



REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, SEPTEMBER 4, 2024

SUBJECT Recent Provincial Housing Initiatives

ISSUE SUMMARY

To provide the Capital Regional District (CRD) Board with an overview of recent provincial legislative changes to the local government planning and land use framework. These changes include amendments to the *Local Government Act* and *Community Charter* – as detailed in Bill 44, Bill 46, Bill 47, and Bill 16 – alongside the ongoing rollout of the *Housing Supply Act* and the *Housing Supply Regulation*.

BACKGROUND

Since 2022, the Province has introduced several pieces of legislation intended to increase housing supply. These changes, which align with provincial priorities identified in the 'Homes for People' plan, seek to transform the local government planning and land use framework in British Columbia.

Housing Supply Act and Housing Supply Regulation

The *Housing Supply Act* was introduced in November 2022 and brought into force in May 2023 with the *Housing Supply Regulation*. The *Act* stipulates housing targets can only be established for municipalities and cannot be established for regional districts or their electoral areas.

In October 2023, the Minister of Housing released targets for the first cohort of 10 municipalities. This was followed by the release of targets for a second cohort of 10 municipalities in June 2024, and a third cohort of 10 municipalities in July 2024. A reference chart of all published targets for municipalities within the capital region is attached as Appendix A.

News Release – [Here](#)

Housing Supply Regulation – [Here](#)

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

Bill 44 seeks to standardize and improve planning processes with the intent of allowing small-scale multi-unit homes (SSMUH) across the province. The Bill also seeks to expedite municipal approval processes by moving away from individual property-specific rezonings towards more comprehensive upfront planning and zoning processes.

To support this, Bill 44 requires updating Housing Needs Reports (HNR) with a standardized methodology, and zoning for the total amount of housing needed on a regular basis. To provide an overall sense of scale, Appendix B contains a reference chart of the estimated amount of housing in the next 20 years that municipalities within the capital region are required to zone for by December 31, 2025.

News Release – [Here](#)

Additional Provincial Resources - SSMUH – [Here](#)

Additional Provincial Resources - HNR - [Here](#)

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

Bill 46 enables local governments to expand the eligible infrastructure categories for Development Cost Charges (DCC) to include fire protection, police, and solid waste facilities. It also establishes a new Amenity Cost Charge (ACC) authority that permits local governments to collect funds from new developments for amenities like community centres, recreation centres, daycares, and libraries.

News Release – [Here](#)

Additional Provincial Resources – [Here](#)

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

Bill 47 requires select local governments to designate Transit Oriented Development Areas (TOD Areas) near transit hubs and permit housing development that meets provincial standards for allowable density, height, and size. The legislation further prohibits local governments from setting off-street residential parking minimums within TOD Areas to ensure parking provisions are determined by market demand. As of September 2024, a total of seven TOD Areas are identified within the capital region as shown on Appendix C.

News Release – [Here](#)

Additional Provincial Resources – [Here](#)

Housing Statutes Amendment Act, 2024 (Bill 16)

Bill 16 establishes an inclusionary zoning authority for local governments to require affordable housing in new developments. It also creates a tenant protection authority that enables municipalities to require support for tenants facing displacement due to redevelopment, establishes a transportation demand management authority for local governments, and expands local governments' ability to require site-specific works and services at subdivision or building permit stage.

News Release – [Here](#)

Housing Statutes Amendment Act, 2024 (Bill 16) – [Here](#)

IMPLICATIONS

The province outlines that the announced legislative changes are intended to shift the planning processes to an 'up-front' framework, wherein local governments pre-zone land to meet estimated housing needs and reduce the number of site-specific rezoning processes. Given the scope and scale of these legislative changes, there are a wide array of potential implications. This section focuses on the implications pertaining to CRD services, rather than the numerous impacts the legislation poses for the CRD's member municipalities.

Service Delivery Implications

It is important to note that the CRD only retains land-use authority for the Juan de Fuca Electoral Area (EA) as the Southern Gulf Island and Salt Spring Island EAs are under the jurisdiction of the Islands Trust and the 13 local governments comprising the CRD each hold their own land-use authority. However, legislative changes to increase housing supply – particularly the setting of housing targets, Bill 44's zoning requirements, and Bill 47's requirements to designate high-density TOD areas – will likely drive increased demand for regional infrastructure and services, including water, wastewater, solid waste and recycling, transportation, parks, safety and emergency services, arts, and recreation, etc.

As population growth and the associated intensification of land use potentially impact multiple CRD services, any implications will be considered through service-specific plans or strategies as updates are advanced through their regular cycle or as part of existing DDC program updates in the case of water services. As service levels are reviewed through plan and/or strategy updates, any adjustments that may be required will help to inform the annual CRD service planning process, which feeds into the development annual CRD Financial Plan, which is brought before the CRD Board for consideration as both a provisional financial plan and final financial plan.

Specific to the Juan de Fuca EA, staff have been working to meet all legislated and/or regulatory requirements associated with the relevant legislation. CRD staff have confirmed with the Province that the EA's zoning bylaws meet SSMUH requirements, with all restricted zones outside the urban containment boundary (UCB) allowing secondary or detached suites, and there are no areas that meet the criteria for restricted zones within the UCB. The Province has acknowledged receipt of CRD's compliance notification letter.

The CRD is required to complete an interim HNR for the Juan de Fuca EA by January 1, 2025. This interim report will build upon the HNRs the CRD undertook in 2020 in partnership with 11 member municipalities.

All interim HNRs must be received at a council or board meeting that is open to the public and contain the following information:

- The total number of housing units required to meet the anticipated housing needs of the local government over 5 and 20 years.
- A description of the actions taken by the local government, since completing the most recent HNR, to reduce housing needs.
- A statement about the need for housing close to transportation infrastructure that supports walking, bicycling, public transit, or other alternative forms of transportation.

The Province published the standardized methodology for the interim HNR on June 18, 2024. CRD staff have reviewed the methodology and intend to meet the HNR legislative requirements within the six-month timeframe.

Social Implications

The Province has provided local governments with an array of new tools to secure the types of outcomes that were commonly sought at rezoning. The inclusionary zoning authority, the transportation demand management authority, and the expanded ability to secure site-level infrastructure help enable proactive planning for the types of complete communities that align with the CRD Board's Strategic Priorities for housing, transportation, climate action and environment. Similarly, the new ACC authority helps ensure that areas of growth have the amenities necessary to support livable and complete communities. The Province has stipulated that the tenant protection authority extends only to municipalities and regional districts are prohibited from using this tool.

Regional Growth Strategy Implications

The *Housing Supply Act* and *Housing Supply Regulation* set targets for municipalities located outside of the Regional Growth Strategy's UCB. This may impact regional settlement patterns and impact pre-existing planning and servicing initiatives as growth has historically been focused within the UCB. Additionally, the requirement in Bill 44 to permit secondary suites province-wide may also influence regional growth and settlement patterns, thus affecting infrastructure and service delivery requirements in rural areas located outside of the UCB.

Equity, Diversity & Inclusion Implications

The Province's economic modelling considers the equity, diversity, and inclusion implications of the legislative reforms, analyzing how different groups may be affected by the replacement of single-family dwellings with the housing typologies enabled via Bills 44 and 47. The model uses 'Gender-Based Analysis' to examine the intersections of gender, household type, visible minority status, Indigeneity, and income amongst renters in British Columbia. It concludes that overall increases in density and housing units generally enhance housing options for all renters. Specifically, single mothers, women living alone, and visible minority residents may experience improved outcomes in the types of housing generated by these reforms on a per unit basis.

At the same time, the complexity of the housing affordability crisis and its multifaceted impacts on different groups require nuanced policy responses to ensure equitable and inclusive housing outcomes across the capital region. Given the legislation's market-based approach to increasing housing, the reforms may not provide the deep levels of affordability needed to house some of our community's most vulnerable or precariously housed individuals. CRD staff continue to advance opportunities that increase the supply of non-market housing built and operated by the CRD's wholly owned housing corporation, the Capital Region Housing Corporation.

CONCLUSION

Recent provincial legislation represents a significant transformation in British Columbia's planning and land use framework. CRD staff will continue to work collaboratively with local governments around matter of regional collaboration, update service-specific plans and/or strategies as required and pursue initiatives that increase housing affordability and align with the strategic priorities established by the Board.

RECOMMENDATION

There is no recommendation. This report is for information only.

| | |
|---------------|--|
| Submitted by: | Jamie Proctor, MA, Manager, Housing Planning, Policy and Programs |
| Concurrence: | Don Elliott, BA, MUP, Acting General Manager, Planning & Protective Services |
| Concurrence: | Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer |

ATTACHMENTS:

- Appendix A: Municipal Housing Targets Table
- Appendix B: Estimated 20 Year Housing Need
- Appendix C: Transit Oriented Development Table and Map