

How to Build a Laneway House

September 27, 2013 | By [Michelle Hopkins](#), [REW.ca](#)

[Send to Friend](#)

[Comments \(0\)](#)

[Like](#) 35

[Tweet](#) 19



Since the City of Vancouver launched its EcoDensity laneway housing initiative in 2009, the popularity for these smaller dwellings has kept on growing. In less than five years, more than 500 compact homes have gone up in Vancouver back yards.

They're popping up in other Lower Mainland cities too, often under different names. Maple Ridge, Pitt Meadows and Port Moody call them "garden suites." In Coquitlam they're called "carriage houses" or "garden cottages," and Richmond categorizes them as "granny flats" (suites on top of garages) or "coach houses." They're coach houses in Surrey and the City of North Vancouver, too.

The rules also vary from city to city. For instance, in Richmond and Vancouver, you can build a laneway house even if you also have a secondary suite in your house. In other communities, it's either/or. In Port Moody, laneway houses are usually considered an option for keeping owners from tearing down heritage buildings, but in most other cities they're seen more as a densification measure.

Though the regulations differ, the process for getting laneway houses approved and built is generally the same. Here are the steps.

1. Find out the rules

Go to your city hall and find out if your property qualifies for this kind of structure. Take note of the regulations, because they will have a major impact on your design. Do you have to provide off-street parking? Does the design have to match your existing house? How many people can live there? How big can it be? Can it have a basement? How much does it need to be set back from the street? From the existing house?

One thing to consider is owner occupancy. If the city requires that the owner occupy one of the buildings, note that this can actually make your property less valuable as loan collateral, because if your lender foreclosed on the property it could not rent out both units.

2. Get a site survey

Once you've confirmed that you can build a laneway house, get a site survey of your property so you have accurate measurements. The Association of British Columbia Land Surveyors has an [online search of its members](#) where you can find a qualified local surveyor. The survey can also determine where the house should be located to it meets the city siting regulations. This survey will be a big help in Step 3.

3. Talk to utilities and city services

This new house will need to hook up to sewer and water, electricity and, possibly, gas. Find out the costs of connection fees and permits so you can plan your budget. Check with your city services, BC Hydro and Fortis. Show them the site survey so they can alert you to any concerns that may affect the design or siting of your laneway house.

If there's an older home on the lot, you might need to update the water line for the sprinkler system or twin the sewer system. It's important to know these things beforehand.

"We always advise customers to contact BC Hydro before they begin the design process to get a connection estimate," says Mora Scott from Media Relations and Issues Management at BC Hydro.

"The amount of work required will vary for each situation so understanding the cost up front can save customers time and money."



Photo courtesy City of Vancouver

Later, in the design phase, applicants are required to work with BC Hydro to complete an electrical feasibility study and a physical feasibility study. To proceed with construction, applicants are then required to obtain an electrical permit from the city.

BC Hydro costs associated with a laneway house depend on a number of factors, including height, design and allocation of the laneway house or location on the property. In most cases, BC Hydro will need to add new equipment or upgrade the existing electrical system to provide electrical service to a laneway house. Mora Scott says that, depending on the scope of work required, costs are usually around \$500, but they can go much higher for more complex cases.

Homeowners could be prevented from building a laneway house if they don't meet BC Hydro's standard connection guidelines.

"For example, clearance requirements from BC Hydro's electrical infrastructure are there to keep workers and the public safe," she says. "Property owners or parties acting on behalf of a property owner who make an application for electrical service are responsible for ensuring that a laneway or coach house close to the property line meets minimum clearance requirements."

[The standard connection guidelines are available here.](#) For more information about the application process, call BC Hydro's Electric Service Coordination Centre at 1-877-520-1355.

Design it

Get a design done. You will need detailed plans in order to get permits. A company with experience designing and/or building laneway homes is a good idea because they're familiar with the regulations and the kinds of problems that can arise with this kind of project. In fact, if you have them on side from the start, they can guide you through the entire process.

The Greater Vancouver Home Builders' Association is a great resource for finding an experienced company. Its website offers a [list of member companies that specialize in laneway homes.](#)

Other useful links:

[The Canadian Home Builders' Association of the Fraser Valley](#)

[The Architectural Institute of British Columbia \(AIBC\)](#)

[The Interior Design Institute of BC](#)

[The British Columbia Society of Landscape Architects](#)

Another of our favourite resources is the Houzz website, where you can search on listings by design professionals of all stripes and see reviews and photo galleries. Here are their [listings of interior decorators and designers for the Lower Mainland.](#)

5. Apply for permits



Photo courtesy City of Richmond

Once you have your detailed drawings, you take them to the city for approval. Generally you will need a development permit, and once you've been approved for that you'll need a building permit. You will also need permits for the different elements of the project: electrical, plumbing, gas, site drainage, sanitary, storm and possibly permits for any damages city infrastructure during construction.

The time and cost of getting permits depends entirely on where you are. A couple of examples...

In Vancouver, the permit process takes about six weeks, although the city recently went back to city

council to reduce the length of the process for one-storey laneway homes.

"Within the next few months, it's likely the process can be reduced to three weeks," says Jane Pickering, City of Vancouver deputy director of planning.

A permit for a one-storey costs \$1,000 and a two-storey loft costs \$1,520.

In Richmond this housing option is still very much in its infancy, says Terry Crowe, City of Richmond Manager, Policy Planning Division.

"We only have 80 coach houses... which are around the edges of lots," says Crowe. "Many neighbourhoods in Richmond told us they don't want them."

In Richmond, these small homes fall under two categories—coach houses and granny suites. The fee structure is much the same as Vancouver, with Development Permits (DP) For Coach Houses and Granny Flats costing \$1,020 and Building Permits (BP) costing between \$750 and \$1,000, depending on the size of the home.

However, its processing time is lengthier than Vancouver's.

"The time to process the DP runs a minimum of four to six months, and a BP, aim for two to three weeks," says Crowe.

6. Build it

Build it... according to the BC Building Code, of course. You will also have to contact the [BC Homeowner Protection Office](#) regarding [home warranty insurance](#). This is usually your builder's responsibility.

All this will cost money. CMHC offers forgivable loans through its [Residential Rehabilitation Assistance Program](#) if the home is built to accommodate the needs of seniors or people with disabilities.

Vancity offers a [Laneway Homebuyers' Bundle](#) that includes free legal and appraisal services, plus a preferred interest rate and the potential to earn up to 2% cash back.

7. Settle in

You can install family members in your new laneway house, rent it out or move in yourself and rent out your original home. In a few cities you can rent out both. What you *can't* do is sell it.

"Coach houses must be accessory to a single-family home," says Christopher Wilkinson, of the City of North Vancouver Community Development Department. That attitude is the one aspect of laneway housing that's consistent throughout the Lower Mainland. These homes are meant to provide rental housing or give families room to expand, not to be flipped for a quick profit.

Helpful guides

Vancouver: [Laneway Housing How-to Guide](#)

North Vancouver: [Accessory Coach Houses](#)

Richmond: [Intensive Residential Guidelines](#)

Pitt Meadows: [A Guide to Garden Suites](#)