

Rise and Report (Items Released from Closed Meeting)

On December 15, 2023, the Mayors Committee authorized the following information to be released to the public:

Provincial Housing Legislation: Discussion and Implications of Bills 44, 46, and 47

That the Mayors Committee:

- a) receive for information the report dated December 12, 2023, titled “Provincial Housing Legislation: Discussion and Implications of Bills 44, 46, and 47”; and
- b) release from closed the report dated December 12, 2023, titled “Provincial Housing Legislation: Discussion and Implications of Bills 44, 46, and 47”.

Released: December 19, 2023

CLOSED MEETING

To: Mayors Committee

From: Heather McNell, Deputy Chief Administrative Officer, Policy and Planning, and Jonathan Coté, Deputy General Manager, Regional Planning and Housing Development, Regional Planning and Housing Services

Date: December 12, 2023 Meeting Date: December 15, 2023

Subject: **Provincial Housing Legislation: Discussion and Implications of Bills 44, 46, and 47**

RECOMMENDATION

That the Mayors Committee:

- a) receive for information the report dated December 12, 2023, titled “Provincial Housing Legislation: Discussion and Implications of Bills 44, 46, and 47”; and
 - b) release from closed the report dated December 12, 2023, titled “Provincial Housing Legislation: Discussion and Implications of Bills 44, 46, and 47”.
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EXECUTIVE SUMMARY

During the first week of November 2023, the provincial government introduced Bills 44, 46, and 47 (2023) to stimulate the infill and intensification of housing in single-detached neighbourhoods and transit-oriented areas throughout the province. The three Bills received Royal Assent on November 30, 2023. The amendments will result in significant and historic changes to the planning framework for British Columbia, and implementation will impact Official Community Plan policies and Zoning Bylaw regulations across the Province, corresponding planning approval processes, as well as Development Cost Charge bylaws, and Community Amenity Contribution and Density Bonus Programs.

Since the release of the legislation, Metro Vancouver staff have been working to analyze the impacts the upcoming legislation will have on the region and this report provides some information on this early analysis. Metro Vancouver staff have also been working closely with member jurisdictions at multiple levels to share information, identify common themes and questions, and assist in coordinating a regional response. Following the Mayors’ Committee meeting on December 15th, 2023 Metro Vancouver staff will continue to work with member jurisdictions to develop a coordinated response to the provincial legislation. Through this work an updated report will be presented to the Regional Planning Committee and Board in January, 2024.

PURPOSE

To provide the Mayors Committee and MVRD Board with an update on: a) recent provincial housing legislation, and b) the work that Metro Vancouver staff have been undertaking to review the legislation and engage with member jurisdictions and the provincial staff to address questions and concerns related to the impacts this legislation will have on local governments in the region.

This matter is being presented at a closed meeting pursuant to Section 226 (1) (a) of the *Local Government Act* and the *Community Charter* provision Section 90 (2) (b):

- 90 (2) A part of a council meeting must be closed to the public if the subject matter being considered relates to one or more of the following:
- (b) *the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.*

BACKGROUND

In November 2023, the Provincial government introduced a series of legislation intended to stimulate housing supply. This legislation follows up on the “Home for People” plan that was released earlier this year and has been developed with the intent to fulfill the priorities set out in that plan, particularly as it relates to increasing and diversifying market housing supply in the province. Bills 44, 46, and 47 will result in significant and historic changes to the planning framework for British Columbia. The changes will involve the Provincial government more significantly in planning matters that have traditionally been the jurisdiction of local governments. This report provides a summary of the legislation, and an update on Metro Vancouver staff’s efforts to support members through engagement on the changes.

SUMMARY OF LEGISLATION

Below is a short summary of each of the bills:

Housing Statutes (Residential Development) Amendment Act (Bill 44, 2023)

- Will require zoning bylaws be updated by June 30, 2024, to permit small-scale, multi-unit housing on all lots currently zoned for detached single-family or duplex use;
- Will require that Housing Needs Reports (HNRs) be updated using a standard method (to be set out in the forthcoming regulations), for a more consistent, evidence-based understanding of local housing needs across the Province; and
- Updated Housing Needs Reports will become the basis for reviewing and updating each municipality’s Official Community Plan (OCP) and Zoning Bylaws by December 31, 2025, making HNRs a much more powerful tool.

Housing Statutes (Development Financing) Amendment Act (Bill 46, 2023)

- Adds fire protection, police and solid waste and recycling facilities to the list of purposes for which local governments may impose Development Cost Charges (DCCs); and
- Introduces Amenity Cost Charges (ACCs), a charge that can be imposed for the purpose of collecting funds to pay for capital costs relating to growth and the provision of amenities including community, youth or seniors' centres, recreational or athletic facilities, libraries, daycares, and public squares.

Housing Statutes (Transit-Oriented Areas) Amendment Act (Bill 47, 2023)

- Requires that municipalities designate Transit Oriented Development Areas (TOD Areas) near transit hubs; and
- In TOD Areas, municipalities will be required to permit housing development that meets provincial standards for allowable height and density.

Further details on the provincial legislation can be found in the attached summary document (Attachment 1).

PRELIMINARY ANALYSIS

Since the release of the legislation, Metro Vancouver staff have been working to analyze the impacts the upcoming legislation could have on the region. This work is ongoing, however it is clear that such a fundamental realignment of the planning framework will require consideration of how regional land use plans, regional transportation plans, and the many interrelated tools for housing policy can be coordinated, aligned and designed to work in concert with the new planning framework. It is also clear that enacting the legislation will involve a historic level of effort on the part of member jurisdictions with many technical and political questions that will require analysis and thoughtful consideration.

Building a diverse and affordable housing stock is a key *Metro 2050* objective. There is general alignment between the intent of the provincial legislation and the housing goals outlined in *Metro 2050*. However, the preliminary analysis of the provincial legislation has identified a number of questions, concerns and gaps that have the potential to lead to misalignment between provincial policy and land use planning at both the regional and local levels. Below is a short summary of the most significant areas that have been identified:

- Spreading development more broadly by upzoning single-detached neighbourhoods (greenfield and infill) may make it challenging for local governments to meet the *Metro 2050* transit-oriented intensification policies and Urban Centre/FTDA targets. Although this development will occur within the Urban Containment Boundary, many of these areas are located in greenfield locations where local area plans have already been completed contemplating greater density closer to transit and commercial nodes. A blanket approach to density in these greenfield areas could result in a greater density of housing in parts of the region that are more car dependent. Spreading growth to outlying single-detached neighbourhoods in the region cannot be considered strategic infill.
- Additional analysis of the capacity created and growth trends will be required to make a clearer determination on how pre-zoning to permit Small-Scale Multi-Family Housing might impact utility planning. However, the short timeline required for local land use and zoning changes will be challenging to consider and adjust for any anticipated utility impacts.
- Requiring OCPs to accommodate more residential growth than is currently required will necessitate new consideration for the location of amenities, emergency services, community facilities, schools, transportation needs, etc. which require analysis and multi-stakeholder

discussions. While many OCPs in the region already include capacity for a minimum of 20 years of growth, those where more substantive changes are required will be challenged to implement within the required timeframes.

- New development financing framework will reduce some of the tools available to local governments to help fund community amenities. There is a substantial risk that the new legislation will reduce the ability of municipalities to generate much needed non-market/affordable housing units through development tools such as inclusionary zoning.
- Significant regional coordination and consensus over the past four years has underpinned the development of the housing and transit-oriented development policies of *Metro 2050* and *Transport 2050*. Provincial legislation has not utilized or referenced regional typologies (e.g. Urban Centres, FTDA's, and MTGCs), which may create unnecessary confusion and could potentially lead to a misalignment between regional planning and provincial policy.

Further details on the analysis conducted by Metro Vancouver staff can be found in the attached Briefing Note (Attachment 2). It is important to note that on December 7, 2023, the Province released further regulations and policy manuals related to their housing legislation. Staff have not yet had an opportunity to conduct a thorough review of these materials and will be reporting back with further analysis to the Regional Planning Committee and Board in January, 2024.

ENGAGEMENT WITH MEMBER JURISDICTIONS

Since the release of provincial legislation in November 2023, Metro Vancouver staff have been working with member jurisdictions at multiple levels to share information, identify common themes and questions, and assist in coordinating a regional response. Given the strong interest from member jurisdictions, this issue has been the focus of discussions at recent meetings for the Regional Administrators Advisory Committee (RAAC), Regional Planning Advisory Committee (RPAC), Regional Engineers Advisory Committee (REAC), Regional Transportation Advisory Committee (RTAC), and the Regional Finance Advisory Committee (RFAC).

Provincial representatives attended the November 16, 2023 RAAC meeting to provide a technical briefing, and to discuss the legislation. Members expressed concern about a number of issues including: impact on local government ability to negotiate to support community amenities; constrained timelines for the changes; the lack of resources available to support the work, and the potential of unforeseen implications on land use patterns, phasing of development, and infrastructure plans.

An earlier version of the Briefing Note attached to this report was provided, as was an opportunity for RAAC members to submit concerns and questions, with a commitment to recirculate an updated version with common themes and issues identified to support municipal responses to the legislation. RAAC members expressed thanks for Metro Vancouver staff's coordination and were supportive of identifying roles for the region to take on to support member jurisdictions' implementation of the legislation; for example in model OCPs, and Housing Needs Reports. An

update was also provided to RFAC on November 23, 2023 and once again the Briefing Notes was circulated and feedback sought.

A special joint workshop of RPAC, REAC and RTAC was held on November 30, 2023. The purpose of this engagement was to:

- create a forum to better understand the perspectives of member jurisdictions in response to provincial legislation;
- identify common and regionally significant concerns/challenges/questions to shape regional response to provincial legislation; and
- receive feedback on potential supportive roles Metro Vancouver could play to support member jurisdictions.

Through this engagement, Metro Vancouver received a significant amount of feedback from member jurisdictions. The feedback has been mixed, and the level of support/opposition for the provincial legislation varies across the region. This is not surprising given that the provincial legislation will affect member jurisdictions in different ways depending on their land use context and existing planning and development finance frameworks. However, a number of common themes and issues have emerged from the engagement including concerns that:

- the timelines associated with the legislative changes are not reasonable, and will stretch the capacity of municipalities and the consulting sector in the region;
- the legislation risks removing or curtailing several key tools that are currently used to deliver affordability in our region;
- the legislation will exasperate pre-existing deficiencies in provincial investments for new schools, emergency services, utilities and public transit;
- the new development financing framework will not provide local governments with the adequate tools needed to fund community amenities;
- the legislation will have very different and potentially negative impacts on the delivery of housing for areas with substantial greenfield locations as opposed to infill development; and
- local governments will not have the support to address localized impacts on utilities and infrastructure that result.

Attachment 3 is the summary of the results of the joint workshop including a list of questions municipal staff have for the Province. If the Board releases this report from closed, staff will forward these findings to the Province to inform ongoing meetings to support the legislation's implementation.

ENGAGEMENT WITH PROVINCIAL GOVERNMENT

Metro Vancouver staff also sent the Briefing Note to senior provincial staff and requested meetings. Staff have since met with senior staff from both the Ministry of Housing and Ministry of

Transportation and Infrastructure to discuss the analysis, share some of the concerns that have been raised by member jurisdictions, and to offer support in developing regulations and policy documents to mitigate potential unforeseen implications. These meetings have been good discussions, and have set the stage for future meetings at both the staff and political levels. Below is a summary of the initial takeaways:

- New housing legislation is central to the provincial government's efforts to address housing issues in British Columbia. It was clear at the staff level that the Province is not willing to consider a significant step back with respect to any of the legislation that has been put forward.
- The Ministry of Housing acknowledged and recognized that the legislation has created some unintended consequences relating to the development of new affordable housing and protection of existing affordable rental housing. Ministry staff indicated that they would be bringing forward subsequent legislation in early 2024 to help address these issues. The Province also indicated that they were open to receive feedback from local and regional governments to help shape this work.
- The Ministry of Transportation and Infrastructure acknowledged that their work in Transit Oriented Areas does not utilize *Metro 2050* typologies, targets and policies. Despite expressing reservations about creating a unique policy for the Metro Vancouver region, the Ministry committed to continuing discussions about aligning our typologies and regional land use designations over time. This is critical as the Metro Vancouver federation has worked hard to develop consensus on these geographies, targets and policies, and has custom data from the Census for these geographies to be able to monitor progress over time.
- The Province appears to be open to continue working with local governments to make refinements and adjustments to regulations, timelines and policy manuals to ensure legislation can effectively be implemented at the local and regional government levels.

NEXT STEPS

Following the Mayors' Committee meeting on December 15th, 2023 Metro Vancouver staff will continue to work with member jurisdictions to fully understand the implications of provincial legislation. Through this work an updated report will be presented to the Regional Planning Committee and Board in January, 2024 which will outline options regarding: a coordinated regional response to provincial legislation; strategies to pursue regional advocacy; and identification of supportive roles that Metro Vancouver can play to support member jurisdictions in the implementation of the legislation.

ALTERNATIVES

This is an information report. No alternatives are presented. If the Committee passes the recommendations, staff will forward a copy of the report and attachments to Ministry of Housing and Ministry of Transportation and Infrastructure senior staff and to members of RAAC, RPAC, REAC and RTAC to support ongoing discussions about the legislation, regulations and implications for local governments.

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

CONCLUSION

Recently introduced provincial legislation will result in significant and historic changes to the planning framework for British Columbia. The full impact on local governments is not yet fully understood and the Province continues to release additional information related to their legislation. Given the significant impact on our member jurisdictions, Metro Vancouver is well positioned to help the federation develop a coordinated regional response and play an important role to help support our members with the changing planning landscape in the Province.

ATTACHMENTS

1. Summary – Housing Statutes Amendment Act 2023
2. Briefing Note – Housing Statutes Amendment Act 2023
3. Notes from the Joint RPAC/REAC/RTAC Meeting on November 30, 2023

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QUICK REFERENCE GUIDE

Provincial Housing Legislative Changes (Bills 44, 46, 47, and Bill 45, 2023)

Housing Statutes (Residential Development) Amendment Act (Bill 44, 2023) – Summary

Small-Scale Multi-Unit Housing and Housing Needs Reports

- The Housing Statutes (Residential Development) Amendment Act (Bill 44, 2023) will require that zoning bylaws be updated by June 30, 2024 to permit small-scale, multi-unit housing on all lots currently zoned for detached single-family or duplex use.
 - Applicable only to lands within an urban containment boundary and for municipalities with populations greater than 5,000.
 - Exemptions exist for heritage lands, and lands not connected to a regional or municipal water/sewer system.
 - The Province has indicated that three (3) units will be permitted as-of-right on lots smaller than 280 square metres, four (4) units will be permitted on larger lots, and six (6) units will be permitted on lots within a prescribed distance from frequent transit (further details expected through regulations).
- The Housing Statutes (Residential Development) Amendment Act (Bill 44, 2023) will require that Housing Needs Reports (HNRs) be updated using a standard method (to be set out in the forthcoming regulations), for a more consistent, evidence-based understanding of local housing needs across the Province.
 - HNRs must now estimate housing needs for 20 years (rather than 5 years as previously required).
 - By January 1, 2025, all local governments will need to complete an *interim* Housing Needs Report that uses the new standardized methodology (to be provided to LGs in January 2024) and estimates housing needs for a 20-year timeframe.
- The needs identified in the updated Housing Needs Reports will become the basis for reviewing and updating each municipality's Official Community Plan (OCP) and Zoning Bylaws by December 31, 2025, making HNRs a much more powerful tool.
 - Municipalities will need to update OCPs every five years to reflect the most recent HNR.
 - Municipalities will also need to align their zoning bylaws with the OCP and HNR by pre-zoning for the 20-year total amount of housing units identified to meet housing needs.
 - Prohibits public hearings for proposed zoning bylaws for residential developments that are consistent with OCPs.

Housing Statutes (Development Financing) Amendment Act (Bill 46, 2023) – Summary

Development Cost Charges and Amenity Cost Charges

- The Housing Statutes (Development Financing) Amendment Act (Bill 46, 2023) adds fire protection, police and solid waste and recycling facilities to the list of purposes for which local governments may impose Development Cost Charges (DCCs).
- The Housing Statutes (Development Financing) Amendment Act (Bill 46, 2023) also introduces new legislative authority for Amenity Cost Charges (ACCs), a charge that can be imposed for the purpose of collecting funds to pay for capital costs relating to growth and the provision of amenities including community, youth or seniors' centres, recreational or athletic facilities, libraries, daycares, and public squares.
 - ACCs may vary by area, zone, use, or lot/development size, but must be a set charge based on a per lot, per unit, or per square metre basis.

- Exemptions exist for places of public worship, social housing, classes of affordable housing to be prescribed by regulation, and projects where there is no increase in the population of residents or workers expected to result from the development, or ACCs have previously been paid.
- Affordable housing is not defined as an amenity for the use of ACCs.
- To impose ACCs, a local government must adopt an ACC Bylaw, and in doing so, ensure opportunities for public consultation.
- ACCs (like DCCs) may be waived or reduced for non-profit rental housing and for-profit affordable rental housing.

Housing Statutes (Transit-Oriented Areas) Amendment Act (Bill 47, 2023) – Summary

Minimum height and densities in TOD areas and parking standards

- The Housing Statutes (Transit-Oriented Areas) Amendment Act (Bill 47, 2023) requires that municipalities designate Transit Oriented Development Areas (TOD Areas) near transit hubs.
 - TOD Areas are defined as land within 800 metres of a rapid transit station (e.g., SkyTrain station) and within 400 metres of a bus exchange.
 - In TOD Areas, municipalities will be required to permit housing development that meets provincial standards for allowable height and density.
 - Allowable standards are based on Transit-Oriented Areas Types (see Figure 1).
 - Municipalities will also be required to remove parking minimums and allow for parking to be determined by need and demand on a project-by-project basis in TOD Areas.

Figure 1: Transit-Oriented Areas Types

Transit Oriented Development Areas – Policy Framework					
TOA Type	Transit Hub Type	Prescribed Distance	Minimum Allowable Density (FAR)	Minimum Allowable Height (Storeys)	Type of Building
TOA Type 1 (Metro Vancouver)	1A) Rapid Transit	200m or less	Up to 5.0	Up to 20	Condo Tower
		201m – 400m	Up to 4.0	Up to 12	High Rise, Mid-rise
		401m – 800m	Up to 3.0	Up to 8	Mid-rise
	1B) Bus Exchange	200m or less	Up to 4.0	Up to 12	High Rise, Mid Rise
201m – 400m		Up to 3.0	Up to 8	Low-rise, Townhouse	
TOA Type 2 (Victoria/Kelowna/Other Medium-Sized Munis)	Bus Exchange	200m or less	Up to 3.5	Up to 10	Mid-rise
		201m – 400m	Up to 2.5	Up to 6	Low-rise/Townhouse
TOA Type 3 Other qualifying areas	Bus Exchange	200m or less	Up to 2.5	Up to 6	Low-rise
		201m – 400m	Up to 1.5	Up to 4	Townhouse

Miscellaneous Statutes Amendment Act (No. 4) (Bill 45, 2023) – Summary

Availability of shelter for enforcing bylaws in relation to encampments

- The Miscellaneous Statutes Amendment Act (No. 4) (Bill 45, 2023) introduces a description of ‘reasonably available alternative shelter’, which must be available to a person experiencing homelessness before a local government can seek an injunction to enforce bylaws in relation to a person sheltering at an encampment while homeless.
 - The availability of alternative shelter is described as a staffed place where an individual may stay overnight, and have access, either at, or nearby the shelter to a bathroom, a shower, and one meal per day.

BRIEFING NOTE**Housing Statutes Amendment Act, 2023**

**Bill 44 – Residential Development, Bill 46 – Development Financing,
Bill 47 – Transit-Oriented Areas**

KEY MESSAGES

- Bills 44, 46, and 47 – 2023 result in significant and historic changes to the planning framework for British Columbia.
- Enacting the legislation will require a historic level of effort on the part of member jurisdictions with many technical and political questions that will require analysis and thoughtful consideration.
- With such a fundamental realignment of the planning framework, there is a need to further consider how regional land use plans, regional transportation plans, and the many interrelated tools for housing policy can be coordinated, aligned and designed to work in concert with local planning efforts.
- Regular, open dialogue is necessary to ensure member jurisdictions are supported in implementation.

COMMENTS**1) Bill 44, 2023 – Housing Statutes Amendment Act (Residential Development)****Alignment with Regional Growth Strategy**

- Legislation requiring pre-zoning to permit Small-Scale Multi-Family Housing is only applicable to lands within an Urban Containment Boundary that are already connected to a municipal or regional water/sewer system – this is aligned with Metro 2050's base principle of urban containment.
- Pre-zoning to permit Small-Scale Multi-Family Housing (SSMUH) is expected to intensify traditionally single-detached neighbourhoods over time, and as such, will increase impervious surfaces. This will likely have an impact on the region's tree canopy and make it more difficult to achieve regional goals and the target related to urban tree cover.
- The region has approximately 4,015 hectares of greenfield lands, with the majority of these lands being designated for residential uses in local Official Community Plans. Some of these lands have already been planned for higher density housing, but SSMUH is anticipated to increase residential growth and the pace of growth in these areas.
- There are cases where the SSMUH requirements may not be appropriate, but which are not currently exempted, such as areas that are currently zoned single family, but which are designated in OCPs for higher density. An exemption or an extension for implementation in these areas would support improved housing and planning outcomes.
- Spreading development more broadly by upzoning single-detached neighbourhoods (greenfield and developed) may make it challenging for local governments to meet the Metro 2050 transit-oriented intensification policies and targets for Urban Centres and Transit Corridors (FTDAs). Although this development will occur within the Urban Containment Boundary, many of these areas are located at the edges of the region and will likely result in a greater density of housing

in parts of the region that are more car dependent. Spreading growth to the most distant single-detached neighbourhoods in the region cannot be considered strategic infill.

- ***The growth management framework, policies and targets of Metro 2050, the regional growth strategy is largely missing from the provincial legislation. New conversations are required to ensure the consensus building achieved through Metro 2050 is not lost or undermined, and is instead leveraged to help accomplish shared housing goal in the Metro Vancouver region. Additional future changes are required to ensure alignment between provincial legislation and the regional growth strategy.***

Support Investments in Utilities and Infrastructure

- Metro Vancouver will be reviewing the provincial modelling and economic analysis and conducting additional analyses to develop a better understanding of how pre-zoning to permit Small-Scale Multi-Family Housing in areas currently zoned for single-detached dwellings will impact population distribution and growth. The Province's materials indicate that the change is likely to lead to a substantial number of net new units, requiring significant infrastructure investment.
- Additional analysis of the capacity created and growth trends will be required to make a clearer determination on how pre-zoning to permit Small-Scale Multi-Family Housing (SSMHU) might impact utility planning. However, the short timeline required for local land use and zoning changes will be challenging to consider and adjust for any anticipated utility impacts.
- If density shifts within localized neighbourhoods are substantial, specific local infrastructure, would be the most likely to be impacted due to their relatively smaller size.
- ***While the legislation allows for requests for delayed implementation in extraordinary circumstances, where there is significant utility and infrastructure work required to enable development, permitting municipalities to phase the implementation of the SSMUH legislation will help better coordinate investments in required infrastructure.***

Consider the Role of the Region in Housing Needs Reports

- Metro Vancouver is pleased that the Province is introducing a common methodology for Housing Needs Reports (HNR). HNR instructions forthcoming in January 2024 should provide clear guidance for how to estimate current and future housing need by *bedroom count*, and how to calculate *existing or unmet housing need*.
- ***Consider allowing regional districts to prepare Housing Needs Reports on behalf of member jurisdictions, using the required methodology, and facilitating access to joint funding and resources for regional projects (e.g. remove the need to pass individual council resolutions for jurisdictions wishing to access funding to work on regional projects). This approach has the potential to improve regional coordination and planning, while requiring fewer resources to implement at the local level.***

Provide Paths to Ease Implementation as Municipalities Update OCPs, Zoning Bylaws and Associated Regulations

- The requirement that zoned capacity be introduced for 20-years of residential development will largely move BC local governments away from discretionary approvals and toward as-of-right approvals. This may have the effect of reducing development timelines and increasing certainty, but such consequential changes, in addition to the undertaking the numerous legislated bylaw changes, may also require that municipalities update other associated regulations in tandem with their OCPs and Zoning Bylaws. This will vary by jurisdiction, but closely related policies and planning work that is triggered by the changes may include:

- Creating new or significantly revising Development Permit Area Guidelines;
- Developing Transit Oriented Area Plans or neighbourhood plans;
- Revising all infrastructure capacity studies;
- Adopting a new municipal financial framework including updated Development Cost Charge Bylaws;
- Adopting or revising housing policies;
- Updating Subdivision and Development Control Bylaws.
- Requiring OCPs to accommodate more residential growth than is currently required will necessitate new consideration for the location of amenities, emergency services, community facilities, schools, transportation needs, etc. which require analysis and multi-stakeholder discussions. While many OCPs in the Metro Vancouver region already include capacity for a minimum of 20 years of growth, those where more substantive changes are required will be challenged to implement within the required timeframes.
- It will be challenging for municipalities to succeed in meeting the proposed timelines given the historic changes required as municipalities move from negotiated to as-of-right development. The legislated changes will stretch the capacity of municipalities and the consulting sector in BC.
- ***Strong and successful implementation will require the development of many new policies, plans, studies, strategies and bylaws. In many cases the timelines outlined will be insufficient to realize the scale of change to local regulations that is envisioned. The Province should allow municipalities to develop a reasonable local implementation plan and timeline, consider the capacity of BC local governments, monitor progress, and maximize opportunities for collaboration and shared resources. This could include:***
 - ***Enabling roles for regional government (including preparing Housing Needs Reports on behalf of members).***
 - ***Considering approaches to streamlining or pooling procurement and ensuring sufficient consulting capacity.***
 - ***Preparing reference materials, including detailed and standalone zoning and development standards matched to legislative requirements, which can be adopted or modified by local governments.***

2) **Bill 46, 2023 - Housing Statutes Amendment Act (Development Financing)**

Funding and Securing Affordable Housing

- In current planning practice, municipalities contribute to housing objectives by capturing a portion of the additional land value created through rezoning to contribute towards affordable housing (inclusionary housing). There is a substantial risk that the new legislation will reduce the ability of municipalities to generate much needed non-market/affordable housing units through new development. We understand that the province is actively considering introducing additional legislation to enable inclusionary zoning in BC.
- ***The legislation risks removing or curtailing several key tools that are currently used to deliver affordability in our region: contributions to housing reserve funds and the direct delivery of affordable units by the private sector. New legislation needs to be developed to create additional tools for housing affordability and help ensure the target of 15% affordable homes in Urban Centres and FTDA is met:***
 - ***Inclusionary zoning should be enabled in legislation with guidance on how and when it should be used.***

- ***New funding programs and mechanisms should be developed to complement inclusionary zoning and expand the delivery of non-market housing.***
- ***New funding should match or exceed what would otherwise have been collected through Housing Reserve Funds and should include an efficient model for administration and disbursement of funds that works for Metro municipalities.***

Amenity Cost Chart (ACC) Framework

- Bill 46 provides that the Minister may introduce additional regulations pertaining to Amenity Cost Charge waivers or exemptions for affordable and non-market housing.
- Even with the policy guidance manuals provided by the Province there is uncertainty around when and how municipalities may negotiate for amenities outside of the ACC framework. Generally, projects providing affordable housing components are challenged to provide contributions for other amenities and public benefits. With the new legislation providing no new mechanisms for generating non-market housing, and potentially curtailing some existing mechanisms, a consistent exemption framework from Amenity Cost Charges for *non-market* and *for profit affordable rental housing projects* would be beneficial to ensure these projects are not burdened with additional costs.
- There will be insufficient time for municipalities to update utility plans and update and adopt DCC / ACC bylaws prior to zoning changes coming into effect.
- Provincial modelling suggests that the changes will lead to a doubling of dwelling starts in Metro Vancouver area—there will be significant new demand for amenities and infrastructure which in some cases needs to be planned for in advance.
- ***There remains uncertainty as to how municipal tools can be applied to generate housing and other public benefits outside of the ACC/DCC framework (ie negotiated approaches, bonusing, etc.). Clearer guidance and more analysis is required to assess impacts to municipal finances.***

1) Bill 47, 2023 – Housing Statutes Amendment Act (Transit-Oriented Areas)

Impact on Existing Purpose-Built Rental Housing

- Metro Vancouver member jurisdictions have placed considerable policy emphasis on curtailing the loss of existing purpose-built rental housing through strata conversion policies, rental replacement policies, tenant relocation policies, rental-only zoning designations, etc.
- The policy guidance has clarified that these tools can still be used in TOA areas and that these commitments can still be secured through rezoning. However, with zoning Bylaws expected to more closely mirror OCPs, and most development expected to become as-of-right within two years, it is unclear how these commitments could be secured in the future.
- Without new tools to encourage rental housing and minimize the impacts of redevelopment, the establishment of minimum densities near transit, as well as the requirement to introduce zoned capacity for 20-year anticipated housing needs may increase and speed up development pressures on these purpose built-rental properties.
- ***To avoid accelerating the loss of existing housing stock that is more affordable than newly built homes, strong policies are required to set market expectations for existing rental properties within TOAs where displacement of existing tenants will occur through redevelopment by:***
 - ***Providing guidance for how Residential Rental Tenure Zoning could be effectively used when pre-zoning in accordance with Housing Needs Reports/TOD Areas.***

- ***Adopting stronger tenant relocation policies in the Residential Tenancy Act in redevelopment situations.***

Land Use Implications in TOD Areas

- Providing flexibility in the implementation of the TOAs will lead to better outcomes: clearly allowing municipalities to achieve the intent, but in differing ways that are unique to local circumstances (including topography, urban design, etc.) will lead to enhanced outcomes. For example, allowing lower density limits on some sites and higher limits on others, provided the overall density is met. There are some statements that suggest this intent in the policy manual though additional clarity is needed.
- Significant regional coordination and consensus over the past four years has supported the development of the transit-oriented development policies of Metro 2050, the Regional Growth Strategy, and Transport 2050, the Regional Transportation Strategy (prepared by TransLink). In favor of consistency across the Province, the legislation does not reference the growth areas types within Metro 2050: Urban Centres, Frequent Transit Development Areas, and Major Transit Growth Corridors.
- ***The changes in the legislation have made transportation system planning and land use planning inextricably linked. New processes and further consideration are required to ensure coordination between the Provincial regulations, the Metro 2050 maps and growth framework and transit system planning.***

What is the timeline for implementation?

- December 2023 – SSMUH and TOD areas policy manual and site standards provided to be provided to local governments (*update: released December 7th, under review*)
- January 2024 – HNR instructions provided to local governments
- January/February 2024 – Details announced for \$51 million funding allocation
- June 30, 2024 – Local governments must have updated their bylaws to accommodate SSMUH requirements, and to designate TOAs
- June/July 2024 – OCP/zoning review/update instructions provided to municipalities.
- January 1, 2025 (date subject to regulation) – Local governments must have completed their interim HNR.
- December 31, 2025 (date subject to regulation) – Municipalities must have completed their first review and update of their OCPs and zoning bylaws (based on interim HNR).

METRO VANCOUVER REGIONAL DISTRICT

Joint meeting of the

REGIONAL PLANNING ADVISORY COMMITTEE

REGIONAL ENGINEERING ADVISORY COMMITTEE

REGIONAL TRANSPORTATION ADVISORY COMMITTEE

On the Housing Statutes Amendment Act

Notes from the Special Joint Meeting of the Regional Planning Advisory Committee (RPAC), Regional Engineers Advisory Committee (REAC), and Regional Transportation Advisory Committee (RTAC) held Thursday, November 30, 2023 at 1:00 pm via videoconference.

After an initial presentation and overview, the group broke into 6 breakout rooms to discuss various aspects of the Housing Statutes Amendment Act. Upon convening into the plenary again, the group went through a MentiMeter Survey. Results are below.

Breakout Room Discussion #1 – Small Scale Multi Unit Housing

- Council sees this as an opportunity to provide more housing on single detached lots, market solutions.
- Question about how this legislation interacts with existing subdivisions. And how it might apply to smaller lots.
- Staff eager to see more from province.
- Big question about infrastructure planning; hard to know take up levels of new development and thus needed infrastructure.
- Concerned about unsophisticated applicants having challenges and causing challenges.
- Feedback from developers is that there will be more uptake on this in greenfield areas with new development, rather than older lots infill sites.
- Would not have planned to allow growth in lower density areas, rather than focused in urban centres.
- Infrastructure concerns, particularly sanitary. As well as transportation
- 481.3 (b)(ii) does not include lots that allow both suites AND coach houses. These lots would be excluded from the restrictive zone and therefore not captured by SSMU legislation. Leaves a bit of a loophole for munis that don't want to rezone to allow for SSMU.
- OCP references maintaining character in older established residential neighbourhoods – but now 3,4,6 units on lots as a right, will change the character of the neighbourhoods.
- Didn't anticipate this much density in some areas, and will need infrastructure upgrades (particularly storm sewerage, as they still have combined systems; with increased impervious areas, will have more rain runoff into combined sewers).
- Hope that the uptake on this new development will be slow, so as to give them time to accommodate it.

- If there is development spread around the region, it becomes harder to serve with effective transit.
- Tree canopy goals for the next 10 years will need to be revisited. We need to review all data to see what is feasible and what's not feasible.

Questions:

- Question about how this legislation interacts with existing subdivisions. And how it might apply to smaller lots.
- how much scope for local regulations to 'colour' this – such as details about setbacks, trees, parking, etc that might impact achievable development yields
- Definition about 'restricted zones' – how does this apply to residential zones that already allow additional suites (basement suite and coach house)?
- Question is about text in Bill 44 -- 481.3 section question – about restrictive zones, which are defined in b). The key word in the phrase is "OR"? How does this apply to their RS zones?
- What about interim applications in process now?
- Contradicting language about – minimum requirements stated by the province; what if the developer wants to build less?
- How to communicate this to the community? No public hearings required for rezoning; yet now province also waived need for OCP compliance? What is the opportunity for public notification / engagement?
- Understands that if the property is over an acre, the small unit housing provision does not apply. If so, could the owner of a larger lot subdivide it without a rezoning?

Breakout Room Discussion #2 – Maintaining Affordability

- Biggest concern is that they have been given 10% of the information needed to proceed with anything.
- Work on affordable housing initiatives (eg. secured market rental policy, updating their tenant relocation policy, and undertaking work around older stock rental retention) have been put on hold.
- There is a role for Metro and all of us to work together to advocate for things that we see might be missing.
- Concern legislation has started to put upward pressure on land values given some of the direction around densities.
- We have been working hard to strengthen tenant assistance/relocation policies. These policies are leveraged through rezoning, so there is concern that tenant protections could be weakened if not addressed.
- Legislation seems to be focused on housing supply rather than housing affordability
- Bill 47 could really undermine the ability to leverage affordable housing through rezoning processes.
- Lose the ability for right of ways and other frontage improvements – this need to be addressed.
- Right now it seems like supportive housing and non-market housing is outside of DCC & ACC programs.
- Don't want information given piece meal want it all together.

- Concerned that this is going to hurry up redevelopment of existing purpose built rental that doesn't need to rezone and it will not encourage property owners to keep their properties well maintained.

Questions

- Is it possible to secure affordability/tenure in one unit with the small-scale housing?
- Will municipalities have the option to restrict strata and require multiplexes to be rental only?
- Where do municipalities have flexibility and where are we mandated to bring in our updated zoning bylaws?
- Will the rezoning process be entirely gone? Will there be a new process where we can achieve certain things like road dedications and affordable housing agreements.
- DP tools – will there still be the ability to control form and character?
- What scenarios can we continue to use density bonus for?
- Is there are going to be any density requirements for BRT stations?

Breakout Room Discussion #3 - Utility and Infrastructure

- Working on utility and transportation planning on the basis of where we are expecting high growth. With densities changing, there are some areas we do not intend on development happening, but now it could with the new legislation.
- Concerned with reduced setbacks. Very little space left from sites. Higher densities requires wider space for utilities
- Sanitary sewage implications; not sure what it means for potential holds on brownfield developments until utility services are in place to catch up
- Water systems are sized to accommodate fire protection flows. Higher density means higher flow capacity is needed. In some areas, existing systems may or may not be okay. Need to assess things like pump station and other utility capacities.
- In some of our suburban environments where we have lower density and long pipe networks, what will the impact be? Additional modelling requirements needed. Province should grant funding for these additional modelling components to occur.
- There are a lot of parcels where we'd like to see access management provisions and lot consolidation. Not sure how these new incentives might disincentivize those activities and impact our ability to change access points off to rear-lanes or side streets, or deter some of the lot consolidation
- It's very top down. No real consideration of implications on a municipal level – which we've identified and shared the same concerns. We need some early balancing to get back to the government on a regional level.
- Concerned about combining sewer capacity
- Province needs to engage and take more time to understand how muni's work and how we need to work to be successful.

Questions

- what will we do about infrastructure? Water, sewer, storm water, how to handle garbage collection? Where will we see hotspots?

- How will this impact BC Hydro to be able to serve this density within the lower mainland?
- What mechanism to pay for small scale multi-unit housing growth? If there's no rezoning permit, how to collect DCC to pay for some of this growth in system?
- What are some water system designs we are going to see from the province? How to build the property line and separation? For buildings, what does that mean for increasing flow requirements?
- What does it mean for building requirements; fire sprinklers – sprinklers would reduce requirement to have a higher flow requirement.

Breakout Room Discussion #4: TOD Area Types & Parking Standards

- Heights and FARs don't make sense and the language is confusing: e.g. "up to" and "minimum".
- TODA doesn't apply in Richmond. Can't have a building more than 15 stories based on federal regulations / proximity to airport.
- TOD circles good in concept but when applied ends up being more complex
- For cities wanting to push parking lower close to SkyTrain, this legislation is going to help them achieve this.
- Looking to advocate to the Province to provide mapping
- 12 storeys have always been a challenge – as they are not economically viable
- The part that is missing is funding to create more transit so we can actually move all the people around.
- No prioritization of growth in regionally designated centres, Legislation doesn't mention the regional geographies & Bus Exchanges are not regional centres.

Questions

- Issue with access intersection - what properties get touched by the TOD geography?
- Is there are going to be any density requirements for BRT stations?
- How does this legislation apply to future transit service?
- How do we achieve other TOD measures (e.g. parking reduction negotiations with developers), are there going to be other tools to allow to negotiate with developers?
- Not clear if TOD areas are just a land use designation or are they actually needing to be pre-zoned still?

Breakout Room Discussion #5 – Impacts on Municipal Finance

- This changes the entire system of funding including reserve funds (e.g. child care/affordable housing)
- Potential challenge of when DCC transition takes place – if we get big influxes we may need to borrow more money while waiting for the DCC to come in; may slow down the provision of amenities
- The ability to resource all of this doesn't seem doable; can the Province supply support to strategize and reduce staff/consultant competition?
- Feeling defensive and that LGs are in a scapegoat position – developers may say we're not moving fast enough to implement these changes
- Concerned about the lack of capacity for all this work

- How are density bonusing/inclusionary zoning now provided for under ACC? Have provided child care under CACs and have used density bonus to provide housing
- The list of exemptions and waivers is also a problem – there are 2 different protocols and it's unclear when one applies vs another
- Already an uncertain market – there are huge pressures to figure this out and deliver; LGs will bear the brunt in the transition period
- Metro Vancouver may be able to assist by doing some analysis on coordinating CDD/ACC rates across the region
- Revenues currently collected from current development finance structure are used to deliver much needed amenities to service growth. Concern new framework will not provide same level of funding to local governments
- Insufficient time to implement a holistic local government development finance program
- Local governments will need time to assess how to structure ACC programs to ensure they recoup the necessary revenues to cover the costs of the required infrastructure.
- There is a significant risk that in-stream development will hold off proceeding until additional clarity is available related to the respective local gov's' fee programs. This may result in the slowdown of development and thus provision of new housing supply

Questions

- If we can't use density bonusing – can the ACC be reconfigured?
- It may be more flexible but will it be the same pot of money?
- What does it mean to densify above what the province is prescribing? Approving towers above 20 stories – does the ACC apply or is it a density bonus model?
- Have questions about the provision of affordable housing; how do we continue to support that?
- Are currently non-eligible park improvements(eg. park buildings, field lighting, turf fields, tennis courts, spray parks, etc) included in the new DCC Framework

Breakout Room Discussion #6 Planning Framework

- Struggling with the details, and how to bring council along with the implications of the changes
- Concerned short timelines will impact public engagement for OCP changes. Efforts to improve public engagement and working collaboratively with First Nations may not be possible with rushed timelines
- Would like to ask for some flexibility to give municipalities a chance to respond in a staggered way, in order to accommodate needs for utility and infrastructure.
- Major concerns are not just of municipal staff's ability to respond to legislative changes but also that the consulting capacity will be tapped out.
- Would also like to request for province to allow phasing.
- Funding studies that set stage for the plans is a problematic budgeting/capacity issue.
- Would advocate for province to change legislation to not have to send any notifications out that we are not holding public hearings.

Special Joint Meeting - RPAC, REAC and RTAC Thursday, November 30, 2023; 1:00pm - 2:30pm

Housing Statutes Amendments Act

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1. What are the most significant challenges introduced by the new legislation?



2. What other challenges need further consideration?

Timelines

Electric vehicle charging strategy

Funding for increased transit service to accommodate the increased population expected as a result of this legislation.

Capacity

Having to do replanning for each municipality and for region

capacity to do the necessary analysis and policy given limited resources

better understanding of impacts including lack of resources

School capacity

2. What other challenges need further consideration?

Industry capacity

Different ways to land density in TOD areas (i.e., typologies other than towers.)

Future planning processes. New neighbourhood plans are going to take a long time to complete as communities will see this as their only opportunity for input

Setting legislation without detailing processes

Resource capacity

Neighbourhood nuances

Public notice requirement despite public hearing removal from process

Data and modelling requirements

2. What other challenges need further consideration?

Are building code requirements being considered to assist with secondary suites, laneway and SSMU housing?

Impacts to neighborhood parking, challenges to curbside management and parking enforcement resources

Potential loss of faith in value / role of local government

Financial support for changes

DBZ/inclusionary Zoning to support housing delivery

Transportation Infrastructure Improvements to support Growth/Mode Share/TOD/No Parking Requirements

Design

Curbside management with no parking minimums

2. What other challenges need further consideration?

Disconnect with RGS

potential densification at the extremities due to cost of land

park amenities

SSMUH and subdivision

Bottleneck with all future public consultation in OCP stage

hospitals and clinics

Quality of the housing to be delivered
Density in areas where there is not enough servicing and public transportation supply.

Ability to plan the long term transit infrastructure needs at TOD areas

2. What other challenges need further consideration?

How to secure road dedications, SROWs, and infrastructure upgrades

The need to consolidate the new policy directions.

Impact on ability to assemble land for higher density development

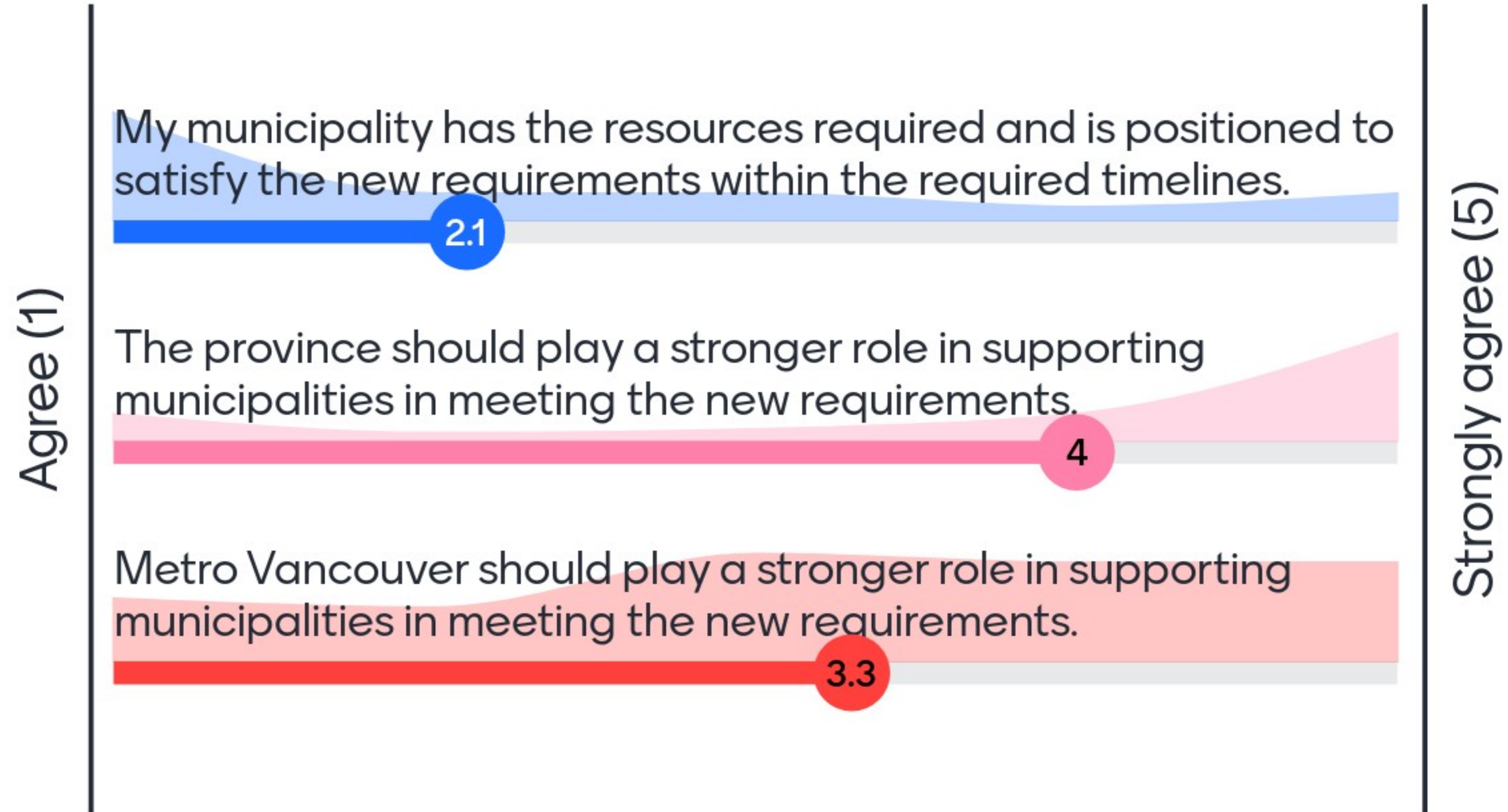
Need to better define transit station type. Many RapidBus stops should get more density than outlying bus exchanges

Affordability will still be a problem if we don't have the right balance of developments vs demand to live in cities

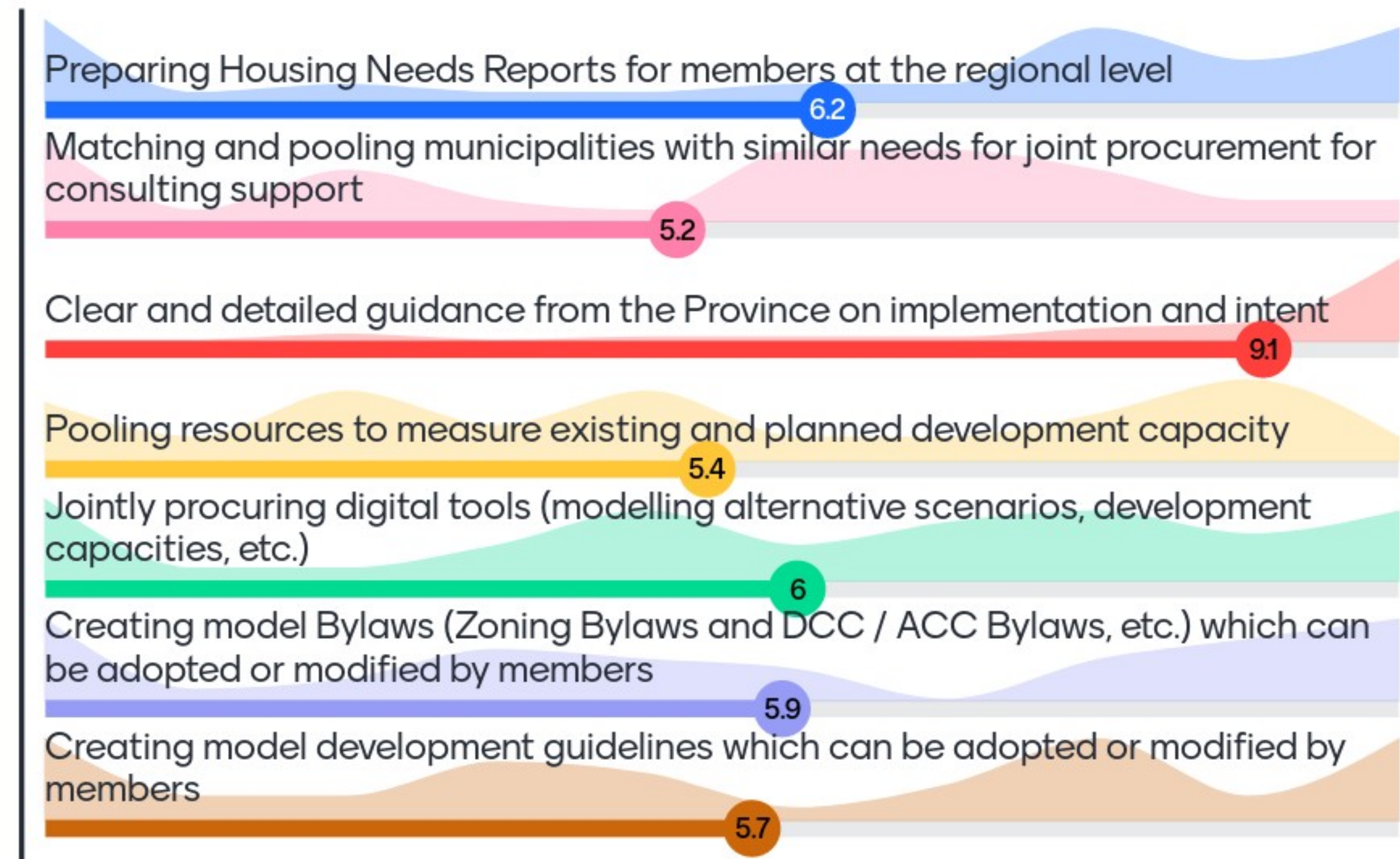
3. What do we need to better understand?



4. Resourcing



5. To maximize limited resources and meet short time frames, we should further consider:



6. If you could have one thing clarified or addressed in the forthcoming regulations:

Define TOD areas

Can we still density bonus

What about affordable housing?

Clear definitions

Longer timeframes and funding for capacity

define "frequent" transit stop

DCCs

What methodology should munis follow to operationalize this?

6. If you could have one thing clarified or addressed in the forthcoming regulations:

consequences for non compliance

What is the province's real objective with all this?

Tools for funding and infrastructure needed

How do we receive \$ contributions from developers in TOD (and are the areas to be designated or zoned?)

Ability to exempt environmentally sensitive and hazard land lots from SSMU.

responsibilities and authority

What is considered a bus exchange

timing and better understanding of market realities before introducing new bills

6. If you could have one thing clarified or addressed in the forthcoming regulations:

Remove SMUH legislation -
distorts our planning
framework

Commitment to funding
transit expansion

What tool we can use when
developers ask to go beyond
density bonus

Clarity around DBZ for
housing., exemptions and
waivers

Funding of servicing needs,
especially transit and
transportation

How will affordability in
TOD areas be protected?

Requirements for water
metering at each new unit built
under this program

What other legislation
might be coming?

6. If you could have one thing clarified or addressed in the forthcoming regulations:

funding to complete the updates and defining geographical limits where the statutes apply

What aspects of development are still negotiable?

How to support providing more transportation options with zero parking in TOD areas

Acknowledge quality of life that comes from detailed local level planning

Can we zone the TOD areas for tenure type (strata/rental)?

Clearly understand the implications before finalizing the legislation

are zones allowing SFD with both basement suites & detached suites included in Restricted Zones (Bill44)?

Thank you!