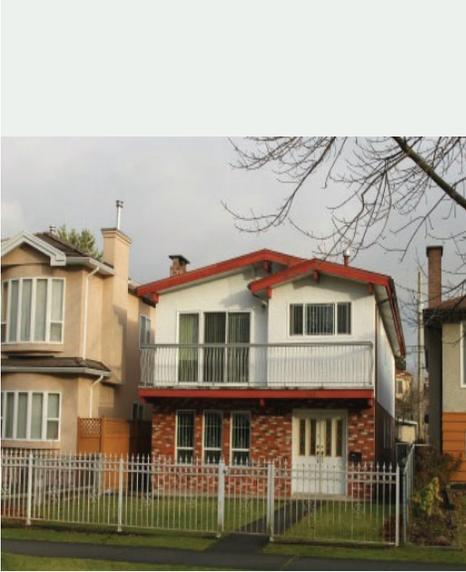
Historically, municipal policymakers often neglected to address secondary suites. The absence of response is in part due to the fact that basement suites are by their nature indistinguishable from single-detached houses, as

Examples of Attached Secondary Suites



Source: *The City of Winnipeg:*
<https://www.winnipeg.ca/building-development/home-improvement-projects/secondarysuites>

According to Statistics Canada, Canada’s household size in 1901 was 5.0 individuals. By 2011, it had decreased to 2.5.



“Vancouver Specials” were massed produced in the City of Vancouver from the 1960s to 1980s. They are an example of efficiently built homes which maximize floor spaces, making them ideal for a secondary suite.

Image: <https://blogs.ubc.ca/vancouver-specialsimmigration/a-history-of-the-vancouver-special/>

According to the Real Estate Council of Alberta, MLS listings must disclose the status of a secondary suite, and unless there is evidence of properly issued permits (development and safety codes) and inspections from the municipality, there is a duty to disclose it as an “illegal suite.” A compliance certificate supported by a recent Real Property Report only addresses the building envelope, but can be mistaken for acceptance or approval of a secondary suite. Municipal development departments should be diligent in relaying expectations to real estate agents in order to facilitate transparent property transactions.

the principal dwelling unit typically retains its appearance as a solitary entity. While it is difficult to quantify the scale of legal and illegal suites across the country, the latter have become widespread, especially where competitive housing markets pressure lower-income renters. In 2007, the City of Calgary estimated the number of illegal suites within its boundary at 50,000. In stressed housing markets like Vancouver, it’s been estimated that over 35% of single detached houses contain a secondary suite. But when you consider the change in household size over time, the proliferation of suites is probably only beginning to make up for decreasing household sizes—slowly allowing for neighbourhoods to return to form and in turn support neighbourhood amenities like corner stores and schools.

Secondary suites in the basement of the housing market

Basement suites provide for reasonably priced housing that caters primarily to low-income renters. These users are often at a point of transition, making suites a more transient type than other forms of market rental housing. Basement suites are commonly characterized as a starting point on the housing continuum, with challenging features like long staircases, low ceilings and a lack of natural light that frustrate the user experience. These conditions and the associated stigma evoke a societal view that basement suites are most suitable for transitional habitation.

Annual leases often convert to month-to-month tenancy, resulting in high turnover that can be disruptive to neighbourhoods. While tenants cannot legally agree to give up their rights under the *Residential Tenancies Act*, basement suites are notoriously wrought with lack of maintenance to full blown breaches of the Minimum Housing and Health Standards adopted under the *Housing Regulation (Public Health Act)*. The responsibilities of landlords are well understood and available to tenants, but this does not preclude perennial challenges between the two parties that are often at odds in the housing-as-a-commodity versus housing-as-a-right conversation. Housing advocates have pushed for mandatory licensing for landlords and while some municipalities require business licensing (usually only where over a certain number of units), there is no provincial licence requirement that could provide a way to hold landlords accountable and provide training.

Safety code considerations

The province prescribes requirements for secondary suites under the *Safety Codes Act*. These requirements do not apply to all forms of accessory housing; they deal with single secondary suites contained within the building envelope of a single-detached dwelling, semi-detached dwelling, freehold rowhouse, or—where a building has multiple occupancies—the portion

of the building that is of residential occupancy. The principal dwelling and secondary suite must constitute a single real estate entity, meaning they must be contained within one certificate of title and the secondary suite cannot be subdivided.

Standards for secondary suites are specified in the National Building Code – 2023 Alberta Edition. These standards first appeared in the 2006 version of the code. Secondary suites that existed prior to December 31, 2006, must meet the less stringent parameters of the Alberta Fire Code 2006. A secondary suite must have its own kitchen, bathroom and entrance, along with an independent heating and ventilation system and an acoustic barrier. To slow the spread of fire, the unit must be equipped with walls that provide fire separation from the principal dwelling (i.e. smoke-tight drywall must separate the dwelling units, the furnace, and any common corridors within the building) and smoke alarms must interconnect to the principal dwelling. Doors must be egress-compliant and each bedroom must have at least one window with an unobstructed opening size of not less than 0.35 m² (543 in²) and no dimension less than 380 mm (15”). The complete set of applicable building code requirements that need to be considered when developing a new or upgraded secondary suite are outlined in Safety Tips: Secondary Suite Standards, a publication by the Safety Codes Council.

Private development controls

Restrictive covenants are often registered on title by developers to mandate certain physical design parameters (eg. minimum square footage, building style) and, in many cases, private land use controls. It is good practice for a municipality to advise of the presence of restrictive covenants but not become involved in their enforcement, as disputes between affected landowners over provisions in a covenant are a civil law matter. Terms like “dwelling” and “single-family” may have different meanings in covenants than in land use bylaws and will have to be interpreted by a court on a case-by-case basis. In the legal cases discussed below, restrictive covenants were used as grounds to prevent homes from having a secondary suite.

In *Deagle v 1678452 Alberta Ltd., 2013 ABQB 708*, a residential building was found by the Court of Queen’s Bench to violate a restrictive covenant that allowed “at most one private dwelling house (detached or semi-detached).” The owners of the subject land had obtained permits from the City of Edmonton to undertake renovations to their home that would result in the main floor and basement each having its own bedroom, bathroom, kitchen, dining room and external access. The neighbours sought an injunction to prevent the additional suite from being created. The respondent landowners argued that, since the floors would remain connected internally and would lack physical separation, the building would ultimately consist of only one self-contained dwelling. The chambers judge disagreed with their assessment, concluding that the construction of an additional kitchen and

Secondary Suite Definition from the National Building Code – 2023 Alberta Edition:

“Secondary suite means a self-contained dwelling unit located in a building or portion of a building of only residential occupancy that contains only one other dwelling unit and common spaces, and where both dwelling units constitute a single real estate entity.”

Secondary suite OR part of the principal dwelling?

The question of what constitutes a secondary suite can be difficult to discern, particularly where the features can reasonably be interpreted as forming part of the principal dwelling. During the review of development permit applications, independent egress, roughed-in plumbing and 220V outlets are examples of the attributes to look for as indication of intent to add a secondary suite. The presence of these features alone do not necessarily constitute a distinct living space but should be noted to ensure an applicant is aware of separate permitting requirements for a secondary suite.

Federal programs encouraging secondary suite construction:

- As part of a recent change to Canadian mortgage regulations, CMHC-insured mortgages can be refinanced to fund secondary suites, with a \$2 million mortgage price limit for such properties. This mortgage program covers up to 4 units (including existing units).
- CMHC also offers funding through the On-Reserve Residential Rehabilitation Assistance Program.
- The Canada Secondary Suite Loan Program provides qualifying homeowners with access to up to \$80,000 at a 2% interest rate over a 15-year term for the addition of a secondary suite.
- The Multigenerational home renovation tax credit provides up to \$7,500 for home renovations to add a secondary suite, provided that either the existing dwelling or the suite is for a senior or an adult eligible for the disability tax credit.

dining room implied that more than one household was intended to be accommodated. Multiple households within the building implied multiple dwellings, which violated the restrictive covenant. The decision was subsequently upheld at the Court of Appeal.

Not all covenants have been found to prevent the use of a secondary suite by a family. *Faulkner v Liang, 2022 ABQB 48* dealt with a secondary suite in a basement that was alleged to be a violation of a restrictive covenant that stated the lot was reserved for “one single-family dwelling.” The appellant sought the suite’s removal, which he suggested could be achieved by removing its stove as well as the lock on the door connecting it to the principal dwelling. The respondents alleged that the basement kitchen was used as a spice kitchen—an essential space for storing and preparing a vast array of cooking spices that was functionally connected to the main kitchen. The chambers judge determined that the existence of features consistent with a secondary suite was deemed to not constitute a breach of the restrictive covenant. She found that there are many different single-family living arrangements where a secondary kitchen and a locked door may be desirable. The decision emphasized that families come in various sizes and configurations, which may necessitate or benefit from such features.

Municipal planning considerations

A municipality is tasked with deciding how to classify secondary suites within its land use bylaw. Classification is normally qualified by subordination, as determined by size, to the principal unit. Services are bundled with those of the principal unit and subdivision of the secondary unit is not allowed. An ancillary status is intended to help preclude land use conflict between neighbours by facilitating a relationship between units—ideally one that allows for some degree of oversight by the principal unit. Following the lead of larger urban centres—like the City of Edmonton who moved attached secondary suites to the permitted use column in 2007—municipalities in southern Alberta are beginning to move toward allocating attached secondary suites as permitted uses in low density residential districts in their land use bylaws. For example, the Town of Nanton Land Use Bylaw No. 1389/24 introduced secondary suites as permitted uses in its predominant residential district. This shift toward a more flexible use allocation is in part fueled by CMHC funding that is conditional on relaxing local development regulations.

The difference between a secondary suite and a semi-detached dwelling is just as much a product of quantifiable parameters as it is a relationship matter and commands addressing in a land use bylaw. As the barrier to developing secondary suites in single-detached dwellings eases, there is likewise a push for basement suites within semi-detached dwellings. A conventional split-entry floor plan for a semi-detached dwelling is immediately conducive to a basement suite; however, in low density

neighbourhoods, the density increase to 4 units on a standard 50-ft-wide lot might be a departure that a municipality is unwilling to accept. For this reason, municipalities should establish land use definitions and allowances for suites within semi-detached dwellings to facilitate a clear regulatory environment. Off-street parking requirements are another critical component that should be addressed when contemplating local regulations for secondary suites. The Town of Pincher Creek Land Use Bylaw No. 1639-25 typifies the common approach, where a flat requirement of one stall per accessory dwelling unit is required. Alternatively, the number of stalls may be tied to the number of bedrooms (i.e. one stall for every two bedrooms). Besides increasing the demand for parking, adding density to a residential lot also amplifies the need for outdoor amenity space. Low density districts generally don't stipulate minimum requirements for shared outdoor space, though such common amenities become a practical site design strategy once the lot contains more than one dwelling unit.

Municipalities may also want to promote the integration of preplanned secondary suites in new construction. Engaging in preplanning affords enhanced opportunity for the non-basement varieties of this housing type, which are considerably more difficult to add after the fact through renovations. Aboveground secondary suites are a more marketable product than their basement counterparts. Their enhanced exposure to natural lighting is a key ingredient to creating a vibrant living space and their more direct relation with the outdoor environment signifies a closer connection to the community in which they inhabit. These features help produce a living environment that is more likely to result in lengthier tenures exceeding those of basement units. Consideration of secondary suites at the master planning stage is also helpful in envisioning the ultimate density of a neighbourhood. Where a density target has been established for the neighbourhood through policy in a statutory plan, that policy should clearly articulate whether secondary suites should be included in the calculations.

Concluding remarks

Secondary suites are the easiest and most cost-effective way to add housing units to existing communities without altering their character. Increased density supports infrastructure and services vital to community wellbeing and is consistent with the strategic direction outlined in the South Saskatchewan Regional Plan. The impact of suites are well understood, and where development standards and definitions in a land use bylaw have been carefully crafted, attached secondary suites should warrant permitted use consideration in low density residential neighbourhoods. Like with development more broadly, municipalities must define the desired role of secondary suites in their communities. In the future, new and continued incentives for suite development are likely to emerge from the higher orders of government. Secondary suites will evolve with new housing trends and construction technologies and are likely to continue to play a pivotal role in the ongoing development of communities.

South Saskatchewan Regional Plan

Strategy 5.1 of the regional plan promotes the efficient use of land and infrastructure through infill development. Strategy 8.14 expresses that municipalities should provide for a diverse mix of housing types—including secondary suites.

This document is protected by Copyright and Trademark and may not be reproduced or modified in any manner, or for any purpose, except by written permission of the Oldman River Regional Services Commission.

ORRSC
3105 16 Ave N
Lethbridge AB T1H 5E8

phone: 403.329.1344
toll-free: 844.279.8760
e-mail: admin@orrsc.com



orrsc.com